

OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-V)

सीमाशुल्कआयुक्त (एनएस - V) काकार्यालय
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA,
जवाहरलालनेहरुसीमाशुल्कभवन, न्हावाशेवा,
TALUKA – URAN, DISTRICT - RAIGAD, MAHARASHTRA -400707
तालुका - उरण, जिला - रायगढ़, महाराष्ट्र 400707

DIN – 20251278NX0000666B00

Date of Order:11.12.2025

F. No. S/10-145/2021-22/COMMR/NS-V/CAC/JNCH

Date of Issue:11.12.2025

SCN No.:454/2020-21/SIIB(I) JNCH

SCN Date: 30.09.2020

Passed by: Sh. Anil Ramteke

Commissioner of Customs, NS-V, JNCH

Order No:290/2025-26/COMMR/NS-V/CAC/JNCH

Name of Noticees: M/s Crompton Greaves Consumer Electricals Ltd., (IEC –0315907576)

ORDER-IN-ORIGINAL

मूल - आदेश

1. The copy of this order in original is granted free of charge for the use of the person to whom it is issued.

1. इसआदेशकीमूलप्रतिकीप्रतिलिपिजिसव्यक्तिकोजारीकीजातीहै, उसकेउपयोगकेलिएनिःशुल्कदीजातीहै।

2. Any Person aggrieved by this order can file an Appeal against this order to CESTAT, West Regional Bench, 34, P D'Mello Road, Masjid (East), Mumbai - 400009 addressed to the Assistant Registrar of the said Tribunal under Section 129 A of the Customs Act, 1962.

2. इसआदेशसेव्यथितकोईभीव्यक्तिसीमाशुल्कअधिनियम 1962 कीधारा 129 (ए) केतहतइसआदेशकेविरुद्धसी.ई.एस.टी.ए.टी., पश्चिमीप्रादेशिकन्यायपीठ (वेस्टरीजनलबेंच), 34, पी. डी.मेलोरोड, मस्जिद(पूर्व), मुंबई - 400009 कोअपीलकरसकताहै, जोउक्तअधिकरणकेसहायकरजिस्ट्रारकोसंबोधितहोगी।

3. Main points in relation to filing an appeal:-

3. अपीलदाखिलकरनेसंबंधीमुख्यमुद्दे:-

Form - Form No. CA3 in quadruplicate and four copies of the order appealed against (at least one of which should be certified copy).

फार्म - सीए3, चारप्रतियोंमेंतथाउसआदेशकीचारप्रतियाँ, जिसकेखिलाफअपीलकीगयीहै (इनचारप्रतियोंमेंसेकमसेकमएकप्रतिप्रमाणितहोनीचाहिए).

Time Limit - Within 3 months from the date of communication of this order.

समयसीमा - इसआदेशकीसूचनाकीतारीखसे 3 महीनेकेभीतर

Fee - फीस-

(a) Rs. One Thousand - Where amount of duty & interest demanded & penalty imposed is Rs. 5 Lakh or less.

(क) एकहजाररुपयजहाँमाँगेगयेशुल्कएवंब्याजकीतथालगायीगयीशास्तिकीरकम

- लाखरुपयेयाउससेकमहै।
- (b) Rs. Five Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 5 Lakh but not exceeding Rs. 50 Lakh.
- (ख) पाँचहजाररुपये - जहाँमाँगेगयेशुल्कएवंब्याजकीतथालगायीगयीशास्तिकीरकम 5
लाखरुपयेसेअधिकपरंतु 50 लाखरुपयेसेकमहै।
- (c) Rs. Ten Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 50 Lakh.
- (ग) दसहजाररुपये - जहाँमाँगेगयेशुल्कएवंब्याजकीतथालगायीगयीशास्तिकीरकम 50
लाखरुपयेसेअधिकहै।

Mode of Payment - A crossed Bank draft, in favor of the Asstt. Registrar, CESTAT, Mumbai payable at Mumbai from a nationalized Bank.

भुगतानकीरीति - क्रॉसबैंकड्राफ्ट, जोराष्ट्रीयकृतबैंकद्वारासहायकरजिस्ट्रार, सी.ई.एस.टी.ए.टी., मुंबईकेपक्षमेंजारीकियागयाहोतथामुंबईमेंदेयहो।

General - For the provision of law & from as referred to above & other related matters, Customs Act, 1962, Customs (Appeal) Rules, 1982, Customs, Excise and Service Tax Appellate Tribunal (Procedure) Rules, 1982 may be referred.

सामान्य - विधिकेउपबंधोंकेलिएतथाऊपरयथासंदर्भितएवंअन्यसंबंधितमामलोंकेलिए, सीमाशुल्कअधिनियम, 1962, सीमाशुल्क (अपील) नियम, 1982, सीमाशुल्क, उत्पादशुल्कएवंसेवाकरअपीलअधिकरण (प्रक्रिया) नियम, 1982 कासंदर्भलियाजाए।

4. Any person desirous of appealing against this order shall, pending the appeal, deposit 7.5% of duty demanded or penalty levied therein and produce proof of such payment along with the appeal, failing which the appeal is liable to be rejected for non-compliance with the provisions of Section 129E of the Customs Act 1962.

4.

इसआदेशकेविरुद्धअपीलकरनेकेलिएइच्छुकव्यक्तिअपीलअनिर्णीतरहनेतकउसमेंमाँगेगयेशुल्क अथवाउद्गृहीतशास्तिका 7.5 % जमाकरेगाऔरऐसेभुगतानकाप्रमाणप्रस्तुतकरेगा, ऐसानकियेजानेपरअपीलसीमाशुल्कअधिनियम, 1962 कीधारा 129 E केउपबंधोंकीअनुपालननकियेजानेकेलिएनामंजूरकियेजानेकीदायीहोगी।

Subject: Adjudication of Show Cause Notice No. 454/2020-21/SIIB(I) JNCH dated 30.09.2020 issued to M/s Crompton Greaves Consumer Electricals Ltd., (IEC – 0315907576)–reg.

