IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

R/SPECIAL CIVIL APPLICATION NO. 18081 of 2025

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M/S. MACQUINO INNOVATIONS LLP
Versus
UNION OF INDIA THROUGH THE SECRETARY MINISTRY OF FINANCE DEPARTMENT OF REVENUE & ORS.

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Appearance:
MR. AMIT LADDHA, ADVOCATE FOR MR HARDIK P MODH(5344) for the Petitioner(s) No. 1
MR. UTKARSH SHARMA, SENIOR STANDING COUNSEL for the Respondent(s) No. 1,2

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CORAM: **HONOURABLE MR. JUSTICE A.S. SUPEHIA**
and
HONOURABLE MR. JUSTICE PRANAV TRIVEDI

Date : 05/01/2026

ORAL ORDER
(PER : HONOURABLE MR. JUSTICE A.S. SUPEHIA)

1 At the outset, learned advocates appearing for the respective parties have submitted that the issue involved in the present petition is squarely covered by the issue raised in Special Civil Application No. 14746 of 2025 and allied matters.

2 On 27.11.2025, this Court passed the following order in Special Civil Application No. 14746 of 2025 and allied matters, which reads thus:-

> *"1 Learned advocate Mr.Anand Nainawati for the petitioners has placed reliance on the order dated 26.08.2025 passed by the Division Bench of the High Court of judicature for Rajasthan, Bench at Jaipur. It is submitted that on an identical issue and on verbatim show-cause notice, the Court, while issuing notice to the respondents have stayed further proceedings.*
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> *2 Learned advocate Mr.Nainawati for the petitioners has further pointed out the observations recorded by the respondent*

authority in paragraph No. 4.2 of the order, wherein, a letter dated 04.07.2023 has also been referred to the Director of International Customs, Division CBIC, New Delhi for verification of data presented for claiming India-ASEAN Free Trade Agreement benefit under CAROTAR, 2020 and a detailed report was also forwarded requesting them to delve into the matter. However, it is submitted that without waiting for such report, the respondent No.3 has issued a show-cause notice.

3 Learned advocate for the petitioners Mr.Anand Nainawati also placed reliance on the Circular dated 21.10.2024 issued by the Ministry of Finance, Department of Revenue, clarifying the process to be adopted wherein, the proper officer has reason to believe that the subject product does not meet the prescribed originating criteria, he/she may seek information and supporting documents in relation to the originating status of the product and when the requisite information is not provided by the importer or the information furnished is insufficient to assess origin criteria, the process of verification gets triggered in terms of Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020 i.e. CAROTAR in brief read with Section 28DA of the Customs Act. Reference is also made by learned advocate Mr.Nainawati to the provisions of Section 28DA which in turn refers to the process of verification to be adopted as provided under the Rules which in turn are promulgated vide Notification No.189/2009 dated 31.12.2009 in exercise of the powers conferred by Sub-section(1) Section 5 of the Customs Tariff Act, 1975, the rules being called as "Customs Tariff (Determination of Origin of Goods under the Preferential Trade Agreement between the Governments of Member States of the Association of South East Asian Nations (ASEAN) and the Republic of India, Rules 2009, read with the Notification No. 81/2020 dated 21.08.2020 which have come into force from 01.01.2010 and has submitted that the procedure prescribed under these rules for verification which in turn mentions about the retro active check on the producers/exporters is not at all considered while issuing the show-cause notice.

4 We have perused the contents of the show-cause notice and the procedure adopted by the respondent No.3. Prima facie, we find that the respondent No.3 has placed reliance on the AIFTA Rules and has concluded that since the same do not provide any defined machanizm or frame work to verify such claims or ensure that the origin of the raw materials aligns with the criteria for prevention treatment under the agreement, it becomes essential to conduct comprehensive examination of the origin criteria by analyzing not only the specific production process related to the goods supplied to India but also the suppliers overall production record.

5 The show-cause notice is bereft of the procedure for verification as prescribed in the aforesaid rules. Hence, we are *inclined to further stay the proceedings emanating from the impugned show-cause notices dated 13.03.2025, 26.03.2025, 11.03.2025, 15.04.2025 and 15.07.2025 in the respective petitions, till the next date of hearing.*

6 Issue notice to the respondents, returnable on 18th December, 2025.
To be listed on top of the Board."

3 Accordingly, registry shall issue notice to the respondents, making it returnable on 13th January,2026. The impugned Show Cause Notice shall remain stayed till the next date of hearing. To be listed on top of the Board.

4 It will be open for the petitioner to serve the respondents through E-mail, in addition to the normal mode of service.

Direct service is also permitted.

(A. S. SUPEHIA, J)

(PRANAV TRIVEDI,J)

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