



सीमा शुल्क आयुक्त का कार्यालय, एनएस-III  
OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-III  
केंद्रीकृत अधिनिर्णयन प्रकोष्ठ, जवाहरलाल नेहरू सीमा शुल्क भवन  
CENTRALIZED ADJUDICATION CELL, JAWAHARLAL NEHRU CUSTOM HOUSE,  
न्हावा शेवा, तालुका-उरण, जिला- रायगढ़, महाराष्ट्र -400 707  
NHAVA SHEVA, TALUKA-URAN, DIST- RAIGAD, MAHARASHTRA-400707

Adj. File No: S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN File No: CUS/APR/SCN/301/2023-Group 4

Date: 20.02.2026

SCN No: 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025  
SCN is issued by Appraising Group-IV, NS-III, JNCH

DIN: 20260278NX0000712298

आदेश की तिथि Date of Order	:	20.02.2026
जारी किए जाने की तिथि Date of Issue	:	20.02.2026
आदेश सं. Order No.	:	398/2025-26/आयुक्त/एनएस-III/ सीएसी/जेएनसीएच 398/2025-26/Commr./NS-III /CAC/JNCH
पारितकर्ता Passed by	:	श्री विजय रिशी SH. VIJAY RISI प्रधान आयुक्त, सीमाशुल्क (एनएस-3), जेएनसीएच, न्हावा शेवा Pr. Commissioner of Customs (NS-III), JNCH, Nhava Sheva
पक्षकार (पार्टी)/ नोटिसी का नाम Name of Party/ Noticee	:	मेसर्स कुक्स एरीना। M/s. Cooks Arena.

मूलआदेश

**ORDER-IN-ORIGINAL**

- इस आदेश की मूल प्रति की प्रतिलिपि जिस व्यक्तिको जारी की जाती है, उसके उपयोग के लिए निःशुल्क दी जाती है।  
The copy of this order in original is granted free of charge for the use of the person to whom it is issued.
- इस आदेश से व्यथित कोई भी व्यक्ति सीमाशुल्क अधिनियम १९६२ की धारा १२९(ए) (के तहत इस आदेश के विरुद्ध सी ई एस टी ए टी, पश्चिमी प्रादेशिक न्यायपीठ (वेस्ट रीज़नल बेंच, ३४, पी .डी .मेलोरोड, मस्जिद (पूर्व), मुंबई- ४०० ००९ को अपील कर सकता है, जो उक्तअधिकरण के सहायक रजिस्ट्रार को संबोधित होगी।  
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.
- अपील दाखिल करने संबंधी मुख्य मुद्दे:-  
Main points in relation to filing an appeal:-

<b>फार्म Form</b>	: फार्म न .सीए ३, चार प्रतियों में तथा उस आदेश की चार प्रतियाँ, जिसके खिलाफ अपील की गयी है (इन चार प्रतियों में से कमसे कम एक प्रति प्रमाणित होनी चाहिए)
	Form No. CA3 in quadruplicate and four copies of the order appealed against (at least one of which should be certified copy)
<b>समय सीमा Time Limit</b>	: इस आदेश की सूचना की तारीख से ३ महीने के भीतर
	Within 3 months from the date of communication of this order.
<b>फीस Fee</b>	: (क) एक हजार रुपये-जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्तिकी रकम ५ लाख रुपये या उस से कम है।
	(a) Rs. One Thousand - Where amount of duty & interest demanded & penalty imposed is Rs. 5 Lakh or less.
	(ख) पाँच हजार रुपये- जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्तिकी रकम ५ लाख रुपये से अधिक परंतु ५० लाख रुपये से कम है।
	(b) Rs. Five Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 5 Lakh but not exceeding Rs. 50 lakh
	(ग) दस हजार रुपये-जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्तिकी रकम ५० लाख रुपये से अधिक है।
	(c) Rs. Ten Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 50 Lakh.
<b>भुगतान की रीति Mode of Payment</b>	: क्रॉस बैंक ड्राफ्ट, जो राष्ट्रीयकृत बैंक द्वारा सहायक रजिस्ट्रार, सी ई एस टी ए टी, मुंबई के पक्षमें जारी किया गया हो तथा मुंबई में देय हो।
	A crossed Bank draft, in favour of the Asstt. Registrar, CESTAT, Mumbai payable at Mumbai from a nationalized Bank.
<b>सामान्य General</b>	: विधि के उपबंधों के लिए तथा ऊपर यथा संदर्भित एवं अन्य संबंधित मामलों के लिए, सीमाशुल्क अधिनियम, १९९२, सीमाशुल्क (अपील) नियम, १९८२ सीमाशुल्क, उत्पादन शुल्क एवं सेवा कर अपील अधिकरण (प्रक्रिया) नियम, १९८२ का संदर्भ लिया जाए।
	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.

4. इस आदेश के विरुद्ध अपील करने के लिए इच्छुक व्यक्ति अपील अनिर्णीत रहने तक उस में माँगे गये शुल्क अथवा उद्गृहीत शास्ति का ७.५ % जमा करेगा और ऐसे भुगतान का प्रमाण प्रस्तुत करेगा, ऐसा न किये जाने पर अपील सीमाशुल्क अधिनियम, १९६२ की धारा १२८ के उपबंधों की अनुपालना न किये जाने के लिए नामंजूर किये जाने की दायी होगी।

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 129 of the Customs Act 1962.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

The proceedings of the present case emanate out of Show Cause Notice No. **1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10-12-2025** (hereinafter called in short as “SCN”), issued by the Commissioner of Customs, NS-III, JNCH, Mumbai Customs Zone-II vide F. No. CUS/APR/SCN/301/2023-Group 4-O/o-Commissioner to **M/s Cooks Arena (IEC: 3416903765)** having address A-1 169, GIDC, Ankleshwar, Ankleshwar, Bharuch, Gujrat, 393002 (hereinafter referred to as “Noticee” or “Importer”);

**BRIEF FACTS OF THE CASE**

**1. M/s. Cooks Arena (IEC: 3416903765)** situated at A-1 169, GIDC Ankleshwar, Ankleshwar, Bharuch, Gujrat, 393002(herein after referred as ‘Importer’) had imported consignments of items namely ‘Stainless Steel Triply Circles’ of various grades under CTH73269070 (hereinafter referred to as 'the said goods') as detailed in TABLE-I, as follows:

<b>TABLE-I</b>							
S. No	BOE NO.	Date	ITEM S.NO.	Description of Goods	Declared Classification under Bills of Entry	ASSESSABLE VALUE (Rs.)	Total Duty paid as per BE (Rs.)
1	2102441	24.12.2020	1	ALUMINIUM CLADDED CIRCLES 3PLY(304S.S.0.4MM+ALMN.1.1MM+430S.S.0.6MM=TOTAL THICKNESS 2.1MM)	73269070	2,261,266	700,540
2	2102441	24.12.2020	2	ALUMINIUM CLADDED CIRCLES 3PLY(304S.S.0.4MM+ALMN.1.5MM+430S.S.0.6MM=TOTAL THICKNESS 2.5MM)	73269070	6,927,831	2,146,242
3	2314102	11.01.2021	1	ALUMINIUM CLADDED CIRCLES 3PLY(SS304 0.4MM + AL 2.8MM + SS430 0.6MM=TOTAL THICKNESS 3.8MM)	73269070	131,834	40,842
4	2314102	11.01.2021	2	ALUMINIUM CLADDED CIRCLES 3PLY (SS304 0.4MM + AL 2.8MM + SS430 0.6MM=TOTAL THICKNESS 3.8MM)	73269070	172,411	53,413
5	2314102	11.01.2021	3	ALUMINIUM CLADDED CIRCLES 3PLY (SS304 0.4MM + AL 2.0MM + SS430 0.6MM=TOTAL THICKNESS 3.0MM)	73269070	457,217	141,646
6	2314102	11.01.2021	4	ALUMINIUM CLADDED CIRCLES (SS304 0.4MM + AL 2.0MM + SS430 0.6MM=TOTAL THICKNESS 3.0MM)	73269070	1,376,234	426,357
7	2314102	11.01.2021	5	ALUMINIUM CLADDED CIRCLES (SS304 0.4MM + AL 2.0MM + SS430 0.6MM=TOTAL THICKNESS 3.0MM)	73269070	612,735	189,825
8	2314102	11.01.2021	6	ALUMINIUM CLADDED CIRCLES (SS304 0.4MM + AL 2.0MM + SS430 0.6MM=TOTAL THICKNESS 3.0MM)	73269070	1,775,725	550,120
9	2586714	01.02.2021	1	ALUMINIUM CLADDED CIRCLES 3PLY(SS304 0.4MM + AL 1.5MM + SS430 0.6MM=TOTAL THICKNESS 2.5MM)	73269070	2,578,740	798,894
10	2586714	01.02.2021	2	ALUMINIUM CLADDED CIRCLES 3PLY(SS304 0.4MM + AL 2.0MM + SS430 0.6MM=TOTAL THICKNESS 3.0MM)	73269070	7,161,344	2,218,584

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

11	2898729	24.02.2021	1	ALUMINIUM CLADDED CIRCLES 3PLY(SS304 0.4MM + AL 1.5MM + SS430 0.6MM=TOTAL THICKNESS 2.5MM)	73269070	5,209,957	1,614,045
12	2981487	02.03.2021	1	ALUMINIUM CLADDED CIRCLES 3PLY(SS304 0.4MM + AL 1.5MM + SS430 0.6MM=TOTAL THICKNESS 2.5MM)	73269070	5,274,264	1,633,967
13	4726907	19.07.2021	1	ALUMINIUM CLADDED CIRCLES 3 PLY (SS304+AL1050_SUS430) SIMS REG NO.STL302706 DT.06/07/2021(VARIOUS SIZE AS PER INVOICE)	73269070	3,521,374	1,090,922
14	4726907	19.07.2021	2	ALUMINIUM CLADDED CIRCLES 3 PLY (SS304+AL1050_SUS430) SIMS REG NO.STL302706 DT.06/07/2021(VARIOUS SIZE AS PER INVOICE)	73269070	2,070,613	641,476
15	6859937	28.12.2021	1	ARTICLES OF CLAD METALS (TRIPLY CIRCLES) (THICKNESS -2.5MM TO 3.00MM , AS PER P-LIST)	73269070	12,794,781	3,963,823
16	6859937	28.12.2021	2	ARTICLES OF CLAD METALS (TRIPLY CIRCLES) (THICKNESS-2.1 MM ,AS PER P-LIST)	73269070	184,283	57,091
17	6988747	07.01.2022	1	ARTICLES OF CLAD METALS (TRIPLY CIRCLES) (THICKNESS -2.5MM TO 2.1MM , AS PER P-LIST)	73269070	5,949,770	1,843,239
18	7157747	20.01.2022	1	ARTICLES OF CLAD METALS (TRIPLY CIRCLES) (THICKNESS 3MM, DIA280MM TO 665MM, AS PER P-LIST)	73269070	12,750,569	3,950,126
						<b>71,210,949</b>	<b>22,061,152</b>

2. During the course of post clearance audit, it has been observed that the Importer has misclassified the said goods in order to evade the applicable CVD of 18.95% on 'SS Triply Circles' as per Notification No.1/2017-Customs (CVD) dated 07.09.2017. As per the said notification, CVD of 18.95% was imposed on all 'Flat rolled products of stainless steel; originating in or exported from PR China and classified under CTH 7219 or 7220. The only product exempted from the CVD was 'razor blade grade steel.

3. In order to arrive at proper CTH for SS triply circle, it is necessary to understand the scheme of distribution of different items under Chapter 72 and 73 of Section XV of the Customs Tariff Act, 1975:

3.1. The Section XV (Base Metals and Articles of Base Metal) of Customs Tariff consists of two chapters of Iron and Steel: -

***Chapter 72 – Iron and Steel and Chapter 73 – Articles of Iron and Steel.***

To understand the difference between the items of Chapter 72 and the items of Chapter 73, it is important to take a look at the description of goods in some of the chapter headings (CTH) in both the said chapters.

**3.1.1. Chapter Heading in CTH 72**

**Chapter Heading      Description of goods**

7201                      PIG IRON AND SPIEGELEISEN IN PIGS, BLOCKS OR OTHER PRIMARY FORMS.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

7203	FERROUS PRODUCTS OBTAINED BY DIRECT REDUCTION OF IRON ORE AND OTHER SPONGY FERROUS PRODCUTS, IN LUMPS, PELLETS OR SIMILAR FORMS; HAVING A MINIMUM PURITY BY WEIGHT OF 99.94% IN LUMPS, PELLETS OR SIMILAR FORMS.
7205	GRANULES AND POWDERS, OF PIG IRON, SPIEGELEISEN, IRON OR STEEL GRANULES.
7206	IRON AND NON-ALLOY STEEL IN INGOTS OR OTHER PRIMARY FORMS (EXCLUDING IRON OF HEADING 7203)
7207	SEMI-FINISHED PRODUCTS OF IRON OR NON-ALLOY STEEL
7208	FLAT-ROLLED PRODUCTS OF IRON OR NON-ALLOY STEEL, OF A WIDTH OF 600 MM OR MORE, HOT-ROLLED NOT CLAD, PLATED OR COATED
7213	BARS AND RODS, HOT-ROLLED, IN REGULARLY WOUND COILS, OF IRON OR NON-ALLOY STEEL
7219	Flat- rolled products of stainless-steel, of a width of 600mmormore - Not Further Worked Than Hot-rolled, In Coils.
7220	Flat-rolled products of stainless steel, of a width Of Less Than600mm - Not Further Worked Than Hot-rolled.

On careful examination of description of goods viz. pig iron, granules, iron ingots, bars etc., it seems apparent that neither of the goods qualify as finished product. It consists of primary material, semi-finished products and flat-rolled products of iron and different type of steel (Non-alloy/Stainless/Other Alloys).

### **3.1.2. Chapter Heading in CTH 73**

<b>Chapter Heading</b>	<b>Description of goods</b>
7301	SHEET PILING OF IRON OR STEEL, WHETHER OR NOT DRILLED, PUNCHED OR MADE FROM ASSEMBLED ELEMENTS; WELDED ANGLES, SHAPES AND SECTIONS, OF IRON OR STEEL
7302	RAILWAY OR TRAMWAY TRACK CONSTRUCTION MATERIAL OF IRON OR STEEL, THE FOLLOWING: RAILS, CHECK-RAILS AND RACK RAILS, SWITCH BLADES, CROSSING FROGS, POINT RODS AND OTHER CROSSING PIECES, SLEEPERS (CROSS-TIES), FISH-PLATES, CHAIRS, CHAIR WEDGES, SOLE PLATES (BASE PLATES), RAIL CLIPS, BEDPLATES, TIES AND OTHER MATERIAL SPECIALIZED FOR JOINTING OR FIXING RAILS.
7303	TUBES, PIPES AND HOLLOW PROFILES, OF CAST IRON
7309	RESERVOIRS, TANKS, VATS AND SIMILAR CONTAINERS FOR ANY MATERIAL (OTHER THAN COMPRESSED OR LIQUIFIED

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

GAS), OF IRON OR STEEL, OF A CAPACITY EXCEEDING 300L, WHETHER OR NOT LINED OR HEAT-INSULATED, BUT NOT FITTED WITH MECHANICAL OR THERMAL EQUIPMENT.

- |      |   |
|------|---|
| 7316 | ANCHORS, GRAPNELS AND PARTS THEREOF, OR IRON OR STEEL   |
| 7319 | SEWING NEEDLES, KNITTING NEEDLES, BODKINS, CROCHET HOOKS, EMBROIDERY STILETTOS AND SIMILAR ARTICLES, FOR USE IN THE HAND, OF IRON OR STEEL; SAFETY PINS AND OTHER PINS OF IRON OR STEELS, NOT ELSEWHERE SPECIFIED OR INCLUDED |
| 7323 | TABLE, KITCHEN OR OTHER HOUSEHOLD ARTICLES AND PARTS THEREOF, OF IRON OR STEEL; IRON OR STEEL WOOLL; POT SCOURERS ABD SCOURING OR POLISHING PADS, GLOVES AND THE LIKE, OF IRON OR STEEL.                                      |
| 7326 | OTHER ARTICLES OF IRON OR STEEL   |

As can be seen from above table the goods included in Chapter 73 are sheet pilings, tubes, pipes, anchors, sewing needle, kitchen articles of iron or steel etc. All these products have their direct end uses and can be used independently without being further worked upon. For example, the article mentioned at CTH 7301 – SHEET PILING OF IRON OR STEEL, though being simple metal sheets have their use as finished product/Article for construction and other activities.