BRIEF FACTS OF THE CASE

1. A SCN No. 454/2020-21/SIIB(I) JNCH dated 30.09.2020 issued to M/s Crompton Greaves Consumer Electricals Ltd.(hereinafter referred to as “CGCEL”) (IEC – 0315907576) having office address at Equinox Business Park, Tower-3, 1st Floor, LBS Marg, Kurla (West), Mumbai, Maharashtra, Pin-400070, hereinafter referred to as ‘importer’, imported the goods having description “MCPCB-metal core printed circuit board” to be used in the manufacturing of LED lights, with different dimensions and product codes during the period from 01.04.2018 to 30.09.2020 and classified the same under Customs Tariff heading 85340000, i.e., printed circuits and availed the zero basic customs duty benefits under Notification 24/2005-Cus dated 01.03.2005 (Sr. no. 22). However, the goods MCPCB is a type of PCB with metallic base and do not conform to the Chapter Note 6 of Chapter 85 that read as “For the purposes of heading 8534, “printed circuits” are circuits obtained by forming on an insulating base” and appears to be classifiable under CTI 94059900, i.e., parts of LED light not elsewhere classified.

2. In this regard, Summon under Section 108 of the Customs Act, 1962, was issued to the Director, M/s Crompton Greaves Consumer Electricals Ltd. In response, Ms.MitaliBasu, Associate Vice-President-Legal of M/s Crompton Greaves Consumer Electricals Ltd appeared on 29.11.2019, whose statement was recorded (RUD-1). In statement, she inter-alia stated that: -

- i. she had been explained by Crompton Greaves persons about the variation in classification along with the Department’s technical view, who were also present during the recording of the summons proceeding; that she belief that MCPCB ought to be classified under CTH 9405 instead of CTH 8534 currently being done by the importer;
- ii. Having understood the classification, she had brought the facts in the notice of the management of M/s Crompton Greaves Consumer Electricals Ltd during the summons proceedings on 29.11.2019.
- iii. The management has shown their intent of paying the duty. Further, she stated that as soon as the quantification of imports of MCPCB is conducted by them, they would present themselves for closure of the proceedings of MCPCB classification issue.

3. As no response was received from the importer, Summons was issued to the technical head on dt.24.12.2019 for recording statement under Section 108 of the Customs Act, 1962. In response, Mrs. Uma Lanka, Technical head, M/s Crompton Greaves Consumer Electricals Ltd sent letter dt. 30.12.2019 regarding clarification on the classification of MCPCB along with the technical opinion dt.28.12.2019 on

classification of MCPCB by Dr. Kishore Chatterjee, Professor, IIT Powai (RUD-2). In the said letter, she stated that MCPCB is a PCB with metal cladding as an additional layer and metal is not the base of MCPCB and it is correctly classifiable under CTI 8534 0000. Further, in the said technical opinion by Dr. Kishore Chatterjee, it was opined that MCPCB confirms to Chapter Note 6 of Chapter 85 but he also mentioned that MCPCB is a PCB with metallic base.

4. Summons were issued again to the technical head, M/s Crompton Greaves Consumer Electricals Ltd on 31.12.2019 and 11.03.2020. Accordingly, statement of Mrs. Uma Lanka, Associate Vice-president- Design & Technology, M/s Crompton Greaves Consumer Electricals Ltd were recorded under Section 108 of the Customs Act, 1962 on 16.03.2020 & 17.03.2020. (RUD-3), wherein she inter-alia stated that:-

- i. She is the design and technology head in the lighting division of M/s Crompton Greaves Consumer Electricals Ltd;
- ii. MCPCB (metal core printed circuit board) is a type of PCB- with 3 layers with top layer of conducting element which form the track or circuit on 2nd insulating layer (di-electric) and 3rd layer is the metal layer of Aluminum or Copper;
- iii. MCPCB is a PCB with a metallic base.
- iv. On being asked in reference of screenshots of online available sources i.e., websites (RUD-4) that clearly mentioned metal as core/base of MCPCB, she inter-alia stated that the open sources shown appears to be from the websites of various manufacturers.

5. Summons were issued to Dr. Kishore Chatterjee, Professor, Department of Electrical Engineering, IIT Powai on 02.06.2020 & 30.06.2020 under section 108 of the Customs Act, 1962. In response on 30.06.2020, he stated that he stand by his above-mentioned technical opinion dt. 28.12.2019 and also forwarded the communication by M/s Crompton Greaves Consumer Electricals Ltd with IIT Powai regarding technical opinion on MCPCB along with payment for the said technical opinion. Later, the statement of Dr. Kishore Chatterjee was recorded on 24.08.2020 under section 108 of the Customs Act, 1962 through video conferencing and subsequently, he sent the written statement duly signed on official E-mail ID of SIIB(I) (RUD-5). In the said statement, he inter-alia stated that

- i. The layer of aluminum (or its alloy) can be interpreted as the 'base' of the MCPCB.
- ii. The catalogue/data sheets of manufacturers of MCPCB generally follows this particular interpretation.

6. Relevant sections of Customs Act, 1962 are reproduced below:

SECTION 28 (Recovery of duties not levied or not paid or short-levied or short-paid or erroneously refunded) reads as:

"(1) Where any duty has not been levied or not paid or has been short-levied or short-paid or erroneously refunded, or interest payable has not been paid, part-paid or erroneously refunded, for any reason other than the reasons of collusion or any willful mis-statement or suppression of facts,-

(a) The proper officer shall, within two years from the relevant date, serve notice on the person chargeable with the duty or interest which has not been so levied or paid or which has been short-levied or short-paid or to whom the refund has erroneously been made, requiring him to show cause why he should not pay the amount specified in the notice:

SECTION 28AA – Interest of delayed payment of duty

(1) Notwithstanding anything contained in any judgement, decree, order or direction of any court, Appellate Tribunal or any authority or in any other Provision of Section 28, shall, in addition to such duty, be liable to pay interest, if any, at the rate fixed under sub-section (2), whether such payment is made voluntarily or after determination of the duty under that section.

7. The importer M/s Crompton Greaves Consumer Electricals Ltd. correctly described the goods as MCPCB while filing Bills of Entry. No discrepancy/suppression of facts have been found in the declaration in the description field of B/E by the importer. Therefore, the demand is being made for 2 years from 01.04.2018 in terms of Section 28(1) of the Customs Act, 1962 as aforesaid i.e., the period after 31.03.2018.

8. The importer classified the goods, viz., MCPCB under CTI 8534 0000. However, CTI 8534 0000 is specific for printed circuits as produced below:

Chapter 85:-

Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles

CTH 8534 0000:-

Printed Circuits:

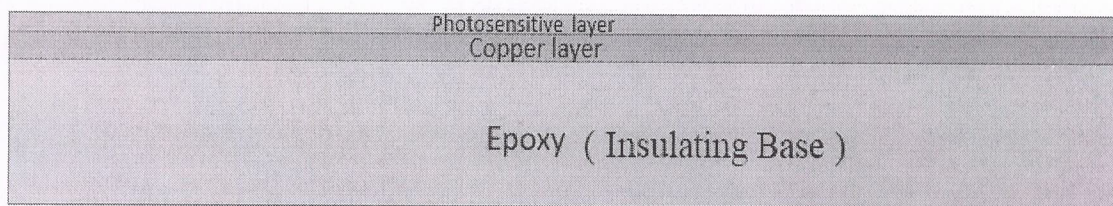
Further, Note 6 of Chapter 85 is produced below:-

"For the purposes of heading 8534, "printed circuits" are circuits obtained by forming on an insulating base, by any printing process (for example, embossing, plating-up, etching) or by the "film circuit" technique, conductor elements, contacts or other printed components (for example, inductances, resistors, capacitors) alone or interconnected according to a pre-established pattern, other than elements which can produce, rectify, modulate or amplify an electrical signal (for example, semi-conductor elements).

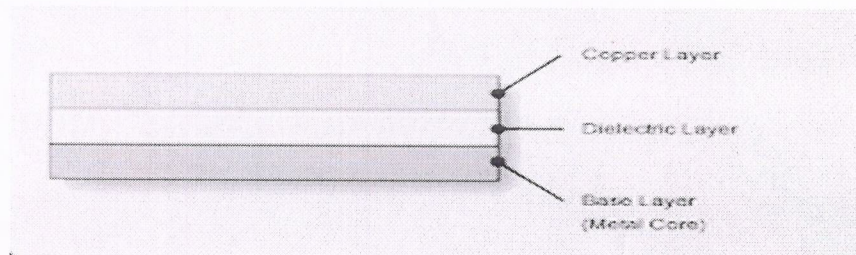
The expression “printed circuits” does not cover circuits combined with elements other than those obtained during the printing process, nor does it cover individual, discreet resistors, capacitors or inductances. Printed circuits may, however, be fitted with non-printed connecting elements.

Thin- or thick-film circuits comprising passive and active elements obtained during the same technological process are to be classified in heading 8542”.

9. As per the Chapter Note 6 of Chapter 85, it is evident that only those Printed Circuits, that are formed on an insulating base, should be fall under CTI 8534 0000. For the purpose of base for printed circuits in PCB (printed circuit board), there are many insulating materials (e.g., Epoxy, ceramic, FR-4, fiber glass etc.) on which the circuits are formed by different printing processes (e.g., embossing, plating-up, etching). In PCB, the base act as a physical layer or platform to provide physical strength and structure/shape as well as to hold the components. The basic PCB consists of 2 layers i.e circuit layer and base layer (insulating material). The basic layout of simple PCB is as below:-



10. In MCPCB (metal core printed circuit board), as evident from the websites of MCPCB manufacturers i.e., www.bestpcbs.com, www.raypcb.com, www.sfcircuits.com, www.optimatech.net, www.pcbway.com (**RUD-4**) that the MCPCB is made up of metal base. Generally, aluminum/copper is used as metal in MCPCB and these metals are conductor and not insulating as required by Chapter Note 6 of Chapter 85 mentioned above. As the base used in MCPCB is made of conductor, it will not fulfill the criteria of Chapter Note 6 of Chapter 85. Hence, it appears that MCPCB cannot be classified under CTI 8534 0000. The basic layout of simple MCPCB is as below:-



Here, MCPCB consist of 3 layers i.e., a metal base on which circuit needs to be formed but to make the circuit electrically non-conducting in respect of metal base, a very thin di-electric material is used to separate two metallic layers to avoid electric failure of circuit. Further, the thickness of above mentioned 3 layers, as mentioned in the submission by Dr. Kishore Chatterjee. Professor, IIT Powai, are as follows:

- i. The copper circuit: 35 micrometers to 140 micrometers.

- ii. The di-electric: 38 micrometers to 150 micrometers.
- iii. The metallic layer of aluminum or its alloy: 1000 micrometer to 3200micrometer.

It is not practically possible to separate the circuit and di-electric layer from the metal layer but assuming that if metallic layer removed from the MCPCB without changing the thickness of other 2 layers then the circuit cannot be used in practical application, like in this case, it cannot be used as part of LED fixture or light.

11. Further, the naming of different types of PCB i.e., FR-4 PCB, Cem-PCB, MCPCB etc is done on the basis of the material used for making the base of PCB. In FR4-PCB, base is made-up of FR4 material. In Cem-PCB, base is made-up of ceramic material. In MCPCB, base is made-up of metal.

12. Further, PCB has wide area of application and is used in all the electronic equipments. Whereas, MCPCB is mainly used in LED lighting industry. In LED lights, heat generation is very high due to the use of LED (light emitting diode). For stable functioning of LED lights, this heat needs to be dissipated otherwise the LED light might stop functioning after some time or life of LED light might be short due to high temperature in the LED casing. Hence, metal is used as base for PCB designed for LED lights and this metal helps in dissipating (conducting) the generated heat through it and help in stable and longtime functioning of LED light without fail. Comparatively, LED light made up of simple PCB has short life-span and as compared to LED light made up of MCPCB.