**3.2.** An article under Chapter 73 has to be a finished product which either can be used independently or to be joined or fixed together to make structures etc.

**3.3.** In case of ‘SS Triply Circle’, it does not have any function or use which is intrinsic to it. It is a flat-rolled product, which is further worked upon to get a desired article. The ‘SS Triply Circle’ cannot be termed as an ‘Article’ because it cannot be used directly and has to be substantially processed further to get the desired article. To arrive at right CTI for the ‘SS Triply Circles’, its nature, form and composition is discussed in detail in the following paras: -

**3.4.** Further, the SS Triply Circle is a composite product of two base metal viz. Stainless Steel and Aluminium, yet it should be classified as product of Stainless Steel (Not aluminium) as Stainless Steel predominates weight of Aluminium. As per Note 7 to Chapter XV of the Customs Tariff Act, 1975, “*Classification of composite articles; except where the heading otherwise require, articles of base metal (including articles of mixed materials treated as articles of base metals under the Interpretative Rules)*” containing two or more base metals are to be treated as articles of base metal predominating by weight over each of the other metals. For this purpose: (a) iron and steel, or different kinds of iron or steel, are regarded as one of the same metal”. Based on above note, the ‘SS Triply Circle’ merits classification as a product of Stainless Steel under Chapter 72.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**3.5.** In Chapter 72 of the Customs Tariff Act, 1975, the different CTHs have been put into 4 sub-chapters as follows:

- i) PRIMARY MATERIALS PRODUCTS IN GRANULAR OR POWDER FORM (CTH 7201 TO 7205)
- ii) IRON AND NON-ALLOY STEEL (7206 TO CTH 7217)
- iii) **STAINLESS STEEL (CTH 7218 TO CTH 7227)**
- iv) OTHER ALLOY STEEL; HOLLOWDRILL BARS AND RODS OF ALLOYS OR NON-ALLOY STEEL (CTH 7228 TO 7229)

**3.5.1.** The SS Triply Circles is a product of Stainless Steel and therefore shall fall in the sub chapter III- Stainless Steel (CTH 7218 to CTH 7227) of Chapter 72. The only relevant CTH for this kind of product is either:

7219 (Flat Rolled Products of Stainless Steel, of a width of 600 mm or more)

**OR**

7220 (Flat-Rolled Products of Stainless Steel, of a width of less than 600mm)

**3.5.2.** To further clarify the issue, the relevant part of Note 1 to the Chapter 72 of the Customs Tariff Act, 1975 is reproduced as below:

**1 (j) Semi-finished products:**

*Continuous cast products of solid section, whether or not subjected to primary hot-rolling; and*

*Other products of solid section, which have not been further worked than subjected to primary hot-rolling or roughly shaped by forging, including blanks for angles, shapes or sections.*

*These products are not presented in coils.*

**1 (k) Flat-rolled products:**

*Rolled products of solid rectangular (other than square) cross-section, which do not conform to the definition at (ij) above in the form of:*

- *Coils of successively superimposed layers, or*
- *Straight lengths, which if of a thickness less than 4.75 mm are of a width measuring at least ten times the thickness or if of a thickness of 4.75 mm or more are of a width which exceeds 150 mm and measures at least twice the thickness.*

*Flat-rolled products include those with patterns in relief derived directly from rolling (for example, grooves, ribs, chequers, tears, buttons and lozenges) and those which have been perforated, corrugated or polished, provided that they do not thereby assume the character of articles or products of other headings.*

*Flat-rolled products of a shape other than rectangular or square, of any size, are to be classified as products of a width of 600 mm or more, provided that they do not assume the character of articles or products of other heading.*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**3.5.3.** Considering the shape of the SS Triply Circles/Aluminium cladded Triply Circles as round/ circular it fits into the definition of Flat-rolled product of a width of 600 mm or more as per Note 1(k) of Chapter 72 of the Customs Tariff Act, 1975. Thus, SS Triply circles merits classifiable under CTH 7219.

Chapter heading 7219 reads as – *Flat-rolled products of Stainless Steel of a width of 600mm or more*. As the import product is a cladded product, not specially mentioned in any of the CTI under CTH 7219, it would merit classification under the category – ‘OTHERS’ under CTI 72199090.

**3.6.** On account of classification of the import product SS Triply Circle under CTH 7219, the CVD Notification No.01/2017-Cus dated 07.09.2017 appeared to be applicable:

<b>Sr. No.</b>	<b>Heading</b>	<b>Description of goods</b>	<b>Country of origin</b>	<b>Country of export</b>	<b>Producer</b>	<b>Exporter</b>	<b>Duty amount as % of landed value</b>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	7219 or 7220	Flat-rolled products of stainless steel-(Note below)	China PR	China PR	Any	Any	18.95%
2	-do-	-do-	China PR	Any Country	Any	Any	18.95%
3	-do-	-do-	Any Country	China PR	Any	Any	18.95%

*Note: (1) Flat Rolled Products of Stainless Steel for the purpose of the present notification implies: "Flat rolled products of stainless steel, whether hot rolled or cold rolled of all grades/series; whether or not in plates sheets, or in coil form or in any shape, of any width, of thickness 1.2mm to 10 Sum in case of hot rolled coils; 3mm to 105mm in case of hot rolled plates & sheets; and up to 6.75 min case of cold rolled flat products Product scope specifically excludes razor blade grade steel"*

**4.** In view of above facts, it appeared that mis-classification of Stainless Steel Triply Circle under Customs Tariff heading 73269070 by the importer has led to non-payment of CVD @18.95% of landed value which otherwise would have been applicable, had the import product been rightly classified under CTH 7219. Duty Short levied/ short paid appeared as Rs. 1,48,6,946/-, as per Table-II below:

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**TABLE-II**

S. No	BOE NO.	Date	ITEM S. NO.	ASSESSABLE VALUE (Rs.)	TABLE-II		Landed cost (Rs.) FOR CAL. OF CVD)	CVD@18.95% (Rs.)	IGST 18% (Rs.)	Total Duty Payable	Total Duty paid as per BE (Rs.)	Differential Duty (Rs.)
					BCD@7.5% (Rs.)	SWS@10% (Rs.)						
1	2102441	24.12.2020	1	2,261,266	169,595	16,960	2,430,861	460,648	523,524	1,170,727	700,540	470,187
2	2102441	24.12.2020	2	6,927,831	519,587	51,959	7,447,418	1,411,286	2,000,000	3,586,751	2,146,242	1,440,509
3	2314102	11.01.2021	1	131,834	9,888	989	141,721	26,856	30,522	68,254	40,842	27,412
4	2314102	11.01.2021	2	172,411	12,931	1,293	185,342	35,122	39,916	89,263	53,413	35,850
5	2314102	11.01.2021	3	457,217	34,291	3,429	491,508	93,141	105,854	236,715	141,646	95,069
6	2314102	11.01.2021	4	1,376,234	103,218	10,322	1,479,451	280,356	318,623	712,519	426,357	286,161
7	2314102	11.01.2021	5	612,735	45,955	4,596	658,690	124,822	141,859	317,232	189,825	127,406
8	2314102	11.01.2021	6	1,775,725	133,179	13,318	1,908,905	361,737	411,113	919,348	550,120	369,228
9	2586714	01.02.2021	1	2,578,740	193,406	19,341	2,772,146	525,322	597,025	1,335,093	798,894	536,199
10	2586714	01.02.2021	2	7,161,344	537,101	53,710	7,698,445	1,458,855	2,000,000	3,707,648	2,218,584	1,489,064
11	2898729	24.02.2021	1	5,209,957	390,747	39,075	5,600,704	1,061,333	1,000,000	2,697,355	1,614,045	1,083,310
12	2981487	02.03.2021	1	5,274,264	395,570	39,557	5,669,833	1,074,433	1,000,000	2,730,648	1,633,967	1,096,682
13	4726907	19.07.2021	1	3,521,374	264,103	26,410	3,785,477	717,348	815,262	1,823,124	1,090,922	732,202
14	4726907	19.07.2021	2	2,070,613	155,296	15,530	2,225,909	421,810	479,385	1,072,020	641,476	430,544
15	6859937	28.12.2021	1	12,794,781	959,609	95,961	14,000,000	2,606,457	3,000,000	6,624,252	3,963,823	2,660,428
16	6859937	28.12.2021	2	184,283	13,821	1,382	198,104	37,541	42,665	95,409	57,091	38,318
17	6988747	07.01.2022	1	5,949,770	446,233	44,623	6,396,003	1,212,042	1,000,000	3,080,379	1,843,239	1,237,140
18	7157747	20.01.2022	1	12,750,569	956,293	95,629	14,000,000	2,597,450	3,000,000	6,601,362	3,950,126	2,651,235
				<b>71,210,949</b>	<b>5,340,823</b>	<b>534,082</b>	<b>77,090,517</b>	<b>14,506,559</b>	<b>16,505,748</b>	<b>36,868,099</b>	<b>22,061,152</b>	<b>14,806,946</b>

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

5. Accordingly, a Consultative Letter CL No.17/2022-23 (C2) vide F. No. S/2-Audit-Gen-476/2021-22/JNCH (C-2) dated 07.04.2022 was issued to the importer advising for payment of differential duty along with applicable interest and penalty. However, importer has neither made any payment nor has given any documentary evidence or reply to the CL till date.

6. Whereas, consequent upon amendment to the Section 17 of the Customs Act, 1962 vide Finance Act, 2011, 'Self-assessment' has been introduced in customs clearance. Section 17 of the Customs Act, effective from 08.04.2011 [CBEC's (now CBIC) Circular No. 17/2011 dated 08.04.2011], provides for self-assessment of duty on imported goods by the importer himself by filing a bill of entry, in the electronic form. Section 46 of the Customs Act, 1962 makes it mandatory for the importer to make entry for the imported goods by presenting a bill of entry electronically to the proper officer. As per Regulation 4 of the Bill of Entry (Electronic Declaration) Regulation, 2011 (issued under Section 157 read with Section 46 of the Customs Act, 1962), the bill of entry shall be deemed to have been filed and self-assessment of duty completed when, after entry of the electronic declaration (which is defined as particulars relating to the imported goods that are entered in the Indian Customs Electronic Data Interchange System) in the Indian Customs Electronic Data Interchange System either through ICEGATE or by way of data entry through the service center, a bill of entry number is generated by the Indian Customs Electronic Data Interchange System for the said declaration. Thus, under self-assessment, it is the importer who has to ensure that he declares the correct classification, applicable rate of duty, value, benefit of exemption notifications claimed, if any, in respect of the imported goods while presenting the bill of entry. Thus, with the introduction of self-assessment by amendments to Section 17, since 08.04.2011, it is the added and enhanced responsibility of the importer more specifically the RMS facilitated Bill of Entry in this instant case, to declare the correct description, value, notification, etc. and to correctly classify, determine and pay the duty applicable in respect of the imported goods.

7. **Relevant Legal Provisions:** After the introduction of self-assessment vide Finance Act, 2011, the onus is on the Importer to make true and correct declaration in all aspects including Classification and calculation of duty, but in the instant case the subject goods have been misclassified and IGST amount has not been paid correctly.

Relevant legal provisions for recovery of duty that appeared to be evaded are reproduced here for the sake of brevity which are applicable in this instant case:

**7.1. Section 17(1)** Assessment of duty, reads as:

*An importer entering any imported goods under section 46, or an exporter entering any export goods under section 50, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods.*

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

*(4) 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, by reason of,-*

*(a) collusion; or*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

- (b) any willful mis-statement; or  
(c) suppression of facts,

by the importer or the exporter or the agent or employee of the importer or exporter, the proper officer shall, within five years from the relevant date, serve notice on the person chargeable with duty or interest which has not been so levied or not paid or which has been so 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.

(5) Where any duty has not been levied or not paid or has been short-levied or short paid or the interest has not been charged or has been part-paid or the duty or interest has been erroneously refunded by reason of collusion or any willful mis-statement or suppression of facts by the importer or the exporter or the agent or the employee of the importer or the exporter, to whom a notice has been served under sub-section (4) by the proper officer, such person may pay the duty in full or in part, as may be accepted by him, and the interest payable thereon under section 28AA and the penalty equal to fifteen per cent of the duty specified in the notice or the duty so accepted by that person, within thirty days of the receipt of the notice and inform the proper officer of such payment in writing.

(6) Where the importer or the exporter or the agent or the employee of the importer or the exporter, as the case may be, has paid duty with interest and penalty under sub-section (5), the proper officer shall determine the amount of duty or interest and on determination, if the proper officer is of the opinion-

(i) that the duty with interest and penalty has been paid in full, then, the proceedings in respect of such person or other persons to whom the notice is served under sub-section (1) or sub-section (4), shall, without prejudice to the provisions of sections 135, 135A and 140 be deemed to be conclusive as to the matters stated therein; or

(ii) that the duty with interest and penalty that has been paid falls short of the amount actually payable, then, the proper officer shall proceed to issue the notice as provided for in clause (a) of sub-section (1) in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of two years shall be computed from the date of receipt of information under sub-section (5).

### **7.3 SECTION 28AA- Interest on delayed payment of duty**

(1) Notwithstanding anything contained in any judgment, decree, order or direction of any court, Appellate Tribunal or any authority or in any other provision of this Act or the rules made thereunder, the person, who is liable to pay duty in accordance with the provisions 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.

(2) Interest, at such rate not below ten per cent. and not exceeding thirty-six per cent. per annum, as the Central Government may, by notification in the Official Gazette, fix, shall be paid by the person liable to pay duty in terms of section 28 and such interest shall be calculated from the first day of the month succeeding the month in which the duty ought to have been paid or from the date of such erroneous refund, as the case may be, up to the date of payment of such duty.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**7.4 SECTION 46.** *Entry of goods on importation, subsection 46(4) reads as:*

(4) *The importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.*

**7.5. Section 111** *(Confiscation of improperly imported goods etc.) reads as: The following goods brought from a place outside India shall be liable to confiscation ..... (m) Any goods which do not correspond in respect of value or in any other particular with the entry made under this Act.....;*

**7.6. Section 112** *(Penalty for improper importation of goods etc.) reads as:*

*“Any person, -*

*(a) who in relation to any goods does or omits to do any act which act or omission would render such goods liable to confiscation under Section 111, or abets the doing or omission of such an act shall be liable, -*

*(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty not exceeding the value of the goods or five thousand rupees, whichever is greater;*

*(ii) in the case of dutiable goods, other than prohibited goods, subject to the provisions of Section 114A, to a penalty not exceeding ten percent of the duty sought to be evaded or five thousand rupees, whichever is higher.....”*

**7.7. SECTION 114A- Penalty for short-levy or non-levy of duty in certain cases. –**

*Where the duty has not been levied or has been short-levied or the interest has not been charged or paid or has been part paid or the duty or interest has been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under sub-section (8) of section 28 shall also be liable to pay a penalty equal to the duty or interest so determined:*

*Provided that where such duty or interest, as the case may be, as determined under sub-section (8) of section 28, and the interest payable thereon under section 28AA, is paid within thirty days from the date of the communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent of the duty or interest, as the case may be, so determined:*

*Provided further that the benefit of reduced penalty under the first proviso shall be available subject to the condition that the amount of penalty so determined has also been paid within the period of thirty days referred to in that proviso:*

*Provided also that where the duty or interest determined to be payable is reduced or increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, for the purposes of this section, the duty or interest as reduced or increased, as the case may be, shall be taken into account:*

*Provided also that in case where the duty or interest determined to be payable is increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*court, then, the benefit of reduced penalty under the first proviso shall be available if the amount of the duty or the interest so increased, along with the interest payable thereon under section 28AA, and twenty-five percent of the consequential increase in penalty have also been paid within thirty days of the communication of the order by which such increase in the duty or interest takes effect:*

*Provided also that where any penalty has been levied under this section, no penalty shall be levied under section 112 or section 114.*

*Explanation. - For the removal of doubts, it is hereby declared that -*

*(i) the provisions of this section shall also apply to cases in which the order determining the duty or interest under sub-section (8) of section 28 relates to notices issued prior to the date on which the Finance Act, 2000 receives the assent of the President;*

*(ii) any amount paid to the credit of the Central Government prior to the date of communication of the order referred to in the first proviso or the fourth proviso shall be adjusted against the total amount due from such person.*

**7.8. SECTION 114AA. Penalty for use of false and incorrect material. –**

*If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.]*

**7.9. SECTION 117. Penalties for contravention, etc., not expressly mentioned. -** *Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty not exceeding one lakh rupees.*

**8. Acts of omission and commission by the Importer:**

**8.1.** As per section 17(1) of the Act, “An Importer entering any imported goods under section 46, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods.” Thus, in this case the importer had self-assessed the Bills of Entry and appeared to have Non-levy / Short levy of Customs Duty and/or IGST due to mis-classification. As the importer got monetary benefit due to said act, it is apparent that the same was done deliberately by willful mis-classification of the said goods in the Bills of Entry during self-assessment. Therefore, differential duty, as mentioned in Table-II, is recoverable from the importer under Section 28(4) of the Customs Act, 1962 along with applicable interest as per Section 28AA of the said Act.