13. The goods Metal Core Printed Circuit Board (MCPCB) have been wrongly classified by the importer M/s Crompton Greaves Consumer Electricals Ltd. under HSN 8534 0000 which is specific for the “printed circuit” formed on insulating base and the goods MCPCB has conducting/metallic base which is different from the insulating base. Hence, it appears that MCPCB is appropriately classifiable under Tariff Heading 94059900 (parts of LED light not elsewhere classified). Further, text “MCPCB” has specific entry against CTH 9405 in schedule II (Sr. No. 227) of the Notification No 1/2017-Integrated Tax (Rate) dated 28.06.2017. Further, it has been clarified in ‘Explanation’ under the said Notification no. 1/2017 ibid that the harmonized system of nomenclature (HSN) under the notification have been drawn with the HSN code incorporated under the Schedule I of the Customs Tariff Act, 1975 and it reads as under :-

Explanation. – For the purposes of this Schedule, -

(i)

(ii)

- (iii) “Tariff item”, “sub-heading” “heading” and “Chapter” shall mean respectively a tariff item, sub-heading, heading and chapter as specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975).
- (iv) The rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), including the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall, so far as may be, apply to the interpretation of this notification.

Therefore, CTH 9405 appearing in the said Notification no. 01/2017 ibid has same coverage and meaning as that of Chapter Heading 9405 of the Customs Tariff.

14. In view of above statements. technical submission of professor, IIT Powai and information available online on MCPCB manufacturer websites, it appears that:
 - i. MCPCB (metal core printed circuit board) is a 3 layers PCB i.e., circuit layer, metal layer and di-electric layer to separate circuit and metal layer.
 - ii. MCPCB is a type of PCB having metal as a base.
 - iii. In trade parlance or manufacturers of MCPCB generally follow this interpretation of metal as base of MCPCB as evident from the submission of professor, IIT Powai (**RUD-5**) and manufacturers websites (**RUD-4**).

15. The applicable Basic Customs duty for the period from 01.04.2018 to 30.09.2020 is mentioned below:

Period	Duty paid			Duty payable			Remarks
	BCD	SWS	IGST	BCD *	SWS	IGST	
01.04.2018 to 31.03.2020	0	10%	18%	20%	10%	12%	*BCD rate changed from 20% to 25% vide clause 115(a) of Finance Bill, 2020 dt. 01.02.2020
01.02.2020 to 30.09.2020	0	10%	18%	25%	10%	12%	

BCD- Basic Customs Duty, SWS- Social Welfare Surcharge IGST- Integrated Goods & Services Tax

Bills of Entry wise differential duty that appears to have not been paid by the importer M/s Crompton Greaves Consumer Electricals Ltd. (IEC – 0315907576) is enclosed herewith as Annexure-A. Thus, the differential duty on the above mentioned 359 Bills of entry works out to **Rs 2,04,06,986/-**plus applicable interest.

16. In view of the pandemic COVID-19, ‘The taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020’ dated 31.03.2020 has been promulgated by the President of the Republic of India to provide relaxation in the provisions of certain Acts and for matters connected therewith or incidental thereto and Customs Act, 1962 finds

mention in Section 2 (2) of Chapter-I of the Ordinance *ibid*. Further, vide Section 6 falling under Chapter V of the Ordinance *ibid*, time limit specified, for completion or compliance of certain actions under the Customs Act, 1962 which fall during the period from 20th March 2020 to 29th June 2020, Stands extended to 30th June or any other such date that the Central Government may notify and the Show Cause Notice is accordingly issued in terms of Section 6(a) of the Ordinance *ibid*.

16.1. Subsequently, vide Notification dated 27.06.2020 issued by CBIC from F. No. CBEC-20/06/08/2020-GsT, the time limit for completion or compliance of actions specified under clause (a) or (b) of Section 6 of the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 dated 31.03.2020 were further extended. Therefore, in the subject case, the last date of issuance of SCN under Section 28 of the Customs Act, 1962 has to be considered as 30th day of September, 2020.

17. Further, 3 Show Cause Notices have already been issued in the case on dt. 14.12.2019, dt. 10.01.2020 and dt. 27.02.2020 to safeguard the revenue for the period from 14.12.2017 to 31.03.2018.

18. Therefore, M/s Crompton Greaves Consumer Electricals Ltd. was called upon to show cause before the Commissioner of Customs (Import), NS-V, Jawaharlal Nehru Custom House, Nhava Sheva, Raigad, Maharashtra – 400 707 (Adjudicating Authority) as to why,

- i. The declared CTI 8534 0000 of goods of description MCPCB in r/o 359 Bills of Entry as detailed in Annexure-A should not be rejected and should not be classified under CTI 9405 9900 with rate of duty as mentioned in Para 15 above.
- ii. The Differential Duty to the tune of **Rs 2,04,06,986/-** (Rupees Two Crore Four Lakh Six Thousand Nine Hundred and Eighty-Six Only) should not be paid by them under section 28(1)(a) of the Customs Act, 1962 in respect of said 359 Bills of Entry.
- iii. The interest should not be paid by them in r/o duty payable as aforesaid under section 28 AA of the Customs Act, 1962

19. During the course of adjudication of the subject SCN, it was noticed that department appeal in a similar matter, in the case of Commissioner of Customs Vs Crompton Greaves Consumer Electricals Ltd. was pending before the Hon'ble Supreme Court of India, and accordingly, in term of clause (a) of sub section (9A) of Section 28 of the Customs Act, 1962, the Competent Authority transferred the subject SCN to Call Book on 05.04.2023. The above decision of the Competent Authority was duly conveyed to the Noticee vide letter F. No. S/10-106/2022-23/NS-V/CAC/CC/JNCH dated 05.04.2023.

20. Further, after dismissal of the department appeal in the case of Commissioner of Customs *Vs* Crompton Greaves Consumer Electricals Ltd. by the Supreme Court of India, the Adjudication Authority intimated to the noticee about the decision of the Competent Authority for transfer of the subject SCN out of Call Book for further Adjudication vide letter F. No. S/10-106/2022-23/CC/NS-V/CAC/JNCH dated 08.05.2025.

21. Further, during the course of adjudication, it was noticed that M/s. Crompton Greaves Consumer Electricals Ltd. had filed a Writ Petition bearing No. 1616 of 2024 [Crompton Greaves Consumer Electricals Limited versus Union of India &Ors.] in the Hon'ble Bombay High Court in the instant case wherein the Hon'ble High Court has stayed the adjudication proceedings vide order dated 16.10.2024. Accordingly, in term of clause (a) of sub section (9A) of Section 28 of the Customs Act, 1962, the Competent Authority transferred the subject SCN to Call Book on 09.07.2025. The above decision of the Competent Authority was duly conveyed to the Noticee vide letter F. No. S/10-145/2020-21/CC/NS-V/CAC/JNCH dated 10.07.2025.

22. Further, after withdrawal of Writ Petition bearing NO. 1616 of 2024 filed by the Noticee in the Hon'ble Bombay High Court on 28.11.2025, the Adjudication Authority intimated to the noticee about the decision of the Competent Authority for transfer of the subject SCN out of Call Book for further Adjudication vide letter F. No. S/10-04/2022-23/CC/NS-V/CAC/JNCH dated 02.12.2025 and granted opportunity of personal hearing on 04.12.2025 in virtual mode.

WRITTEN SUBMISSIONS

23. The noticee, M/s. CGCEL, vide their letter dated 29.09.2022 and 06.03.2023 submitted that they did not receive the subject SCN dated 30.09.2020 prior to the issue of hearing notice dated 06.09.2022, they contacted the concerned officer and received the copy of the SCN dated 30.09.2020; that, therefore, they received the copy of SCN dated 30.09.2020 only on 08.09.2022; that the SCN dated 30.09.2022, is without any jurisdiction and shall be deemed to be concluded as if no notice has been issued that as per para 6, 7, and 18 of the SCN dated 30.09.2020, the impugned SCN has been issued under section 28 (1) (a) of the Customs Act, 1962; that as per Section 28(9)(a) of the Customs Act, 1962, the proper officer is statutorily required to determine the amount of duty or interest under Section 28(8) within 6 months from the date of notice; that since the SCN is dated 30.09.2020, the time limit of 6 months for issuing an order gets completed on 31.03.2021; that further, there is no letter\document placed on record to substantiate that the time limit of 6 months has been extended by any officer senior to the rank of the proper officer; that in absence of any extension in time limit to pass the order, the proceedings initiated by the SCN dated 30.09.2020 shall be deemed to have

been concluded as if no notice had been issued and placed reliance on judgement of the Punjab and Haryana High Court in case of HarkaranDassVedpal vs. UOI 2019 (368) E.L.T. 546 (P&H).

24. The importer further submitted that the issue is no more res integra as the Hon'ble CESTAT of Mumbai Bench vide it's Final Order No. A/85876/2022 dated 09.09.2022 in an identical issue have decided the matter in favour of the Noticee; that in the identical issue, the proper officer had issued an Assessment Order No. 687/2019-20 dated 08.01.2020 classifying the identical goods under CTI 94059900; that aggrieved by the said order, they preferred an appeal wherein the Commissioner Appeal vide it's Order in Appeal dated 22.07.2021 had confirmed the said Assessment order; that further aggrieved by the order, they preferred an appeal against the said Order-in-Appeal before the Hon'ble CESTAT, Mumbai Bench; that the CESTAT Bench vide its Final Order No. A/85876/2022 dated 09.09.2022 allowed the appeal filed by them and upheld the classification under CTH 85340000; that the order passed by Hon'ble CESTAT, Mumbai is binding on the Department and placed reliance on the decision of the Hon'ble Supreme Court in the case of *Kamlakshi Finance Corporation 1991 (55) ELT 433(SC)*; that therefore, the impugned SCN is liable to be set aside on this ground alone.

25. That the goods are appropriately classifiable under CTH 8534 as "Printed Circuits"; that the categories of 'printed circuits' covered under CTH 8534 have been explained in Chapter Note 6 of CTH 85; that MCPCB is a type of printed circuit board; that the metal cladding is an additional layer which was a later technological advancement; that MCPCB will not serve its purpose or function without the printed circuit; that in MCPCB, the printed circuits are obtained by forming on insulating base (dielectric layer); that the bottom aluminum layer in MCPCB is cladded with this insulating base to increase heat dissipation; that Printed Circuits cannot be etched on any metal surface directly without any intermediate insulating layer; that Printed circuit is etched on the intermediate insulating layer; that the goods imported under the subject Bills of entry meets the definition of "printed circuits" as given in Chapter Note 6; that, it is a cardinal principle of classification that a specific entry has to be preferred over a general entry; that since the entry of Printed Circuits of CTH 8534 specifically cover the product in question, the said entry has to be preferred over any other entry (if there be one for MCPCB); that as per Rule 1 of the General Rules of interpretation 'for legal purposes, classification shall be determined according to the terms of headings and any relative Section or Chapter Notes and, provided such heading or Notes do not otherwise require, according to the following provisions....'. Since the Chapter Notes define what a printed circuit is and the product imported meets the description mentioned in the chapter notes, the same should be classified under CTH 8534 following Rule 1 of the general rules of interpretation. To support its contention, the Noticee relies on the decision of the Hon'ble Apex Court in the case *CCE vs Wockhardt Life Sciences Ltd.*

(2012) 277 ELT 299 (SC), *Atul Glass Industries v Collector of Central Excise*, 1986 (251) ELT 473.