**8.2.** It appeared that the Importer has given a declaration under section 46(4) of the Act, for the truthfulness of the content submitted at the time of filing Bill of Entry. However, the applicable Customs Duty on the subject goods was not paid by the Importer at the time of clearance of goods. It also appeared that the Importer has submitted a false declaration under section 46(4) of the Act. By the act of presenting goods in contravention to the provisions of

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

section 111(m), it appeared that the Importer has rendered the subject goods liable for confiscation under section 111(m) of the Act. For the above act of deliberate omission and commission that rendered the goods liable to confiscation. Accordingly, the Importer also appeared liable to penal action under Section 112(a) and/ or Section 114A and/or Section 117 of the Customs Act,1962.

**8.3.** As the importer deliberately abnd knowingly mis-delcaredand mis-classified the impugned goods to e vade the Cstoms Duty levable under Notification 01/2017-cus (CVD) dated 07.09.2017. Accordingly the importer also appeared liable to penal action under sectio 114AA of th Customs Act 1962.

**9.** From the foregoing, it appeared that the Importer has will fully mis-classified the goods; that the Importer has submitted a false declaration under section 46(4) of the said Act. Due to this act of omission of Importer, there has been loss to the government exchequer equal to the differential duty mentioned in Table-II.

**10.** The differential duty along with Re-determined duty for the goods covered under bills of entry are as below.

S No.	Bill of Entry No. and Date	Duty Payable for Impugned Goods (including BCD, SWS, IGST, CVD) (In Rs.)	Duty Declared/Paid for impugned Goods (including BCD, SWS, IGST, CVD) (In Rs.)	Differential Duty (In Rs.)
1	4726907 dated 19.07.2021	2895143.965	1732397.777	1162746.188
2	2314102 dated 11.01.2021	2343329.99	1402203.039	941126.951
3	6859937 dated 28.12.2021	6719660.555	4020914.036	2698746.519
4	2898729 dated 24.02.2021	2697354.904	1614044.654	1083310.25
5	2102441 dated 24.12.2020	4757478.144	2846782.288	1910695.856
6	7157747 dated 20.01.2022	6601361.776	3950126.351	2651235.425
7	2981487 dated 02.03.2021	2730648.491	1633966.888	1096681.603
8	2586714 dated 01.02.2021	5042741.279	3017478.194	2025263.085
9	6988747 dated 07.01.2022	3080378.781	1843238.684	1237140.097
	<b>Total</b>	<b>36868097.88</b>	<b>22061151.91</b>	<b>14806945.97</b>

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**11.** Therefore, in terms of Section 124 read with Section 28(4) of the Customs Act, 1962, M/s. Cooks Arena (IEC:3416903765) situated at A-1 169, GIDC, Ankleshwar, Bharuch, Gujrat, 393002, is hereby called upon to Show Cause to the Assistant Commissioner, Group IV/IVA, Jawaharlal Nehru Custom House, Nhava Sheva, Tal-Uran, Dist.- Raigad, Maharashtra-400707 within 30 days of the receipt of this notice as to why:

- (i) The classification of imported goods declared under CTH 73269070 should not be rejected and re-determined under CTH 72199090.
- (ii) Differential duty amounting Rs.1,48,06,946/- (Rupees One Crore Forty-Eight Lakhs Six Thousand Nine Hundred Forty-Six Only) for Bills of Entry as mentioned in Table-II should not be recovered from the importer under Section 28(4) of Customs Act, 1962 along with applicable interest under Section 28AA of the Customs Act, 1962.
- (iii) The subject goods values at Rs. 7,12,10,949/- (Rupees Seven Crores Twelve Lakhs Ten Thousand Nine Hundred Forty-Nine Only) should not be confiscated under section 111(m) of the Customs Act, 1962.
- (iv) Penalty should not be imposed on them under Section 112(a) and/or 114A and Section 117 of the Customs Act, 1962.
- (v) Penalty should not be imposed on them under Section 114AA of the Customs Act, 1962.

**DEFENCE's REPLY**

**11.1** The Noticee vide e-mail dated 03.02.2026 submitted written submission dated 09.01.2026 to the SCN. The Noticee in his written submission dated 09.01.2026 has submitted as follows: -

*“We refer to the aforesaid Show Cause Notice(SCN) issued by Your Honour to our client M/s. Cooks Arena. The subject notice to Show Cause has been placed in our hand by our aforesaid client for filing a defence reply. Accordingly, on behalf and under instructions from our aforesaid client, we make the following submission which may please to be taken into consideration at the time of adjudicating the subject SCN.*

*1. The subject SCN seeks to:*

- i. Classification of imported goods declared “Aluminium Cladded Circles- Triply” under the BE as mentioned in Ann-A under CTH73269070 should not be rejected and re-classified under CTH 72199090;*
- ii. Recover differential duty amounting Rs.1,48,06,946/- under Section 28(4) of Customs Act, 1962;*
- iii. Interest at appropriate rate under Section 28AA of the Customs Act, 1962;*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

iv. Confiscate the subject goods values at Rs. 7,12,10,949/- under Section 111(m) of the Customs Act, 1962;

v. Impose Penalty under Section 112(a)/114A/114AA of Customs Act, 1962;

2. At the outset, this is not in dispute that our client had imported stainless steel clad Aluminum CR Triply Circle during the material period. That as per the generally prevalent understanding, and being duly backed by legal provisions, our client had classified the said goods under CTH73269070 and paid applicable Customs duties thereon, at the time of import.

3. Be that as it may, it is the allegation made in the subject SCN against our client that the correct classification of the said disputed imported goods is under CTH 72199090 as opposed to the CTH 73269070 adopted by our client.

4. That various importers had made detailed representation before different Authorities including CBIC, seeking clarity on the correct classification required to be adopted for the said Aluminum Triply Circle. That our client craves leave to produce the same at the time of personal hearing.

5. Be that as it may, the issue involve in hand is one of technical nature. The classification cannot be determined based on purely the revenue department's biased understanding. Being a technical product in nature, the meaning and consequent classification for the said product has to be understood in the technical sense. This principle is well established by the Hon'ble Apex Court in the case of Parle Agro Pvt. Ltd. 2017 (352) E.L.T. 113 (SC). As such the general understanding adopted based in the subject SCN is not and cannot lay foundation for the correct understanding of the subject and the amateur understanding in the subject SCN can never form the sole basis of determining the highly technical nature of classification of processed articles of metal (Aluminum and stainless steel), which has transgressed beyond being the mere product of stainless steel and assumes the character of the specific "article" having a definite use thereof.

6. That the subject SCN entertains a flawed understanding at Para 3.2 and 3.3 thereof, to suggest that the triply circle is not an "article" of iron and steel, but merely a product of two base metals.

7. There is no dispute over the fact that the SS CR Triply Circles are otherwise made of stainless steel and aluminum sandwiched between two layers of stainless steel as such. There is also no dispute over the fact that majority constituent material in the product is stainless steel as compared to the weight of the material (Aluminum), being the composite article as such. It is also not in dispute that the product, due to usage of Aluminum in the center, while being covered by SS from both sides, has unique heat exchange application, which renders it suitable for cooking, including making cookers, Pans and being used as Tava.

8. This is the most distinguishing feature which renders the product to be an Article and not merely the product of stainless steel and would therefore correctly merit classification under chapter 73 as opposed to chapter 72.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

9. *In fact, it is imperative to consider the HSN Explanatory Note to Chapter 7326 at this stage, and which is reproduced below:*

**“73.26 – Other Articles of iron or steel (+).**

*- Forged or stamped, but not further worked:*

*7326.11 - Grinding balls and similar articles for mills*

*7326.19 - Other*

*7326.20 – Articles of iron or steel wire*

*7326.90 – Other*

*This heading covers all iron and **steel articles obtained by forging or punching**, by cutting or stamping or by other processes such as folding, assembling, welding, turning, milling or perforating **other than** articles included in the preceding headings of this Chapter or covered by Note 1 to Section XV or included in **Chapter 82 or 83** or more specifically covered elsewhere in the Nomenclature.*

10. *As per the above HSN Explanatory Note, once the product of Chapter 72 (coil/sheet in this case) is subjected to processes such as forging or Punching (ibid), the resultant product becomes an article of Metal (SS being majority constituent material in this case) and should be classified under CTH 7326. That identical demands based on DRI investigation for various entities contained a pictorial representation that the triply sheet is subjected to “Punching” process, by way of a “Punch”, to obtain uniform dimension circles therefrom, which were referred to as “blanking” in those SCNs instead of using the more popular term “punching”. This appears to be done to avoid drawing attention to the HSN Explanatory note which renders the product to be an article of SS and classifiable under CTH 7326. The fact remains that the circles obtained from the processing using “punch” is nothing but punching process, which is specifically mentioned in the HSN Explanatory Note under Chapter 7326. That therefore no other classification, much less Chapter 7219 can be considered at all for the product in question.*

11. *In fact, we enclose herewith the manufacturing process to obtain tri-ply circles (marked as ANNEXURE A), which necessarily comes into existence by subjecting the products to “punching” process and hence, the resultant product must be treated to be “article” of steel, rightly meriting classification under CTH 73 necessarily.*

12. *Taking note of the above Explanatory Note of HSN, a consistent judicial view stands taken that if the MS/SS product is subjected to such processes such as forcing or punching, the resultant product is classifiable under Chapter 7326 and not under Chapter 72 anymore. We crave leave to refer to and rely upon the following decisions in support of this contention:*

- a. Sanjay Industrial Corporation 2003(155) ELT 369 (Tri-Mumbai) – MS Circles were held to be classifiable under sub-heading 7326.90 of CETA, 1985- Para 12*
- b. MunishMgf. Corporation 1999(107) ELT 625 (Tribunal)*
- c. Sunil Forging & Steel Ind. 2016(332) ELT 341 (Tri-Mumbai)*
- d. BCL Forgings Ltd. 2008 (224) E.L.T. 286 (Tri. – Del)*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

- e. *Sharda Forging & Stampings (P) Ltd. 2004 (166) E.L.T. 357 (Tri. – Del)*
- f. *Sharda Forgings and Stampings (P) Ltd. v. Commissioner - 2004 (170) E.L.T. A180 (S.C.)*
- g. *Tisco Ltd. 2001 (131) E.L.T. 253 (Tri. – Kolkata)*
- h. *Collector v. TISCO Ltd. - 2003 (156) E.L.T. A210 (S.C)*

13. *That what applies to “forging” equally applies to “punching” since both these processes are used conjointly and in the same context, qua classification of products earlier falling under Chapter 72, and after such process, falling under 7326 as such.*

14. *It is submitted that not all products in 7326 have direct end use and are invariably ready to put to use. In fact, most of the products falling under Chapter 73, including 7326, require further processing and they can be industrial raw materials requiring further operations thereon in order to use the same for intended purpose. In fact, HSN Explanatory Notes to chapter 7326 nowhere says that only such goods which are ready to use final product, which alone can fall under Tariff heading 7326. The various case laws mentioned above also dealt with a situation where the product classified under 7326 was not at all complete final product, but was only in process industrial input only. In fact, the decision in the case of Tisco (supra) categorically dealt with a situation where the forged/punched product was merely prepared for further processing to be undertaken at customer's end and it was not a ready to use product at all.*

15. *As such, the absurd theory mentioned in the subject SCN that the Aluminium circles clad with SS, cannot be classified under CTH 7326, since they are not “finished product” and do not have “direct end use” is hardly sustainable. The images of “sheet piling of iron / steel”, as reproduced in the subject SCN in this regard also hardly advance the case of the revenue. Even such sheet piling requires bending/notching/drilling/cutting etc. before it can be actually put to desired use. It may be finished product, but still requires to be further worked upon before being actually put to use. It is not a finished product in that sense, apart from the fact that Chapter 7326 anyway does not put any such stipulation anywhere at all.*

16. *For the records, the Aluminium Circle, duly clad with SS, can even be directly used for cooking purpose, as a flat tava. However, it is in order to give it multiple uses, the circles can be further drawn/pressed, to change the shape and give depth to the product.*

17. *That merely because there is no change in “composition of material or characteristics of clad metal”, it does not mean the product cannot be classified under Chapter 7326. In fact, a coil is of no use for producing utensils however, it is only after it is cut/punched into a circle, that the product assumes specific form, and fit for use by drawing / pressing to produce the eventual final product, i.e. utensil. The coil and specific dimension/size circle, are definitely having separate characteristics and not interchangeable by any means.*

18. *The very fact that coil/sheet can be flatrolled and the resultant product can be a flatrolled product, however, there is no technology ever which can ever flatroll “circle” for reasons stated supra, the coil/sheet and circle, cannot be considered to be one and the same product, having same material composition. In that sense, even a tava will have same composition (SS, Aluminium, SS), as that of coil, and surely it cannot be said that even a Tava*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*is classifiable under CTH 7219. This itself shows the entire basis on which the subject SCN stands issued, is erroneous and cannot be allowed to be sustained.*

19. *It is submitted that what is imported is “circles”, specifically “cut” out of the coils/sheet. It is not a mere shape obtained from Flat-roll process which alone can be classified under CTH 7219, but instead, the circles are an article obtained from punching process, which is specifically covered under CTH 7326 as per even HSN Explanatory notes, as stated supra.*

20. *The subject SCN has completely ignored the fact that when anything comes out of flatroll process, it is a flatrolled product. It can be square, rectangle, or any irregular shape. However, it is important that product under consideration should be such which has come out of flatroll process. Once a coil coming out of such process is further forged/punched, to obtain forged product or punched circles, the said end product ceases to be a Chapter 72 product, and becomes an “article” and falls under Chapter 7326 for reasons stated supra. That the subject SCN has nowhere disputed the fact that punched / forged articles fall under Chapter 7326, however, has simply assumed that the once at some stage, since coils were flatrolled, whatever is produced therefrom ever, remains classified under Chapter 7219 only, which understanding is completely erroneous. Similarly, “circles” is not merely a “shape in which flatrolled product is” but instead, a separate consciously processed and obtained article of steel, falling under Chapter 7326.*

21. *The very fact that circles are uniform in size and dimension itself means that they are not “articles obtained from flatroll process” at all. After flatrolling, circle can never be obtained since the product is bound to be oblong and cannot maintain uniform shape at all. The futile attempt all throughout the subject SCN to show that “circles” are merely a shape of flatrolled SS products, is entirely wrong. Instead, as per HSN explanatory notes, since circles are obtained from punching process as discussed in the subject SCN itself, the circles rightfully fall under CTH 7326 and nowhere else.*

22. *The notice also produces a Certificate dt. 22.10.2022, issued by accredited Chartered Engineer (enclosed as **ANNEXURE B**), who is also on the panel of Customs department itself, to the effect that the product tri-ply Circle could never be considered as an article which may be classifiable under CTH 7219/7220 at all. While this relates to a different importer, however, the very same product was considered therein and this assumes a great significance as an independent expert opinion in the issue.*