26. They further submitted that as per the expert opinion from Dr. Kishore Chatterjee, Professor, Department of Electrical Engineering, Indian Institute of Technology, Bombay, it is evident that the goods imported are Printed Circuits and they conform to the description given in the Chapter Note 6 to the Chapter 85. In this regard they relied upon case law of (i) *Parle Agro (P) Ltd Vs Commissioner of Commercial Taxes, Trivandrum*, 2017 (352) ELT 113(SC) (ii) the case of *Commissioner of Central Excise, Chennai-III Vs Greaves Ltd* 2002 (148) ELT 59 (Tri-Chennai); that an assessment of the goods is done on the basis of the form and manner in which the goods are presented for assessment; that the goods have to be assessed in the form in which they are imported and presented to the Customs; that the goods were presented as an independent item not as parts of LED or light fittings and thus cannot be classified under CTH 9405. The goods as presented to the Customs are standalone items, which are known in trade parlance as "Printed Circuits". To support its contention, the notice relies upon the judgement in *CC v. Sony India Ltd.*, 2008(231) ELT 385 (SC). The subject goods were not presented along-with some Lamps and Light fittings, so as to be construed as 'parts' thereof and therefore cannot be classified under CTH 9405; that it is also a fundamental rule of classification that a specific entry has to be preferred over a general entry. There is no specific entry for MCPCB in CTH 9405. At best it can be covered as "parts of lamps/lighting". So CTH 9405 would be a general entry, more particularly when no lamps/light fittings are imported along with MCPCB. Whereas CTH 8534 is a specific entry for Printed Circuits (which covers MCPCB). Thus, the specific entry of 8534 is to be preferred over general entry 9405. Therefore, the goods merit classification under CTH 8534.

27. Again, the Noticee, M/s. CGCEL vide email dated 24.11.2025 enclosing letter dated 24.11.2025 made the following submissions as under:

27.1 The Noticee-Company, in the regular course of business, imports the goods having description "MCPCB-Metal Core Printed Circuit Board" (hereinafter referred to as the "disputed goods" OR "subject goods") to be used in the manufacturing of LED lights. The said product was classified by the Noticee under Customs Tariff Item ("CTI") 85340000 which attracted 'zero' rate of basic customs duty ("BCD") under Notification 24/2005-Cus dated 01.03.2005.

27.2. During the period 01.04.2018 to 30.09.2020, the Noticee imported the subject goods under the cover of 359 Bills of Entry, the list whereof is enclosed as Annexure-A to the subject SCN.

27.3. The Customs Department initiated an investigation in relation to the classification adopted by the Noticee. Pursuant to the investigation, the captioned SCN (viz. Show Cause Notice No. 454/2020-21/SIIB(I)/JNCH dated 30.09.2020) was issued purporting to re-classify the subject goods under CTH 9405, as against the classification adopted by the Noticee under CTH 8534 and thereby proposing to demand differential duty. Annexed and marked as Exhibit "A" is the copy of the SCN dated 30.09.2020.

27.4. The copy of this SCN appears to have been received by one Mr. Ramesh on 30.09.2020, who was the Customs House Agent ('CHA') of the Noticee for certain consignment of goods imported by the Noticee. However, the said Mr. Ramesh neither communicated the copy of the SCN nor disclosed the fact of issuance of the SCN to the Noticee.

27.5. A personal hearing notice dated 06.09.2022 was issued by the Appraising Officer, CAC, NS-V/JNCH, scheduling the hearing in the SCN on 15.09.2022. This was the first occasion on which the Noticee became aware of the existence of the SCN.

27.6. Upon receiving the hearing notice, the Noticee promptly filed a preliminary reply dated 14.09.2022 stating, inter alia, that the SCN had already become time-barred under Section 28(9) of the Customs Act, 1962 and stood deemed concluded. It was also informed that the issue on merits already stands settled by Hon'ble Customs Excise Service Tax Appellate Tribunal ('CESTAT') in favour of the Noticee vide order dated 09.09.2022 in Appeal No. C/86852/2021. Hereto annexed and marked as Exhibit "B" is the copy of the reply filed vide letter dated 14.09.2022.

27.7. The Noticee thereafter submitted detailed written submissions vide letter dated 29.09.2022. Annexed and marked as Exhibit "C", the copy of the reply filed vide letter dated 29.09.2022.

27.8. After nearly five months, vide e-mail dated 27.02.2023, the Noticee was intimated about another personal hearing scheduled on 06.03.2023.

27.9. During the hearing on 06.03.2023, it was orally conveyed to the Noticee that the matter had earlier been transferred to the call book in July/ August 2021 in view of the judgment of the Hon'ble Supreme Court in Commissioner of Customs vs. Canon India Pvt. Ltd. [2022 (380) E.L.T. 529 (S.C.)]. This purported "first transfer to the call book" was only orally conveyed during this hearing, and never communicated nor formally intimated to the Noticee.

27.10. During the course of the same hearing, the Noticee inter alia submitted that (i) no intimation of the alleged call-book transfer had ever been received, (ii) even assuming such transfer had taken place, it was done after the expiry of the statutory six -month period prescribed under Section 28(9) of the Act and had become time barred on 31.03.2021, rendering the transfer itself invalid. Copy of the of e-mail dated 10.03.2023 sent by the Authorized Representative of the Noticee along-with the copy of amended personal hearing memo 2 2 2 incorporating shared by the Noticee incorporating these submissions is enclosed as Exhibit "D".

27.11. Thereafter, vide e-mail dated 30.03.2023, the Noticee was informed that the SON had been transferred to the call book under Section 28(9A)(a) of the Act on 29.03.2023 in view of a pending departmental appeal before the Hon'ble Supreme Court in the Noticee's own case. This constitutes the "second transfer to the call book."

27.12. That both the alleged first transfer and the communicated second transfer occurred after the expiry of the statutory adjudication timeframe. Being aggrieved by the action of transferring an already-expired SCN to the call book and attempting to revive jurisdiction by invoking Section 28 (9A) of the Act, Noticee filed Writ Petition No. WP/ 1616/2024 before the Hon'ble Bombay High Court, and the matter is presently pending before the High Court on this issue.

27.13. Thereafter, the captioned personal hearing notice dated 14.11.2025 has been issued to the Noticee communicating the personal hearing in the captioned SCN on 24. 11.2025. It appears that the matter has now been taken out of the call book by the Department because of the Order dated 29.11.2024 of the Hon'ble Supreme Court in Civil Appeal Diary No. 28888/2024.

27.14. In the light of the above facts, Noticee would like to make the following additional submissions which may be taken as part and parcel of the reply to the SCN.

27.15. The issue of classification of the subject goods (viz. MCPCB) under CTH 8534 0000 is no longer res-integra having been decided by the Hon'ble CESTAT, Mumbai Bench in Noticee's own case reported in Crompton Greaves Consumer Electricals Ltd. vs Commissioner of Customs 2023 (6) TMI 1408 - CESTAT Mumbai and affirmed by the Hon'ble Supreme Court in Commissioner of Customs vs. Crompton Greaves Consumer Electricals Ltd. [2024 (11) TMI 1453 - SC ORDER]. It appears that it is based on this order of the Hon'ble Supreme Court that the issue has now been taken out of call book for adjudication. Copy of the Order of

the Hon'ble CESTAT, Mumbai Bench in Noticee's own case reported in Crompton Greaves Consumer Electricals Ltd. vs Commissioner of Customs 2023 (6) TMI 1408 – CESTAT Mumbai is enclosed at Exhibit "E" and Order of Honhble Supreme Court in Commissioner of Customs vs. Crompton Greaves Consumer Electricals Ltd. [2024 (11) TMI 1453 - SC ORDER] is enclosed at Exhibit "F".

27.16. It is also pertinent to highlight that following the Orders of the Honhble CESTAT issued in Noticee's case and taking note that the Supreme Court has also dismissed the Revenue's SLP against the CESTAT Final Order dated 28.06.2023, in an identical issue faced by Surya Roshni Ltd., the Ld. Joint Commissioner of Customs, CAC, NS-V, JNCH vide Order-in-Original No. 279/2025-26/JC/GR.VA/NS-WCAC/JNCH dated 05.06.2025 was pleased to hold that MCPCB is appropriately classifiable under CTH 8534 0000, and was pleased to drop the Show Cause Notice issued to the said assessee. Hereto annexed and marked as Exhibit "G" is the copy of the Order dated 05.06.2025. The present SCN also deserves to be dropped forthwith in line with the principles of "stare decisis" and the principle of uniformity and conformity in matters of classification.

27.16. The Noticee further repeats and reiterates the grounds on merits and on limitation taken in its reply dated 14.09.2022 and 29.09.2022, as well as the submissions made during hearing held on 06.03.2023, and is not being repeated here for the sake of brevity. Noticee also submits that both transfers to call book in the present case was beyond the provisions contained in the Statute (Section 28(9) of Customs Act, 1962) and therefore the SCN ought to be dropped on this count as well.

27.17. In view of the above, it is requested that the proceedings be dropped.

PERSONAL HEARING

28. Shri Sanjeev Nair, Advocate of M/s Crompton Greaves Consumer Electricals Ltd. appeared before me for virtual personal hearing on 04.12.2025 and reiterated the contents of their reply dated 24.11.2025. They contended that the issue of classification of the subject goods (viz. MCPCB) under CTH 8534 0000 is no longer res-integra having been affirmed by the Hon'ble Supreme Court in Commissioner of Customs vs. Crompton Greaves Consumer Electricals Ltd. [2024 (11) TMI 1453 - SC ORDER]. Therefore, the importer requested that the proceedings be dropped.

DISCUSSION AND FINDINGS

29. I have carefully gone through the entire records of the case, the subject SCN dated 30.09.2020, the relied upon documents, evidence/material on record, facts of the case, submissions and evidences referred in the investigation. The case was examined in the light of the evidences produced by the department and applicable laws/rules, written and oral submissions made by the Noticee/authorized representative on behalf of the Noticee in response to the subject SCN.

30. In compliance to provisions of Section 28(8) and Section 122A of the Customs Act, 1962 and in terms of the principles of natural justice, opportunity for Personal Hearing (PH) was granted to the Noticee on 04.12.2025. Accordingly, the PH on 04.12.2025 was held before me. Having complied with the requirement of the principle of natural justice, I proceed to decide the case on merits, bearing in mind the submission / contention made by the Noticee/ Authorized representative and facts of the case.

31. On a careful perusal of the Show Cause Notice and case records, I find that following main issues emerges for decision in this case:

31.1. Whether the item-“MCPCB” imported vide 359 Bills of Entry mentioned in the Annexure-A to the SCN is rightly classifiable under CTH 85340000 or 94059900.

31.2. Whether the Differential Duty to the tune of Rs. 2,04,06,986/-(Rupees Two Crore Four Lakh Six Thousand Nine Hundred and Eighty-Six Only) is recoverable from the importer under section 28(1)(a) of the Customs Act, 1962 along with the interest as applicable under Section 28AA of the Customs Act, 1962 in respect of said 359 Bills of Entry.

31.3. Whether the demand is sustainable or time bar

32. After having identified and framed the main issues to be decided, I now proceed to deal with each of the issues individually for analysis on light of facts, circumstances of the case, provisions of the Customs Act, 1962 and various judicial pronouncements.

33. Whether the item- “MCPCB” imported vide 359 Bills of Entry mentioned in the Annexure-A to the SCN is rightly classifiable under CTH 85340000 or 94059900.

33.1. It is alleged in the Show Cause Notice that the Noticee/importer has wrongly classified the goods i.e. MCPCB under CTI 8534 00 00 and proposed to classify the same in CTI 9405 40 90.