23. *In fact, Notification No.1/17-Cus (CVD) itself defines what are flatrolled products of SS, for the purpose of imposition of CVD.*

*“Note :- (i) Flat Rolled Products of Stainless Steel for the purpose of the present notification implies “Flat rolled products of stainless steel, whether hot rolled or cold rolled of all grades/series; **whether or not in plates, sheets, or in coil form or in any shape**, of any width, of thickness 1.2 mm to 10.5 mm in case of hot rolled coils, 3 mm to 105 mm in case of hot rolled plates & sheets; and up to 6.75 mm in case of cold rolled flat products. Product scope specifically excludes razor blade grade steel”.*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

24. *Applying the principles of Noscitur a Socii, the general words used in conjunction with each other, take colour from each other. It is trite law that the meaning of the term not defined in law, has to be derived from the accompanying words contained in the provision, in terms of the Principle of construction / interpretation - "Noscitur A Sociis", which literally means "taking colour from each other".*

25. *Justice G.P. Singh in 'Principles of Statutory Interpretation, 14th Edition, has explained the 'noscitur a sociis' in the following words :*

*"(b) Noscitur a Sociis*

*The rule of construction noscitur a sociis as explained by LORD MAC-MILLAN means : "The meaning of a word is to be judged by the company it keeps". As stated by the Privy Council : "It is a legitimate rule of construction to construe words in an Act of Parliament with reference to words found in immediate connection with them". It is a rule wider than the rule of ejusdem generis; rather the latter rule is only an application of the former. The rule has been lucidly explained by GAJENDERAGADKAR, J., in the following words : "This rule, according to MAXWELL, means that when two or more words which are susceptible of analogous meaning are coupled together, they are understood to be used in their cognate sense. They take as it were their colour from each other, that is, the more general is restricted to a sense analogous to a less general. The same rule is thus interpreted in Words and Phrases." "Associated words take their meaning from one another under the doctrine of noscitur a sociis, the philosophy of which is that the meaning of the doubtful word may be ascertained by reference to the meaning of words associated with it; such doctrine is broader than the maxim ejusdem generis." In fact the latter maxim "is only an illustration or specific application of the broader maxim noscitur a sociis'. It must be boren in mind that noscitur a sociis, is merely a rule of construction and it cannot prevail in cases where it is clear that the wider words have been deliberately used in order to make the scope of the defined word correspondingly wider. It is only where the intention of the Legislature in associating wider words with words of narrower significance is doubtful, or otherwise not clear that the present rule of construction can be usefully applied."*

26. *As such, "in any shape" when used in conjunction with plate, sheet or coil form, necessarily means mere flat rolled product obtained from the rolling mill which may be in any shape. This is further buttressed by the fact that apart from SS products being in plate, sheet, coil or any other shape, the other requirements regarding classification under CTH 7219/7220 would clearly show that it is only SS plate/sheet/coil or any other product that attracts CVD levy, whereas "articles" obtained from SS plate/sheet/coil or any other shape, which is obtained from rolling mill, is per se not covered under CVD levy.*

27. *Further, it is trite law that no product, which is not manufactured in India at all, can attract any AD/CVD etc. since there is no loss to domestic industry at all in this regard. That such triply circles are not at all produced in India, and if imported from outside India, will not cause any harm to the domestic industry. In fact, other sheets/coils of different dimensions were discussed in the final findings by Designated Authority, however, no comments are*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*offered thereon by the said DA. Perhaps it was understood that insofar as coils / sheets are concerned, they are similar/identical goods and hence, CVD was imposed thereon.*

28. *However, the fact remains, insofar as "triply circles" which are value added product, is concerned, the same was never a part of the scope of investigation and findings by DA at all and hence, one way to look at the same is, that the DA never examined and/or fixed any CVD on such triply circles. Another way to consider this is, no one even mentioned about triply circles not being produced in India to the DA, and hence, the CVD related final findings had no occasion to exclude triply circles from CVD levy, being not produced in India. This does not mean that anything not produced in India can be subjected to CVD levy at all.*

29. *In fact, in respect of another product viz. Glass Fibre, the DA had issued the final findings vide Notification dt.6.7.2016 wherein at Para 29, it was specifically clarified that since the product Wet Chopped Strands is not produced in India, it was kept out of scope of the proceedings. We enclose herewith copy of such final findings dt.6.7.2016 in support of this contention.*

30. *In fact, such view stands taken by Hon'ble CESTAT in the case of Magnet User Association 2003 (157) E.L.T. 150 (Tri. – Del) as well.*

31. *Viewing the entire controversy little differently, it must be appreciated that mere classification under Chapter 7219 or 7220 does not ipso facto render the imported goods liable to CVD. It has to be shown that the product is such which was envisaged and considered for imposition of CVD by the designated authority in the first place. The CBEC vide its Instruction F.No. 354/5/2012-TRU, dated 8-5-2012 had in fact, in the context of ADD, clearly stated that SS circles, even if classified under CTH 7219/7220, is not ipso facto covered under ADD levy, since such product was never envisaged by the designated authority for this purpose.*

32. *As such, even if circles, assumed to be falling under CTH 7219, still don't attract CVD since the Designated authority never considered "circles" which is an article produced out of coils/sheets, within its scope of investigation at all. Also, the revenue authorities chose not to conduct any test on the disputed circle articles at all. Even the thickness of the disputed circles is not determined or even mentioned anywhere in the subject SCN. In fact, the very coverage of cold rolled "flat" products falling under CTH 7219/7220 under CVD levy, is when the thickness of the product is upto 6.5 mm only.*

33. *That in matters of classification, personal belief and knowledge is not relevant at all, but the nature and contents of the product read with relevant Tariff entry are the real basis, especially in case of technical meanings required to be given to tri-ply circle. It was held by the Hon'ble CESTAT in the case of Saara Sales P. Ltd. 2013(295) ELT 724(T), as follows:*

*"Classification of goods when technical test report not available - Whether imported goods classifiable as man-made fabric under sub-heading 5806.32 of Customs Tariff Act, 1975 as claimed or under sub-heading 5806.10 ibid as woven pile fabric classified by Revenue - HELD : In the absence of technical test report nothing can be presumed. [2005 (183) E.L.T. 410 (Tri. - Del.) followed]. [para 3]"*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*That similar view was taken in the case of Tamilnadu Newsprint & Papers Ltd. 2010(253) ELT 153(Tri-Chennai) as well.*

*As such, in absence of any test being conducted, the classification sought by our client cannot be altered at all. In fact, no CVD can be imposed on them, since revenue has failed to prove that the description of goods as envisaged under CVD related final findings by Designated Authority and/or Notification No.1/17-Cus(CVD) is the same what has been imported by our client at all. the subject SCN being wholly unsubstantiated, therefore deserves to be set aside.*

34. *Be that as it may, the Hon'ble Tribunal in the case of Khodiyar Pottery Works persists CCE Rajkot 1998 (6) TMI 379-CESTAT New Delhi, had occasion to deal with the issue of difference between glass frit and glaze and at Para 9 thereof, after referring to the authentic text book of Hawley's, it was concluded by the Hon'ble Tribunal at Para 10 and 11 thereof that enamels and glazes can be of various types and the tariff covers only certain types namely Vitriifiable enamels and glazes. It was also held that sufficient material was not placed before the Hon'ble Tribunal to enable it to judge if the material in question is to be considered as Vitriifiable glaze or ceramic glaze. It was also recorded as a finding at Para 13 thereof that the burden in this case was on the Department to show that the material attracted the specific classification sought for by the Revenue and satisfied the ingredients of this heading.*

35. *Interestingly, interalia, only SS cold rolled flat products of thickness upto 6.5 mm is covered under CVD levy. Admittedly, the disputed goods imported by our client are "circles". That circles can never be flat rolled product ever, technically. The moment a circle is passed through rollers, the resultant product will never be a circle, but the product will be of irregular shape and become oblong. The very fact that the disputed goods are circles in uniform size, ipso facto mean they cannot be called "cold rolled flat products of SS" at all.*

36. *This itself shows that what was imported was not flatrolled product of chapter 7219 but an article obtained from coil/sheet and which coil/sheet may have been flatrolled product of SS (even though composite material with Aluminium). As such, merely because basic raw material was flat rolled, however, once circles are punched out of the same and when such circles are imported into India, it cannot be called the same "flatrolled SS product" at all, but it becomes an "article of steel" falling under CTH 7326, more so for the reason stated hereinabove.*

37. *It is reiterated that in light of the above Circular dt.8.5.2012, mere classification is not sufficient, but the product must adhere to what was envisaged by the designated authority within the scope of investigation, before any ADD/CVD is imposed and recovered on imported goods. That the Aluminium clad by SS Circles were never envisaged for such CVD levy at all, and the demand on this count therefore must be dropped/vacated.*

38. *Be that as it may, it is trite law that in case of assessment under Section 17 of Customs Act, 1962, especially in matters of Classification, the Customs authorities are not mere spectators. They are supposed to verify the classification claimed by importer and guide / correct it in case if it was wrongly claimed in the BE filed. It is the responsibility of Customs authorities to correctly assess the goods being presented under BE being filed.*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

39. *This is more so when our client was not sure about the correct classification, had filed BEs for the same product from time to time, under different classifications and had also sought clarification from even CBIC in the matter. That the Customs authorities had never raised any question about classification ever, while such classification was adopted by our client all along. We crave leave to refer to and rely upon the following decision of the Hon'ble CESTAT in support of this contention:*

- a. *Ram Pistons & Rings Ltd. 2017 (358) E.L.T. 1169 (Tri. - Del.)*
- b. *C&M Farming 2017 (357) E.L.T. 1200 (Tri. – Mumbai)*

40. *Be that as it may, it must be appreciated that our client has been importing these Circles since long and never under CTH 7219 since the very inception. Even after introduction of CVD, the imported goods stood classified under different tariff entries, owing to confusion. As such, it cannot be said that that has been a conscious departure from classifying the product under CTH 7219 suddenly, after introduction of CVD thereon. That our client had simply carried on without their bonafide belief in this regard.*

41. *For the records, going by contents of the subject SCN, the Rule 3(a) of General Rules of Interpretation, itself show that the most specific heading is to be preferred over a general heading. In the present case, the SS sheet/plate/coil already stands subjected to process of "punching" and the resultant product i.e. circles was imported by our client. Such product is an "article" of SS (based on majority constituent in the composite product) and hence rightfully gets covered under CTH 7326 only.*

42. *This is well supported by HSN Explanatory Note as well, which is reproduced hereinabove and reiterated. It is trite law that HSN is a safe guide to arrive at correct classification of the product, when in doubt. Such view also stands taken by the Hon'ble Apex Court at Para 12 thereof, in the case of Wood Craft Products Ltd. 1995 (77) E.L.T. 23 (S.C.). Such view was also reiterated in the case of LML Ltd. 2010 (258) E.L.T. 321 (S.C.) as well.*

43. *As such, the triply circles obtained through punching process, from sheet/coil of Aluminium clad by SS, wherein the SS weight is more than Aluminium, is an article of SS, falling under CTH 7326 and not under CTH 7219 at all. The subject SCN issued contrary to this correct factio legal position therefore deserves to be dropped/vacated on merits.*

**DEMAND IS TIME-BARRED**

44. *That the whole of demand being sought to be recovered vide the subject SCN is patently time-barred. Without prejudice to above, the extended period should not be invoked in the instant case in absence of any suppression of facts. Section 28 of The Customs Act, 1962/ Section 11A of the CEA, 1944 empowers the revenue authorities to serve/issue show cause notice within normal period of limitation on the assessee. The said limitation period is extended to five year where such service tax which has not be levied/paid or which has been short levied/paid or refund was granted erroneously is by reason of:-*

- i) *fraud; or*
- ii) *collusion; or*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

- iii) *wilful misstatement; or*
- iv) *suppression of facts; or*
- v) *contravention of any provisions of this Chapter or the rules made there under **with an intent to evade payment of tax.***

45. *It is a well settled principle that a SCN invoking extended period must elaborate and specify in details the charge for invocation of extended period. The subject SCN does not discuss in detail the charge on the basis of which the extended period of limitation has been invoked.*

46. *Hon'ble Supreme Court in the case of Larsen & Toubro Ltd. Vs CCE (2007) 211 ELT 513 has held that the act of fraud or suppression must be specifically pleaded. The allegations in regard to suppression of facts must be clear and explicit so as to enable the noticee to reply thereto effectively.*

47. *Hon'ble Supreme Court in the case of Nasir Ahmed Vs Asst. Custodian (1980) AIR SC 1157 has held that a notice which merely repeated the statutory language without giving any facts and other particulars, is insufficient and inadequate for an effective response. It is imperative that the notice issued to an affected party discloses the grounds on which the action is proposed to be taken, in clear, specific and unambiguous terms.*

48. *Hon'ble Supreme Court in the case of Continental Foundation Jt. Venture Vs. CCE, Chandigarh-1 (2007) 216 ELT 177 has held that since the expression "suppression" in proviso to Section 11A(1) is accompanied by very strong words as "fraud" or "collusion" and, therefore, has to be construed strictly and mere omission to give correct information is not suppression of facts unless it was deliberate to evade the payment of duty. And that suppression means failure to disclose full information with the intent to evade payment of duty. The next set of words 'contravention of any of the provisions of this Act or Rules- are again qualified by the immediately following words 'with intent to evade payment of duty. It is, Therefore, not correct to say that there can be a suppression or mis-statement of fact, which is not wilful and yet constitutes a permissible ground for the purpose of the proviso to Section 11A. Mis-statement or suppression of fact must be wilful.*

*....(emphasis supplied)*

49. *Hon'ble Supreme Court in case of Uniworth Textiles Ltd. Vs CCE, Raipur (2013) TIOL 13 wherein the Hon'ble Apex Court has held that mere non-payment of duties is NOT equivalent to collusion or wilful misstatement or suppression of facts. The conclusion that mere non-payment of duties is equivalent to collusion or wilful misstatement or suppression of facts is, untenable. If that were to be true, the Court failed to understand which form of non-payment would amount to ordinary default. Construing mere non-payments as any of the three categories contemplated by the proviso would leave no situation for which, a limitation period of six months may apply. The main body of the Section, in fact, contemplates ordinary default in payment of duties and leaves cases of collusion or wilful misstatement or suppression of facts, a smaller, specific and more serious niche, to the proviso. Therefore, something more*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*must be shown to construe the acts of the Appellant as fit for the applicability of the proviso. .... (emphasis supplied)*

50. *Although various rulings are rendered in the context of Section 73 of the Finance Act, 1994/ Section 11A of the CEA, 1944, the same being parimateria to Section 28 of the Customs Act, 1962, the ratio of the said decisions is applicable to the present case as well.*

51. *Hon'ble Supreme Court in case of Cosmic Dye vs CCE (2002) TIOL 236 (SC) has held that so far as fraud and collusion are concerned, it is evident that the requisite intent, i.e., intent to evade duty is built into these very words. So far as mis-statement or suppression of facts are concerned, they are clearly qualified by the word 'wilful-preceding the words 'mis-statement or suppression of facts- which means with intent to evade duty. The next set of words 'contravention of any of the provisions of this Act or Rules- are again qualified by the immediately following words 'with intent to evade payment of duty. It is, Therefore, not correct to say that there can be a suppression or mis-statement of fact, which is not wilful and yet constitutes a permissible ground for the purpose of the proviso to Section 11A. Mis-statement or suppression of fact must be wilful.*

*....(emphasis supplied)*

52. *Hon'ble Supreme Court in case of CCE vs Chemphar Drugs & Liniments (1989) 40 ELT 276 observed that in order to make a demand under Section 11A of the Central Excises and Salt Act for beyond a period of six months and upto a period of five years something positive other than mere inaction or failure on the part of the manufacturer or producer or conscious or deliberate withholding of information when the manufacturer knew otherwise, is required to be established. Where Department had full knowledge about the facts and the manufacturer's action or inaction is based on their belief that they were required or not required to carry out such action or inaction, the period beyond six months cannot be made applicable. The department had full knowledge of fact about the manufacture of all goods. The value of clearance of exempted goods was not indicated under the belief that it was not required to be indicated. The case for wilful misstatement, suppression of facts or contravention of any provisions of the Act, is not sustainable and period of limitation available to the Department under Section 11A of the Central Excises and Salt Act is only six months and not five years.*

53. *Hon'ble Supreme Court in the case of Pushpam Pharmaceuticals Co. Vs. CCE, Bombay (1995) 78 ELT 401 observed that extended period of 5 years not applicable just for any omission of assessee unless it is deliberate to escape from payment of duty. Where facts are known to both the parties the omission by one to do what he might have done and not that he must have done does not render it suppression of fact. Mere omission to disclose the correct information is not a suppression of facts unless it was deliberate to escape from payment of duty. Where facts are known to both the parties, the omission by one not to render it suppression of fact. A perusal of proviso to Section 11A indicates that the expression "Suppression of fact" has been used in company of such strong words as fraud, collusion or wilful default. In fact it is the mildest expression used in the proviso. Yet the surroundings in which it has been used it has to be construed strictly. It does not mean any omission. The act*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*must be deliberate. In taxation, it can have only one meaning that the correct information was not disclosed deliberately to escape from payment of duty*

*...(emphasis supplied)*

54. *While holding the demand as time barred, Hon'ble Ahmedabad CESTAT in the case of Aditya Birla Nuvo Ltd. Vs CCE, Vadodara (2011) TIOL 353, has held that merely because the Appellant did not approach the Revenue for clarification and did not disclose the activities undertaken by them, by itself, cannot be made a reason 'for alleging any suppression or mis-statement to them. ... (emphasis supplied)*

55. *Hon'ble Mumbai CESTAT in the case of L'oreal India Pvt. Ltd. Vs CCE, Pune-1 (2011) TIOL 95 has held that when the issue involved is of interpretation of statutes, no penalties are warranted.*

56. *In Anand Nishikawa Co. Ltd. v. Commissioner of Central Excise, Meerut, (2005) 7 SCC 749 = (2005-TIOL-118-SC-CX), the Hon'ble Supreme Court has observed: "...we find that "suppression of facts" can have only one meaning that the correct information was not disclosed deliberately to evade payment of duty, when facts were known to both the parties, the omission by one to do what he might have done not that he must have done would not render it suppression. It is settled law that mere failure to declare does not amount to wilful suppression. There must be some positive act from the side of the assessee to find wilful suppression."*

57. *Various courts have held that the revenue should prove the culpable mind of the assessee to invoke extended period of limitation or to levy penalties. Mere interpretational differences cannot be held as igniting point for invoking penalty provisions. Penalty proceedings are quasi criminal proceedings and lenient view is taken whenever there is absence of mensrea or wilful intent to defraud the revenue. Given here below are few of the citations along with the brief of the pronouncement:*

58. *Hon'ble Mumbai CESTAT in the case of L'oreal India Pvt. Ltd. Vs CCE, Pune-1 (2011) TIOL 95 has held that when the issue involved is of interpretation of statutes, no penalties are warranted.*

59. *Hon'ble Supreme Court in the case of Hindustan Steel Ltd. Vs. State of Orissa 1978 (2) ELT (J159) has held that "an order imposing penalty for failure to carry out a statutory obligation is the result of a quasi-criminal proceeding, and penalty will not ordinarily be imposed unless the party obliged either acted deliberately in defiance of law or was guilty of conduct contumacious or dishonest, or acted in conscious disregard of its obligation. Penalty will not also be imposed merely because it is lawful to do so. Whether penalty should be imposed for failure to perform a statutory obligation is a matter of discretion of the authority to be exercised judicially and on a consideration of all the relevant circumstances. Even if a minimum penalty is prescribed, the authority competent to impose the penalty will be justified in refusing to impose penalty, when there is a technical or venial breach of the provisions of the Act or where the breach flows from a bona fide belief that the offender is not liable to act in the manner prescribed by the statute"*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

60. *Hon'ble Supreme Court in the case of Pratibha Processors vs. UOI (1996) 88 ELT 12 (SC) has observed that penalty is ordinarily levied for some contumacious conduct or for deliberate violation of statute. Your Honour will appreciate that in the instant case, there is neither contumacious conduct nor any deliberate violation of statute, what to speak of mensrea.*

**CONFISCATION AND PENALTY:**

61. *At this stage, the proposal to confiscate the goods under Section 111(m) alongwith the proposal to impose penalty under Section 112(a) of the Customs Act 1962 is therefore legally unsustainable, especially in the given set of facts and circumstances of the case.*

62. *At this stage, we crave leave to refer to and reply upon the decision in the case of Shreeji Shipping Ltd. 2014 (302) E.L.T. 139 (Tri. – Ahmd), wherein it was held as follows:*

*"Penalty - Import of crane - Crane subjected to examination in the presence of CHA at the time of import - Description of goods found correct with reference to documents and bill of lading - Benefit of Notification No. 21/2002-Cus. extended - Subsequently ineligibility of notification pointed out by officers of DRI and entire differential duty with interest discharged by assessee - Show cause notice issued for confirmation of demand and imposition of penalty and confiscation - No suppression of fact, wilful misstatement on part of assessee as consignment examined by lower authorities before extending benefit of notification - Penalty not imposable as goods not liable to confiscation - Penalty set aside - Section 111(m) of Customs Act, 1962, [paras 8, 9, 10, 12, 13]*

*Confiscation - Import of crane - Goods examined in presence of CHA found as per document - Duty paid - No provisional assessment or bond executed before clearance of goods - Confiscation not sustainable - Section 111(m) of Customs Act, 1962. [paras 8, 9, 10, 11, 13]"*

63. *That the present issue is squarely covered vide the above order and decision of the Hon'ble CESTAT and the subject SCN itself was in fact redundant and not required to be issued in the first place. In any case, no penal action under Section 112(a) and/or confiscation of goods is also required to be taken at all.*

64. *Be that as it may, since goods are not even available for confiscation anymore (other than seized), no action under Section 111(m) of the Customs Act, 1962 can also be taken against our client. Since goods cannot be confiscated, no RF also can be imposed in this regard. We crave leave to refer to and rely upon following decisions in support of this contention:*

- *Finasse Creation Inc. 2009(248) ELT 122 (Bom)*
- *Commissioner v. Finasse Creation Inc. 2010(255) ELT A120 (SC)*
- *Shiv Kripa Ispat P. Ltd. 2009 (235) E.L.T. 623 (Tri. – LB)*
- *Commissioner v. Shiv Kripalspat Pvt. Ltd. - 2015 (318) E.L.T. A259 (Bom)*

65. *The Hon'ble Apex Court in the case of Ishaan Research Lab (P) Ltd. 2008(230) ELT 7(SC) has held that in case of complex issue of classification, which is interpretational in nature, neither extended period nor penalty be imposed on the assessee. In any case, the*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*goods are not liable to confiscation as well, since the classification was correctly claimed by our client, and no penalty under any provisions, be it for differential duty or confiscation related, can be imposed on them at all.*

66. *Be that as it may, the Hon'ble Tribunal in case of M/s. Mohan Textiles 2019(9) TMI 18-CESTAT MUM held that claim of wrong classification or benefit of notification by itself is no suppression or mis-statement of facts to evade duty. That the similar view also taken in case of M/s. Doshion Limited 2011(274) E.L.T. 468 (Tri-Ahm).*

67. *Apart from this, no confiscation under Section 111(m) nor penalty under Section 112(a) of CA, 1962 deserve to be imposed on our client in light of the following decisions:*

*a. Jindal Waterways Ltd. 2019(370) ELT 1451 (Tri-Mum)*

*b. Mohit Paper Mills Ltd. 2012(285) ELT 379 (Tri)*

*c. Essar Steel Ltd. 2005(186) ELT432(Tri-Mumbai)*

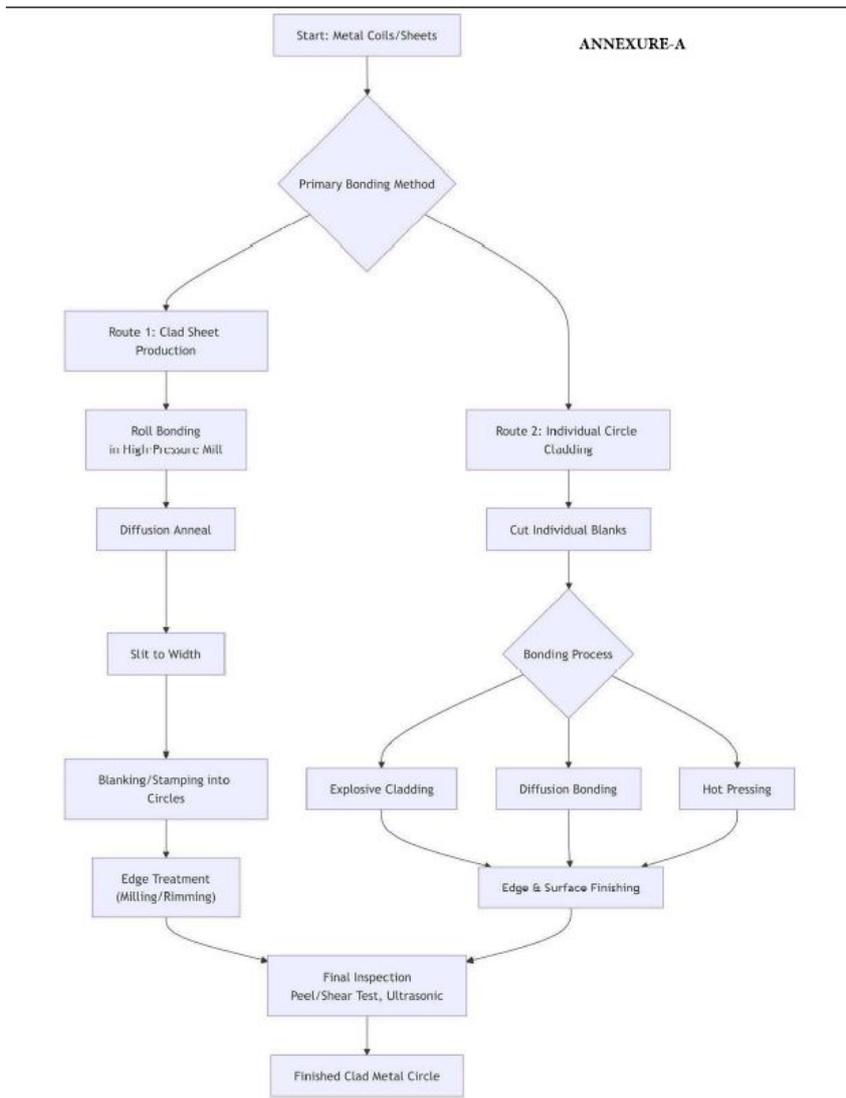
68. *The Hon'ble Madras High Court in the case of Wipro Ltd. 2019 (368) E.L.T. 901 (Mad) took a view that in case where dispute is one of a classification, and it is the Department which took a U-turn in the matter after a very long period, when the department was permitting the respondent/importer to clear the goods by classifying the same under Heading 8542 of Customs Tariff Act, 1975, no penalty under Section 112 can be imposed. That the present case has a striking similarity to such view and no penal action, including confiscation, therefore can be imposed against our client.*

69. *It must also be appreciated that the subject SCN admits that there is no fraud, suppression or wilful misstatement or an intent to evade duty on part of our client. No penalty under Section 114A of CA, 1962 is also proposed for this purpose. This also requires to be taken into consideration while deciding the penal action, including confiscation and RF, in the present case. This is without prejudice to the fact that the classification proposed in the subject SCN is not correct at all, and whole of proceedings must be dropped/vacated anyway, resulting in complete waiver from duty demand and whole of penal proceedings.*

70. *The subject SCN accordingly deserves to be dropped/vacated. We crave leave to add, alter or amend any of the above submissions at the time of personal hearing, which may kindly be granted to us in the interest of justice.*

”

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
 SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**



**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

Manufacturing of bi-metal or multi-metal circular parts, often called clad metal circles/coins/blank. These are used in coins (like modern quarters and dimes), electrical contacts, cookware, decorative items, and specialized industrial applications.

The core challenge is creating a strong, inseparable metallurgical bond between two or more different metal layers in a flat, circular form.

Here is a detailed breakdown of the primary manufacturing processes:

### 1. Core Concept: How the Metals Are Bonded

The fundamental step is creating a metallurgical bond between the layers, not just a mechanical attachment. This is achieved by forcing the metals into intimate contact under high pressure and often heat, allowing atomic diffusion across the interface.

### 2. Primary Manufacturing Processes

There are two main routes to produce these clad metal circles:

#### A. Process Route 1: Clad Sheet Production → Blanking/Stamping

This is the most common method for high-volume production (e.g., coins).

#### Step 1: Cladding (Bonding the Metal Sheets)

- Coinage Strip Cladding (Roll Bonding): This is the standard for coins. Two or three layers of metal (e.g., copper core with copper-nickel outer layers) are cleaned and stacked.
- They pass through a high-pressure rolling mill (cladding mill). The enormous pressure deforms the metals, breaking up surface oxides and bringing fresh, clean metal into contact. This creates a cold weld.
- Often, the process is followed by a diffusion anneal (heating in a furnace) to strengthen the atomic bond between layers.
- The result is a continuous, solid-bonded strip of clad metal (e.g., a "sandwich" strip).

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**Step 2: Slitting & Blanking**

- The wide clad coil is slit into narrower coils of the required width.
- These coils are fed into a high-speed blanking press or coining press.
- The press uses a hardened steel punch and die to stamp out (blank) individual circles, just like cutting cookies from dough.
- The edges are sheared, exposing the layered structure (visible as the "rim" on a coin).

**Step 3: Edge Treatment (Optional but Common for Coins)**

- **Edge Milling/Rimming:** The blank circles may go through a milling machine that upsets the edge, creating a smooth, rounded rim. This finishes the edge, work-hardens it, and ensures no delamination.

---

**B. Process Route 2: Individual Circle Cladding**

Used for larger discs, smaller batches, or specific applications like cookware bottoms.

**Step 1: Cutting Blanks**

- Individual circles ("blanks") are cut from separate sheets of each metal layer.

**Step 2: Bonding the Individual Circles**

- **Explosive Cladding:** The layers are stacked and an explosive charge is detonated on top. The controlled explosion creates a high-velocity impact that welds the metals together across their entire interface. Used for special large plates, not typically small circles.
- **Diffusion Bonding:** Blanks are stacked under very high pressure in a controlled atmosphere furnace. Heat and pressure cause atomic diffusion, creating a solid bond.
- **Hot Rolling/Pressing:** The stack of circles is heated and placed in a large press to forge them into a bonded disc.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

### Step 3: Finishing

- The bonded disc may need edge machining and surface finishing (milling, grinding, polishing).

### 3. Common Types & Examples

- Triple-Layer (e.g., Circulated Coins): Core: Pure Copper (97.5%), Outer Layers: Cupronickel (75% Cu, 25% Ni). This is a copper-core copper-nickel clad.
- Double-Layer (e.g., Clad Cookware, US Quarter pre-1965): A thick core of high-thermal-conductivity metal (Aluminum) bonded to a thin outer layer of stainless steel for the cooking surface.
- Multiple-Layer for Electronics: A circle might have layers like Copper (conductivity) - Stainless Steel (strength/barrier) - Nickel (surface properties).

### 4. Key Quality Control & Challenges

- Bond Strength: The interface must withstand further processing and use. Tested by peel tests, shear tests, or ultrasonic inspection.
- Delamination Prevention: Perfect surface cleaning before bonding and precise process control (pressure, temperature, reduction ratio in bonding) are critical.
- Formability: The clad sheet must be ductile enough to be blanked and, in the case of coins, minted without cracking at the interfaces.
- Corrosion: The edge exposes different metals, which can lead to galvanic corrosion if not properly designed or coated.