33.2. I find that Chapter 85 deals in “*Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles*”

CTI 8534 0000

Printed Circuits:

- 33.3. Further, I find that Chapter 94 deals in “Furniture; Bedding, Mattresses, Mattress Supports, Cushions and similar Stuffed Furnishings; Luminaires and Lighting Fittings, not elsewhere specified or included; illuminated Signs, Illuminated Name-Plates and the like; Prefabricated Buildings”

CTI 9405 4090

--- Other

- 33.4. I find that the Hon’ble CESTAT, Mumbai Bench vide its order No. A/85876/2022 dated 09.09.2022 in identical matter of M/s Crompton Greaves Consumer Electricals Ltd. Vs Commissioner of Customs, NhavaSheva has ruled that the impugned imported goods i.e. MCPCB is rightly classifiable under CTI 8534 0000. The relevant portion of the said CESTAT order dated 09.09.2022 is reproduced as under: -

7. The lower authorities have taken the two rival entries and applied rule 3(c) of the General Rules for the Interpretation of the Import Tariff which is relevant at the heading, and not to the descriptions at the tariff item level. The provisions for interpretation required identification of the heading at the four digit level for the purposes of comparison between two rival claims. That sought by the appellant herein is 'printed circuits.

corresponding to heading 8534 of the First Schedule to Customs Tariff Act, 1975 while that adopted by the assessing authority is

'lamps and lighting fittings including searchlights and spotlights and parts thereof, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like, having permanently fixed light source, and parts thereof not elsewhere specified or included'

corresponding to heading 9405 of First Scheduled to Customs Tariff Act, 1975. The specificity of description in the claimed classification is not anywhere matched by the description within which the assessing authorities have sought to place the impugned goods. Moreover, it is clear from the description that 'parts', if at all finding fitment within heading 9405 of First Schedule to Customs Tariff Act, 1975, should not be specified or included elsewhere. In the light of the specific description, notwithstanding the addition of a metallic layer which does not find elaboration in the rival heading too, rule 3 (a) of the General Rules for the Interpretation of Import Tariff offers the solution without having to proceed further.

8. In re Hindustan Ferodo Ltd, it has been held that

3. It is not in dispute before us, as it cannot be, that the onus of establishing that the said rings fell within Item 22F lay upon the Revenue. The Revenue led no evidence. The onus was not discharged. Assuming therefore, that the Tribunal was

right in rejecting the evidence that was produced on behalf of the appellants, the appeal should, nonetheless, have been allowed.'

and in HPL Chemicals Ltd v. Commissioner of Central Excise, Chandigarh [2006 (197) ELT 324 (SC)], the Hon'ble Supreme Court has held that

'29. This apart, classification of goods is a matter relating to chargeability and the burden of proof is squarely upon the Revenue. If the Department intends to classify the goods under a particular heading or sub-heading different from that claimed by the assessee, the Department has to adduce proper evidence and discharge the burden of proof. In the present case the said burden has not been discharged at all by the Revenue. On the one hand, from the trade and market enquiries made by the Department, from the report of the Chemical Examiner, CRCL and from HSN, it is quite clear that the goods are classifiable as "Denatured Salt" falling under Chapter Heading No. 25.01. The Department has not shown that the subject product is not bought or sold or is not brown or is dealt with in the market as Denatured Salt. Department's own Chemical Examiner after examining the chemical composition has not said that it is not denatured salt. On the other hand, after examining the chemical composition has opined that the subject matter is to be treated as Sodium Chloride.'

9. We take note from our analysis supra that the onus devolving on the assessing authorities has not been discharged in accordance with the law as held. The classification adopted by the assessing authorities fails in the face of the specific entry which the respondent herein has not been able to demonstrate as having been excluded from the claimed description. Consequently, we set aside the impugned order and allow the appeal.

33.5. Here, I find that against the above order of CESTAT dated 09.09.2022, an appeal was filed by the department before Hon'ble Supreme Court of India, wherein the Hon'ble Supreme Court of India vide its Order dated 29.11.2024 in Civil Appeal Diary No. 28888/2024 dismissed the departmental appeal on the ground of delay as well as on merits by stating that they saw no good ground to interfere with the impugned order passed by the CESTAT, Mumbai. I also find that the said order dated 29.11.2024, passed by Hon'ble Supreme Court of India has been accepted by the department.

33.6. I observe that the matter has attained finality vide said Hon'ble Supreme Court order dated 29.11.2024 in Civil Appeal Diary No. 28888/2024 and the impugned goods MCPCB are to be classified under CTI 8534 00 00. Therefore, I am of considered view that the demand of differential duty of **Rs 2,04,06,986/-** (Rupees Two Crore Four Lakh Six Thousand Nine Hundred and Eighty-Six Only) under Section 28(4) along with interest under Section 28AA of the Customs Act, 1962


raised vide said SCN dated 10.08.2022 against the Noticee/importer is not sustainable.

34. In view of the discussion and findings above, I pass the following order:

ORDER

I drop the proceeding initiated under the impugned Show Cause Notice No.454/2020-21/SIIB(I) JNCH dated 30.09.2020 issued to M/s Crompton Greaves Consumer Electricals Ltd., (IEC – 0315907576).

35. This Order is issued without prejudice to any other action that may be taken in respect of the above goods and/or the persons/firms mentioned in the notice under the provisions of the Act and/or any other law for the time being in force, in the Republic of India.


(अनिलरामटेके / ANIL RAMTEKE)

सीमाशुल्क आयुक्त / Commissioner of Customs
एनएस-V, जेएनसीएच / NS-V, JNCH.

To

1. M/s Crompton Greaves Consumer Electricals Limited, Equinox Business Park, Tower 3, 1st Flr, Lbs Marg, Kurla West, Mumbai, Maharashtra.
Pin-400070.

Copy to:

1. The Addl. Commissioner of Customs, Group VA, JNCH
2. AC/DC, Chief Commissioner's Office, JNCH
3. AC/DC, Centralized Revenue Recovery Cell, JNCH
4. Superintendent (P), CHS Section, JNCH – For display on JNCH Notice Board.
5. EDI Section.
6. Office copy.