### Summary Flowchart

A[Start: Metal Coils/Sheets] --> B[Primary Bonding Method];

B --> C[Route 1: Clad Sheet Production];

C --> C1[Roll Bonding<br>in High-Pressure Mill];

C1 --> C2[Diffusion Anneal];

C2 --> C3[Slit to Width];

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

C3 --> C4[Blanking/Stamping into Circles];  
C4 --> D[Edge Treatment<br>(Milling/Rimming)];

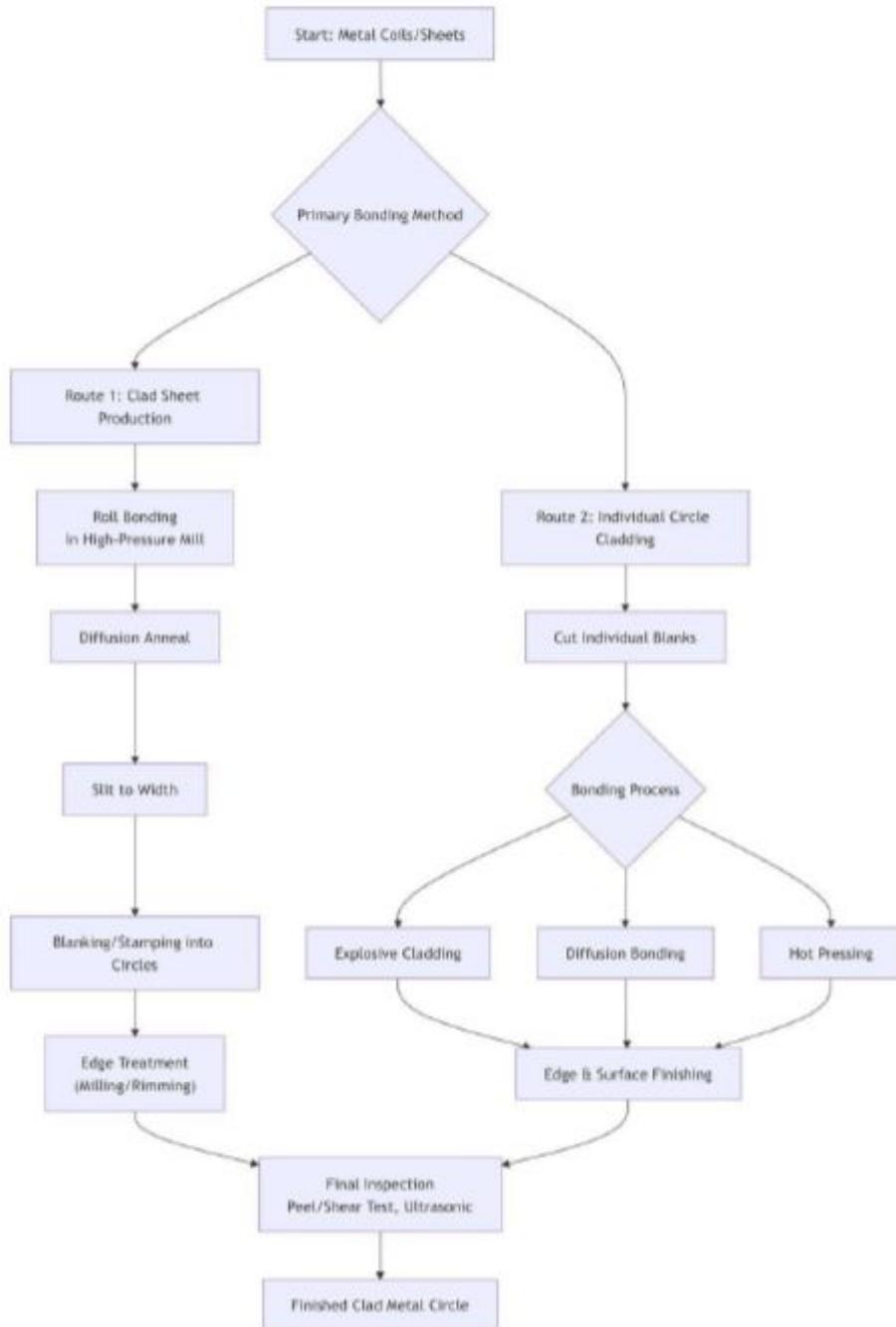
B --> E[Route 2: Individual Circle Cladding];  
E --> E1[Cut Individual Blanks];  
E1 --> E2[Bonding Process];  
E2 --> E2A[Explosive Cladding];  
E2 --> E2B[Diffusion Bonding];  
E2 --> E2C[Hot Pressing];  
E2A & E2B & E2C --> E3[Edge & Surface Finishing];

D & E3 --> F[Final Inspection<br>Peel/Shear Test, Ultrasonic];  
F --> G[Finished Clad Metal Circle];

In short, the manufacturing of triply/multiply metal circles is a sophisticated process of first creating a metallurgically bonded laminated sheet or blank, and then stamping or forming it into the final circular shape. The roll bonding of strips followed by blanking is the dominant, cost-effective method for mass production.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
 SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**Summary of Flowchart**



**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**



**TSK ENGINEERS PVT. LTD.**  
**TO WHOM SO EVER IT MAY CONCERN**

ANNEXURE-B

REFERENCE NO:9534/CE/AVON\_CLADDED CIRCLES

22/10/2022 Page 1 of 2

I/we have seen the representative sample in the shape of circle of diameter 180 mm and 3 mm thickness approximately. After understanding the manufacturing process and various literature the following is observed.

Chapter 72.19 and 72.20 states that "not further worked than hot rolled or cold rolled". So, to qualify goods to fall under 72.19 and 72.20, manufacturing process should stop with hot or cold rolling. We are of the opinion that circles cannot be produced by flat rolling process alone as explained below. It has to be further worked upon to form identical size by punching, stamping, or blanking and such circles cannot be considered as any shape of flat rolled products, because in flat rolling continuous sheet of large length is produced but not circles. So, articles produced through further processing or further worked upon flat rolled sheets is essential for manufacturing of circles.

To explain further, the stainless steel grade 304 of large length and stainless steel grade 430 coil of large length and aluminium coil is loaded on decoilers. These three sheets in coil form are passed thru tunnel oven heated at 400 degree and immediately entered in to clad mill with high pressure to form mechanically bonded single sheet/coil. There after this cladded coil is loaded on stamping machine to cut the circles as per the required sizes. Once the circles are cut, they are transferred to grinding machine for deburring of edges to make smooth edges. This manufacturing process is more explained in below flow diagram. Stamping/punching/blanking is manufacturing process requiring sophisticated machines of very high tonnage.



602 DN, NMSEZ Complex, JNPT, **Navi Mumbai**  
97-6/1-i, Ebenezer Mansion, Palai Road West, Tuticorin - 628 008.  
No.149, 'C' Block, Cargo Village, BIAL, Devanahalli, **Bangalore - 560 300.**  
1047, 10th Floor, Tower B2, Spaze 1 Tech Park, Sohna Road, Gurgaon - 122018, **Haryana**  
No. 3-D, 3rd Floor, SMJ Parry's Plaza, 2nd Lane Beach Road, Behind GPO, Parry's, **Chennai - 600 001.**  
Email : [tsk@tskengineers.com](mailto:tsk@tskengineers.com), [psic@tskengineers.com](mailto:psic@tskengineers.com), [tskengineers.che@gmail.com](mailto:tskengineers.che@gmail.com). Website : [www.tskengineers.com](http://www.tskengineers.com)  
● MUMBAI 9619117757 ● TUTICORIN 8754705958 ● CHENNAI 9940533724 ● BANGALORE 9940533724 ● HARYANA 9940533724

*"This paper is meant for CUSTOMS purpose only"*

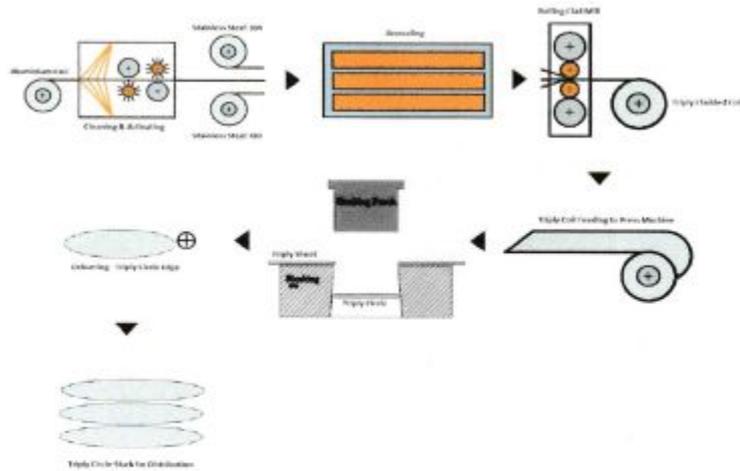
F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025



**TSK ENGINEERS PVT. LTD.**

REFERENCE NO:9534/CE/AVON\_CLADED CIRCLES

22/10/2022 Page 2 of 2



The above technical opinion is issued on the basis of available material and on the request of the importer.

Issued without prejudice.

[Customs panel notification no's :

1. JNPT customs house :  
Circular No.51/2015 dated 30-June-2015
2. Mumbai customs house :  
Circular No.217/2022 dated 10-March-2022

Institute of Engineers issued membership no:  
F-123652-7 dated 02-09-2021 ]

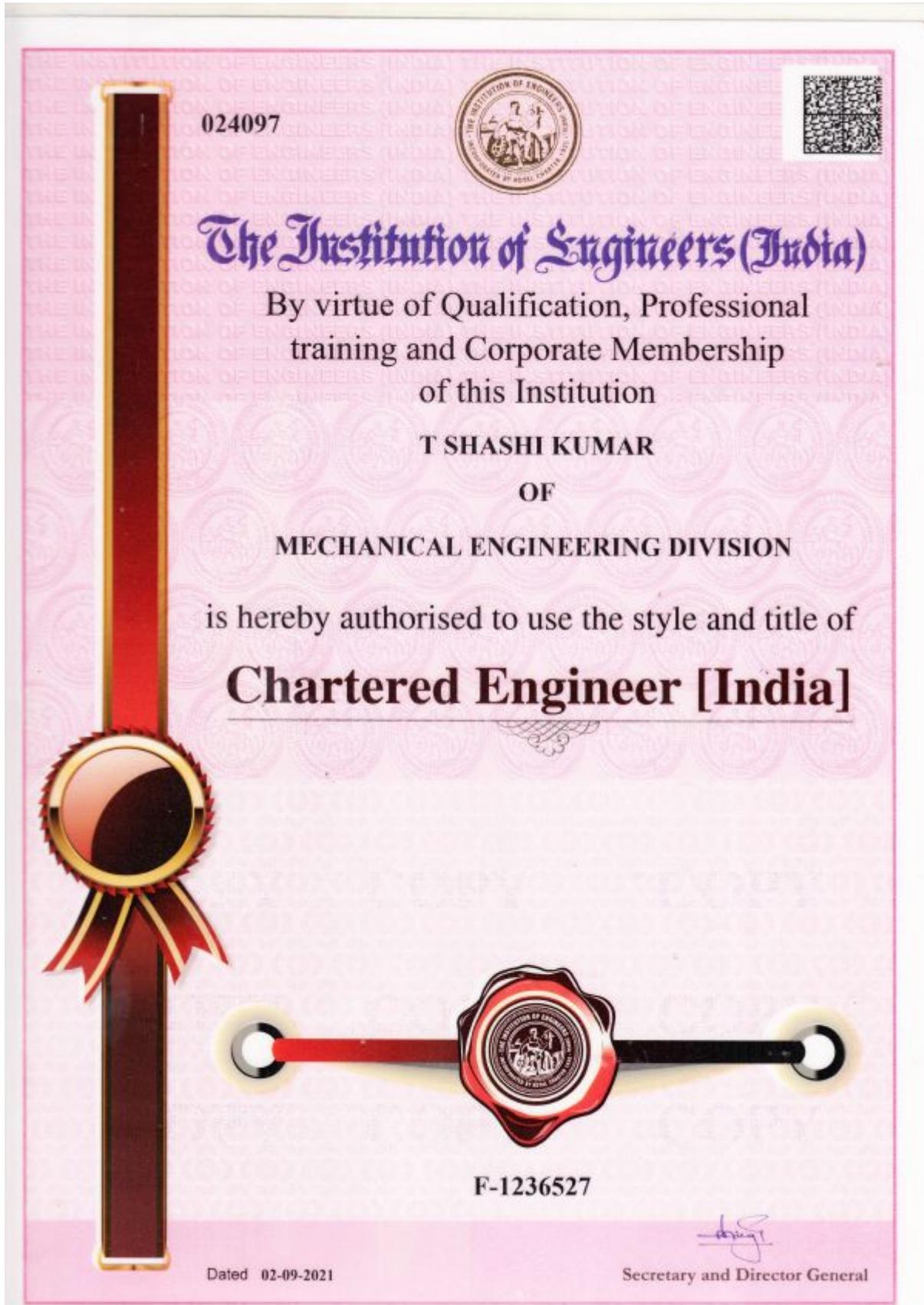


  
Name of the Engineer/  
T.SHASHI KUMAR  
Designation: Director  
Address/phone as below

602 DN, NMSEZ Complex, JNPT, Navi Mumbai  
97-G/1-J, Ebneter Mansion, Palai Road West, Tuticorin - 628 008.  
No.149, 'D' Block, Cargo Village, BIAL, Devanahalli, Bangalore - 560 300.  
1047, 10th Floor, Tower 82, Spare 1 Tech Park, Solna Road, Gurgaon - 122018, Haryana  
No. 3-D, 3rd Floor, SMJ Parry's Plaza, 2nd Lane Beach Road, Behind GPO, Parry's, Chennai - 600 001.  
Email : ts@tskengineers.com, ps@tskengineers.com, tsengineers.chennai@gmail.com. Website : www.tskengineers.com  
● MUMBAI 9619127757 ● TUTICORIN 8754705958 ● CHENNAI 9940533724 ● BANGALORE 9940533724 ● HARYANA 9940533724

"This paper is meant for CUSTOMS purpose only"

F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025



**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

## PUBLIC NOTICE No. 51/2015

**OFFICE OF THE COMMISSIONER OF CUSTOMS, NHAVA SHEVA-I,EDI  
(CENTRALISED) SECTION, JAWAHAR LAL NEHRU CUSTOM HOUSE, NHAVA  
SHEVA, TAL: – URAN, DIST:- RAIGAD, MAHARASHTRA-400707**

**F. No. S/26-Misc-2665/08-09 Gr. V**

**Date: 30.06.2015**

**PUBLIC NOTICE No. 51/2015**

1. Attention of all Importers, Custom House Agents and the members of the Trade is invited to the [Boards Circular No.4/2008-Cus](#) dtd.12.02.2008 (F.No.467/34/2006-Cus.V) regarding the valuation of the imported second hand (old and used) machinery. 2. In addition to the Chartered Engineers/ Inspection and Certification Agencies recognized by the Ministry of Commerce and enlisted in the Appendix 5 of the Handbook of the Procedures 2009-14 as amended and in the supersession of the earlier public notice 131/2011 dated 24.10.2011 issued in this regard following chartered Engineers/Inspection and certification Agencies are empanelled for valuation/ examination of the second hand(old and used) machine imported at Jawaharlal Nehru Customs House as per Boards Circular No.4/2008-Cus dtd.12.02.2008 with immediate effect and until further orders.

Sr. Name, Address and Contact No.  
No.

- 1 **Inspectorate Griffith India Pvt. Ltd.,**  
23, Rajaji Salai, 4th Flr, P.T. Lee Chengalvaraya Naicker Maaligai, Opp.  
Beach Railway St, Chennai-600001, Tel :044-25243201 /3202,  
25233201/3202
- 2 **U. M. Pathak,**  
A-2, Jay Shree Samarth, Dindayal Road, Anand Nagar, Dombivali (W),  
Thane- 421 202 Mob:- 99870 13928
- 3 **Sai Siddhi Associates,**  
Row House # 47, Sector- 12, Nr. Freight Forwarders Premises Co-op Soc.  
Ltd., Dronagiri, Nhava Sheva, Navi Mumbai- 400 702, Tel:- 022-64528179,  
2724 2999
- 4 **ValueGuru Chartered Engineers and Valuers,**  
Old No. 123,/255, Linghi Chetty Street, Chennai- 600 001 Tel:- 044- 4233  
3332, 4207 3332, 4306 3332
- 5 **D. K. Maheshwari, Bunglow No.4, Kia Park, Prathamesh Complex, Veera**  
Desai Road, Andheri (W), Mumbai-400 053, Mob:-93222 51767, 97681  
31767
- 6 **A.R. Jayalingam,**  
98, Tirupalli Street, Sowcarpet, Chennai- 600 079, Tel:- 044-2550 2512,  
2529 7604
- 7 **Ketan Jasani,**  
203, Kala Executive, Opp. Yash Tower, inside 100 Ft. Ring Road, Satellite,  
Ahmedabad- 380 015 Mob:- 0990922018
- 8 **Vinod Gandhi & Associates,**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

- C6/6/2:3, CBD, Navi Mumbai- 400 614, Mob:- 98200 34079  
**S. K. Singh & Associates,**
- 9 Shatrughan Commercial Complex, 115 A & B, Plot No. 3, Sector-18, Vashi, Navi Mumbai- 400 705 Mob:- 98204 32419
- 10 **K. Vijayan,** 201, Shiv Triveni Satsang CHS, Plot No. 6, Sector-10, Sanpada, Navi Mumbai-400 705 Mob:- 80970 47169, 98191 57159  
**Compubee Technologies Pvt Ltd.,**
- 11 B/16, Malkans Building, Dr. Lazarus Road, Charai, Thane (W)- 400 602  
 Tel:- 022-2540 6240  
**V. S. Jadon & Co. Valuers LLP,**
- 12 A-1002, BSEL, Tech Park, Sector- 30A, Vashi, Navi Mumbai- 400 705,  
 Tel:- 022-2781 0273  
**A. G. Associates,**
- 13 "Sadhak", 1st Flr. Plot No. 18, Sector 8A, CBD Belapur, Navi mumbai-400 614 Mob:- 9422 23129, 90281 13929  
**Ashok Saraf,**
- 14 Flat No. 13 A, 3rd Flr., Sanjay Bldg. 1128, V.S. Marg, Opp. Century Bazar, Mumbai- 400 025, Mob:- 98690 38100  
**Shrishti Valuers & Consultants,**
- 15 A-601, Gardenia, Thakur Village, Kandivali (E), Mumbai-400 101 Mob:- 98696 69753  
**Dr. Sanjay Bhaskar Zope,**
- 16 E/21, Brahma Memories, Bhosle Nagar, Pune- 411 007, Mob:-98232 84461  
**Rajendra S Tambi,**
- 17 403, Nilambari, Sector-19, Airoli, Navi Mumbai-400 708, Mob:- 93241 81461  
**Shailesh Shah & Techno Associates,**
- 18 Plot 472, Mohan Niwas, 28 A, 2nd Flr. Above Mama Panwala, Opp. Maheshwari Udyan, Kings Circle, Mumbai-400 019 Mob:- 93222 22860  
**G. Venkatpathy M., M/s Gattani & Co.** Plot No. 8, B/h Fish Market, Sion, Mumbai- 400 022, Mob:- 98195 66123  
**Subhash Banthia, M/S Perfect Valuations & Consultants**
- 20 6, Parvati Villa, Natwar Nagar Road, No. 3, Jogeshwari (E), Mumbai-400 060, Mob:- 98700 31188  
**S. N. Samdani & Associates,**
- 21 414, Goyal Trade Centre, Sona Talkies Building, Shantivan, Nr. National Park, Borivali (E), Mumbai-400 066, Mob:- 98210 78631  
**Sawkar Associates,** B/5, Ganesh Tower, Opp. Thane Station, Thane (W)- 400 602, Mob:- 98211 20122
- 22 **R. C. Sukhtankar,** F-41, Palm Acres C.H.S.L., M. Phule Road, Mulund(E), Mumbai-400 081, Tel:- 022-21638602  
**Saaiamrut Associates,**
- 24 705, Ganesh Siddhi-I, Raam Mandir Road, Borivali (W), Mumbai-400 091, Mob:- 98200 30884  
**TSK Engineers Pvt. Ltd.,**
- 25 12, 4th Main Road, V.G. Lay-out Part-3, Palavakkam, Chennai-600 041,

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

Mob:- 099405 33724

**Muralidhar Shenvi,**

26 23, Bhupat Bhuvan, R. No. 52, III Floor, Vaju Kotak Marg, Fort, Mumbai-400001, Mobile : 9819321555

**Ace Global Tech,**

27 Prop. Khanche S.M. A/501, "Peral Height", Nr. Madina Masjid, Yari Road, Andheri (W), Mumbai-400061, Mobile: 9594100773

The contents of the public notice are brought to the notice of all concerned.

Sd/-

30.06.2015

(SEEMA JERE BISHT)

Commissioner of Customs Nhava Sheva-I, JNCH

To:

1. The Chief Commissioner of Customs, Mumbai Zone-II
2. All the Principal Commissioners/Commissioners of Customs, JNCH
3. All the Addl./Jt. Commissioner of Customs, JNCH
4. All the DCs/ACs, JNCH
5. DC/EDI for uploading on the JNCH Website
6. Bombay Custom House Agent Association
7. All Trade Associations

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

DIN - 80220377000000116841

/523397/2022



**OFFICE OF THE COMMISSIONER OF CUSTOMS (IMPORT-I)  
GROUP-V, 1<sup>ST</sup> FLOOR, NEW CUSTOM HOUSE,  
BALLARD ESTATE, MUMBAI-400001.  
E-mail- [group5-nch@gov.in](mailto:group5-nch@gov.in)**

F.NO. CUS/APR/LIC/ 02/2020-GR-5

Date: 10.03.2022

PUBLIC NOTICE NO. 217/2022

**Subject: - Empanelment of Chartered Engineers for examination/valuation of Second hand/old & Used machinery/goods etc in the jurisdiction of Commissioner of Customs, New Custom House, Mumbai-reg.**

Attention of all Importers, Customs Brokers and The members of the Trade is invited to public Notice 158/2021 dated 05.08.2021 issued in the light of the CBIC circular no 07/2020 dated 05.02.2020. The following Chartered Engineers have been empanelled for their inspection/examination of Second hand/old & Used machinery/goods etc for technical opinion in the jurisdiction of Commissioner of Customs, New Custom House, Mumbai.

2.

1	2	3	4	5	6
Sr .N o	Name of Firm	Name of Applicant	Members hip Number as per IE (India)	Remarks	Address
1	M/s. Bureau Veritas India Pvt. Ltd.	Mr. Chandramouli B	AM 167639-6	Electronics & Tele communications Engineering	72 Business Park, Marol Industrial Area, MIDC Cross Road, "C", Opp SEEPZ gate No-2, Andheri-E, Mumbai-400093 Mob No:-9042879142
2	M/s. TSK Engineers Pvt. Ltd.	T. Shashi Kumar	F- 1236527	Mechanical Engineering	S/O TCN Murthy, Plot No 12, Fourth Main Road, VGP Layout Part-3, Palnvaikkam, Kancheepuram, Tamilnadu-600041 Mob No:-9619127757
		M Naga Chaithanya	AM- 1910232	Electronics & Tele communications Engineering	6-6-513 IRLA Nagar, Tirupati Urban, Chittoor, Andhra Pradesh-517501 Mob No:-9892487662
3	M/S. S.D.Deshpan de	Mr. Sanjay Dattatray Deshpande	F- 1111937	Mechanical Engineering	Flat No-6, Vishwanath Plaza, Near Water Tank, Mahatma Nagar, Nasik-MH-422007 Mob No:-9422258807
4	M/S. V S Jadon And Co. Valuers Llp	Mr. Vishwajeet Singh Jadon	M- 1486114	Mechanical Engineering	1302-Ellora Fiesta, Plot 8, Sector- 11, Sanpada, Navi Mumbai-400705 Mob No:-9619191044
5	M/S. Rajendra Shrikisan Tambi	Mr. Rajendra Tambi	AM08080 86	Mechanical Engineering	M/S. Rajendra Shrikisan Tambi, 403, Nilambari, Near NHP School, Sector-19, Airoli, Navi Mumbai-400708 Mob No:-9699961461

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

523397/2022

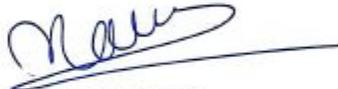
6	M/s. Valueguru Chartered Engineers & Valuers Pvt. Ltd.	Mr.S. Ayyappaon	AM09626 70	Electrical Engineering	No-11A, Kasiyammal Nagar, 2 <sup>nd</sup> Street, Ponniyammamadu, Chennai-600110 Mob No:-9566286881
7	M/s. Gattini & Co	Mr. Gattini Venkatpathy Munuswamy	AM09094 51	Mechanical Engineering	M/s Gattini & C. Plot no-8, Behind Fish Market, Besides Runwal Omkar, E-Square, Sion (E), Mumbai-400022 Mob No:-9819555123
8	M/s. A. G. Associates	Mr. Jitendra Narayan Darunkar	M- 1411688	Mechanical Engineering	M/s. A. G. Associates "Sadhak", 1 <sup>st</sup> Floor, Plot no 18, sector SA, CBD Belapur, Navi Mumbai,-400614 Mob No:-9422223129

3. The Importers/Trade/Customs Broker shall use only service of the empanelment Chartered Engineers for assisting Customs Officers for valuation etc of machinery/goods. The Fees /Service charges as claimed by the Chartered Engineers shall be borne by the Importer/CHA/Trade as applicable. Department shall not be responsible for non-payment/short payment of fees for services availed in this regard by the Importers/CHA/Trade.

4. The empanelled Chartered Engineer only should examine/inspect consignment and submit duly signed report in format prescribed. It is clarify that the firm, in which Empanelled Charted Engineer is working, cannot depute any other Chartered Engineer for inspection/examination work.

5. In compliance of para 9 of Public Notice No. 158/2021 dt 05.08.2021, selected Chartered Engineers will have to submit their half yearly appraisal i.e. April to September and October to March, report in this office to assess their performance by end of the October and April respectively to assess their performance to decide whether they are fit to continue or not. Further, submission of any wrong information/valuation would result in suspension/cancellation of Candidature/Membership from the panel and also attract Penal provision under the Customs Act, 1962 in view of para 13 of the said Public Notice.

6. Public Notice No 123/2019 dated 30.12.2019 stands superseded with the issue of this Public Notice.

  
**(Manoj Kumar Kedia)**  
 Commissioner of Customs,  
 Import-I, NCH, Mumbai  
 Zone-I.

Copy to:

- The DC/CHS, NCH, Mumbai-I for display on Notice Board
- Brihamumbai Customs Broker Association (BCBA)  
73-74, Mittal Tower, "C" Wing, 7<sup>th</sup> Floor, Nariman,  
Point, Mumbai-400021-to intimation Stock Holders
- DC/EDI-for uploading at official website.
- Office Copy

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

### **RECORDS OF PERSONAL HEARING**

**12.** In order to follow principle of natural justice, sufficient opportunity of personal hearing was granted to Noticee 28.01.2026, 30.01.2026 & 03.02.2026 vide this office letter dated 16.01.2026, 28.01.2026 & 30.01.2026 respectively. Same were also communicated on the following e-mail addresses: [cooksarena@outlook.com](mailto:cooksarena@outlook.com) (e-mail address of the Noticee), [iamsaurabh9@gmail.com](mailto:iamsaurabh9@gmail.com), [info@saurabhdixit.in](mailto:info@saurabhdixit.in) (e-mail address of the authorised representative of the Noticee Adv. Sh. Sourabh Dixit). However, *neither* the Noticee *nor* any authorised representative on his behalf availed the personal hearing on 28.01.2026 & 30.01.2026. Adv. Sh. Sourabh Dixit attended the Personal Hearing on behalf of Noticee: M/s Cooks Arena & appeared before this adjudicating authority (virtually) on 03.02.2026.

**12.1** Adv. Sh. Sourabh Dixit attended the Personal Hearing on behalf of Noticee: M/s. Cooks Arena & appeared before this adjudicating authority (virtually) on 03.02.2026 and submitted as follows: -

- He contended that their product comes in to existence primarily through a process of punching of the sandwiched sheet made of two layers of iron and one sandwiched layer of aluminium. As per HSN Explanatory Noted to CTH 7326 it has been abundantly clarified that on applying the said process subject goods takes the shape of an article.
- He also stated that they have already filed a detailed reply dated 09.01.2026 which has been received by the department and shall be taken on record.
- In view of the above their product is classifiable under CTH 7326 and not under CTH 7219.
- In view of the above, it is submitted that the entire proceedings may be dropped.
- Noting further to add

### **DISCUSSION AND FINDINGS**

**13.** I have carefully gone through the Show Cause Notice (SCN), the applicable legal provisions, defence submissions, material on record and facts of the case. Before going into the merits of the case, I would like to discuss whether the case has reached finality for adjudication.

### **PRINCIPLE OF NATURAL JUSTICE**

**14.** Before going into the merits of the case, I observe that in the instant case, in compliance of the provisions of Section 28(8) read with Section 122A of the Customs Act, 1962 and in terms of the principle of natural justice sufficient opportunity of personal hearing was granted to Noticee 28.01.2026, 30.01.2026 & 03.02.2026 vide this office letter dated 16.01.2026, 28.01.2026 & 30.01.2026 respectively. Same were also communicated on the following e-mail addresses: [cooksarena@outlook.com](mailto:cooksarena@outlook.com) (e-mail address of the Noticee), [iamsaurabh9@gmail.com](mailto:iamsaurabh9@gmail.com), [info@saurabhdixit.in](mailto:info@saurabhdixit.in) (e-mail address of the authorised

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

representative of the Noticee Adv. Sh. Sourabh Dixit). However, *neither* the Noticee *nor* any authorised representative on his behalf availed the personal hearing on 28.01.2026 & 30.01.2026. Adv. Sh. Sourabh Dixit attended the Personal Hearing on behalf of Noticee: M/s Cooks Arena & appeared before this adjudicating authority (virtually) on 03.02.2026. He contended that their product comes in to existence primarily through a process of punching of the sandwiched sheet made of two layers of iron and one sandwiched layer of aluminium. As per HSN Explanatory Noted to CTH 7326 it has been abundantly clarified that on applying the said process subject goods takes the shape of an article. He also stated that they have already filed a detailed reply dated 09.01.2026 which has been received by the department and shall be taken on record. That their product is classifiable under CTH 7326 and not under CTH 7219 and submitted that the entire proceedings may be dropped and had nothing further to add. Moreover, as per the provisions of Section 28(9) of the Customs Act, 1962, this adjudicating authority is under strict legal obligation to complete the adjudication proceedings within a time bound manner. I thus find that the principle of natural justice has been followed and I can proceed ahead with the adjudication process.

- Sumit Wool Processors Vs. CC, Nhava Sheva [2014 (312) E.L.T. 401 (Tri. - Mumbai)]
- V. K. Thampi Vs. Collector of Customs and Central Excise, Cochin [1988 (033) EL T 0424], Hon'ble Tribunal held at Para 7 that "*an adjudicating authority is entitled to proceed ex-parte if the person concerned does not appear before it in response to a notice issued by them*".
- Modipon Ltd. vs. CCE, Meerut [reported in 2002 (144) ELT 267 (All.)]

The Hon'ble High Court at Para 19 held as follows:

*"No doubt hearing includes written submissions and personal hearing as well but the principle of Audi Alteram Partem does not make it imperative for the authorities to compel physical presence of the party concerned for hearing and go on adjourning the proceeding so long the party concerned does not appear before them. 'What is imperative for the authorities is to afford the opportunity. It is for the party concerned to avail the opportunity or not. If the opportunity afforded is not availed of by the party concerned, there is no violation of the principles of natural justice. The fundamental principles of natural justice and fair play are safeguards for the flow of justice and not the instruments for delaying the proceedings and thereby obstructing the flow of justice. In the instant case as stated in detail in preceding paragraphs, repeated adjournments were granted to the petitioners, dates after dates were fixed for personal hearing, petitioners filed written submissions, the administrative officer of the factory appeared for personal hearing and filed written submissions, therefore, in the opinion of this Court there is sufficient compliance of the principles of natural justice as adequate opportunity of hearing was afforded to the petitioners."*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**FRAMING OF ISSUES**

**15.** Pursuant to a meticulous examination of the Show Cause Notice and a thorough review of the case records, the following pivotal issues have been identified as requisite for determination and adjudication:

- A. As to whether the impugned goods i.e. 'Aluminium cladded circles'/ SS Triply Circles, imported vide Bills of Entry as mentioned in Table-II above are rightly classifiable under CTI-72199090 as proposed in the Show Cause Notice or under CTH 73269070 as declared by the Noticee or otherwise;**
- B. As to whether Differential duty amounting Rs.1,48,06,946/- (Rupees one crore forty-eight lakhs six thousand nine hundred forty-six only) on leviability of CVD @ 18.95% as per Notification No. 01/2017-Customs (CVD) dated 07.09.2017 (for the relevant period) is recoverable under section 28(4) of the Customs Act, 1962 in respect of Bills of Entry as detailed in Table-II above along with applicable interest under Section 28AA of the Customs Act, 1962 or otherwise;**
- C. As to whether the goods imported in respect of Bills of Entry as detailed in Table-II above having declared Assessable Value of Rs. 7,12,10,949/- (Rupees Seven Crores Twelve Lakhs Ten Thousand Nine Hundred Forty-Nine Only) are liable for confiscation under the provisions of Section 111(m) of the Customs Act, 1962 or otherwise;**
- D. As to whether penalty under Section 112(a) and/or 114A, 114AA and Section 117 of the Customs Act, 1962 is liable to be imposed on the Importer M/s. Cooks Arena**

**A. NOW I TAKE UP THE FIRST QUESTION/ISSUE AS TO WHETHER THE GOODS 'ALUMINIUM CLADDED CIRCLES'/ SS TRIPLY CIRCLES, IMPORTED VIDE BILLS OF ENTRY AS MENTIONED IN TABLE-II ABOVE ARE RIGHTLY CLASSIFIABLE UNDER CTI-72199090 AS PROPOSED IN THE SHOW CAUSE NOTICE OR UNDER CTH 73269070 AS DECLARED BY THE NOTICEE OR OTHERWISE;**

**16.** To decide the classification of the product in question *i.e.* 'Aluminium cladded circles'/ 'SS Triply Circles' of different sizes/types, it would be prudent to know what the product is, what the main ingredients/composition of the products are, what is the manufacturing process of the item and what the uses of the product are.

F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025

## **COMPOSITION & MANUFACTURING PROCESS OF THE 'ALUMINIUM CLADDED CIRCLES'/ SS TRIPLY CIRCLES**

**16.1** I observe that 'Aluminium cladded circles'/ 'SS Triply Circles' are 'Flat-Rolled' base metal product of Stainless Steel. These are imported in Circle form. Flat-Rolled products are produced from slabs/thin slabs of base metals in rolling mills using flat rolls. In its simplest form, a rolling mill consists of two driven rolls in a mill stand with a screw down. The work piece to be rolled is passed through the rotating rolls to get the desired shape. Sometimes even heat may be applied to get the desired product. 'Triply' is the name given to this product as 'aluminium layer' is sandwiched between two stainless steel layers, through the process of 'Cladding'. Though there are numerous uses of cladded products but in this case, the said Triply circles are used for manufacture of utensils and kitchen items. The product under consideration is cladded with Aluminium as mentioned above. Cladding is a kind of surface treatment method and includes- (a) pouring molten cladding metal onto the basic metal, followed by rolling; (b) simple hot rolling of the cladding metal to the basic metal; (c) any other method of deposition of the cladding metal followed by any mechanical or thermal process to ensure welding (for example electro-cladding). These metal cladded products are mostly achieved through the process of roll bonding where layers of different metal sheets are passed through a pair of rollers under sufficient pressure to bond the metal layers. This process results in a Flat-rolled cladded product. The process of Cladding leads to the formation of a composite material.

**16.1.1** A composite material is a combination of two or more materials with different physical and chemical properties. When they are combined, they create a material which is specialized to do a certain job, for instance to become stronger, lighter or resistant to electricity. They can also improve strength and stiffness. The reason for their use over traditional materials is that they improve the properties of their base materials and are applicable in many situations. The information as available in public domain suggests that there are several advantages of utensils made from this composite metal having 3 layers i.e. – 2 layers of Stainless Steel and one layer of Aluminium.

**Layer-1-** Food Grade 18/8 stainless steel (also known as Type 304) use in the inner surface for healthy cooking.

**Layer 2-** Encapsulated layer of aluminium right throughout the cookware which ensures even heat distribution and avoids food from getting burnt.

**Layer 3-** 430 Magnetic stainless steel used as the third layer, making cookware induction friendly.

### **BLANKING PROCESS**

**16.1.2** From such flat-rolled sheets of composite material, circles are obtained with the help of a **blanking process**. In the steel industry, blanking is a sheet-metal cutting operation performed through a punch-and-die mechanism, whereby a predetermined profile is sheared out from a flat-rolled sheet or coil. In such operation, the cut-out portion constitutes the blank

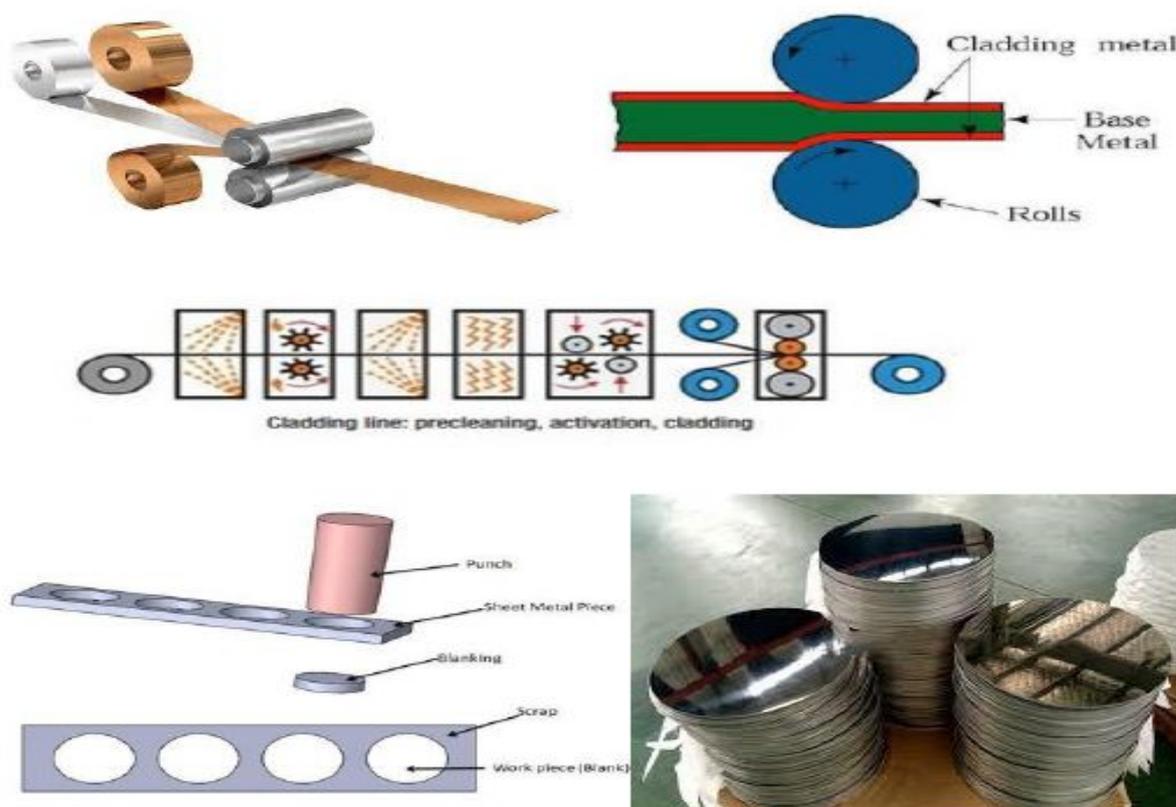
**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

and is the intended product, while the surrounding material forms scrap. The process involves application of mechanical force resulting in separation of material along the die contour, but it does not bring about any change in thickness, metallurgical structure, or intrinsic properties of the material.

**16.1.2.1** It is pertinent to note that blanking merely alters the outline of the flat-rolled sheet and produces a flat piece of defined dimensions. The resulting blank continues to remain a flat product without acquiring any three-dimensional shape, structural modification, or functional characteristics. No bending, forming, deep drawing, machining, welding, or assembly operations are undertaken at this stage. The blank thus requires further processing before it can assume the identity of a finished article.

**16.1.2.2** From a technical standpoint, therefore, blanking is distinguishable from forming or fabrication processes which impart shape and functionality. The operation is confined to cutting to shape and does not, by itself, result in the emergence of an article with independent use.

**16.1.2.3** Some of images, related to the product is as under: -



**16.1.3** It is also pertinent to mention here that **blanking is distinct from the punching process** undertaken in the steel industry. Though both operations involve shearing of sheet metal using a punch and die arrangement, **the essential difference lies in the intended product of the operation.** In blanking, the portion cut out from the flat-rolled sheet constitutes the desired product, commonly referred to as the “blank,” while the remaining

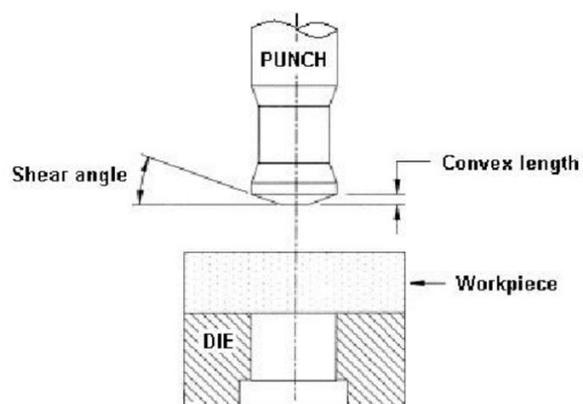
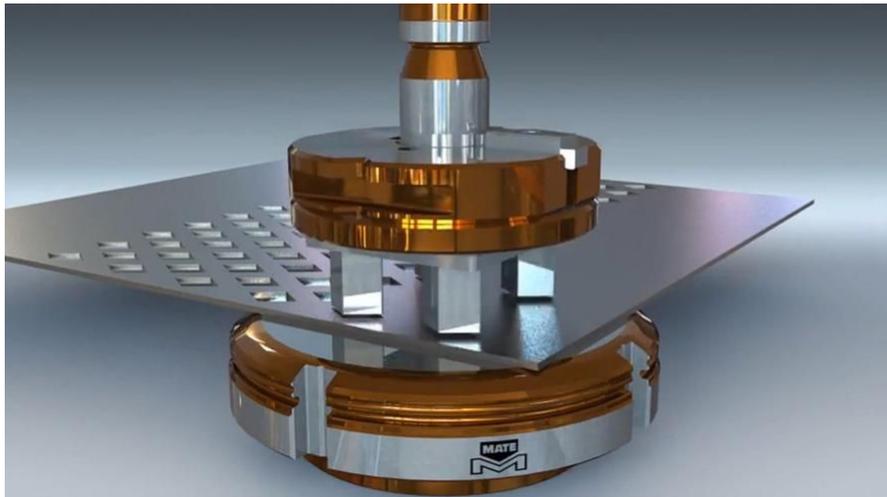
**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

surrounding material becomes scrap. Conversely, in punching, the sheet itself remains the principal product and the material removed in the form of holes or perforations is discarded as scrap. Technically, blanking is employed to obtain flat pieces of predetermined shape and size for further processing, whereas punching is undertaken to create apertures or perforations in a sheet without altering its overall identity as a flat product. Thus, while both are cutting operations, blanking results in the separation of a usable product, whereas punching merely modifies an existing sheet. This distinction is material in understanding the nature and extent of processing involved. A comparative Table of the above discussion is as follows:

<b>Comparative Table: Blanking vs Punching in Steel Industry</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Blanking</b>	<b>Punching</b>
1	Nature of operation	Shearing operation to cut out a predetermined external profile	Shearing operation to create holes or perforations in a sheet
2	Intended product	The cut-out portion (blank) is the useful product	The remaining sheet is the useful product
3	Scrap generated	Surrounding sheet skeleton becomes scrap	The punched-out pieces (slugs) become scrap
4	Change in product form	Produces a separate flat piece of defined shape and size	Sheet remains intact except for holes/perforations
5	Dimensional alteration	Alters external outline of the sheet	Does not alter overall outline; only internal removal
6	Functional transformation	No functional identity imparted; remains flat rolled product	No functional identity imparted; remains flat rolled sheet
7	Metallurgical change	None	None

**16.1.3.1** Some of images, related to the Punching is as under: -

F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025



**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**USE OF 'SS TRI-PLY CIRCLES' OR A 'LUMINIUM CLADED CIRCLES'**

**16.2** Now coming to the point of use of SS tri-ply circles and the subsequent article-forming steps, I am taking the manufacturing of a *tawa* as an illustrative example.

**16.2.1** The manufacturing process of a *tawa* from stainless steel blanks proceeds through identifiable and sequential stages, each contributing progressively to the development of the finished product.

- i. **SS tri-ply circles or Aluminium cladded circles or blanks:** At the stage of the product remains a flat disc of uniform thickness without curvature, rim formation, holes, or handle. The blank is incapable of being used as a cooking utensil and represents only an intermediate material intended for further processing.
- ii. **Stage I – Press Forming / Dishing:** The circular blank is thereafter subjected to forming operations in a hydraulic or mechanical press. Through controlled application of pressure, a shallow concave shape is imparted to the disc, thereby creating the basic cooking surface contour. While this operation alters the flat profile and introduces three-dimensional form, the product at this stage still lacks handling capability and remains incomplete.
- iii. **Stage II – Edge Trimming and Rim Formation:** Subsequent to forming, the edges of the shaped disc are trimmed and finished. Rim strengthening or rolling may be undertaken to enhance structural integrity and safety. These processes refine the shape and improve durability, but the product continues to remain without attachment mechanisms and is not yet capable of independent use.
- iv. **Stage III – Drilling and Handle Attachment:** In the next stage, holes are drilled at designated positions and a handle is affixed through riveting or welding. The attachment of the handle imparts handling capability and renders the product suitable for placement over a heat source and safe manual use. The product at this stage assumes the recognizable form of a *tawa* and becomes capable of functioning as a cooking utensil.
- v. **Stage IV – Surface Finishing and Polishing:** Finally, polishing, buffing, and surface finishing operations are carried out to enhance the aesthetic appeal and smoothness of the cooking surface. These finishing processes render the product commercially presentable and ready for sale in the market.
- vi. Thus, the transformation from a flat blank to a finished *tawa* is achieved through progressive forming, machining, assembly, and finishing operations, each stage contributing to the emergence of the final functional article.

**Not attaining the Essential Character of an Article**

**16.2.2** The emergence of essential character must be examined with reference to the progressive stages of manufacture. At the stage of SS tri-ply circles or aluminium-cladded blanks, the product remains a flat disc of uniform thickness without curvature, rim formation, holes, or handle attachment. At this point, the product does not possess the distinctive features associated with a *tawa*. Even after press forming or dishing, though a shallow concave contour is introduced, the absence of handling capability and structural completeness indicates that the

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

essential character has not yet fully emerged. Similarly, edge trimming and rim formation improve durability and safety but do not impart functional identity. It is only at the stage where drilling and handle attachment are completed that the product assumes the recognizable shape and character of a tawa. The subsequent polishing and finishing operations enhance presentation but do not fundamentally alter the essential character already established upon handle attachment.

**Non-Usability as an Article**

**16.2.3** The usability of the product as a finished good depends upon its capability to perform the intended function without further processing. At the blank stage, the flat circular disc is incapable of being used as a cooking utensil and serves only as raw material. Following press forming and rim finishing, although the product begins to resemble a cooking surface, it still lacks handling capability and cannot be practically used over a heat source. The attachment of the handle marks the stage at which the product becomes capable of being placed on a stove and manually handled during cooking. Thus, usability as a finished cooking utensil arises only upon completion of handle attachment, whereas earlier stages represent incomplete and non-usable forms.

**Non-Marketability as an Article**

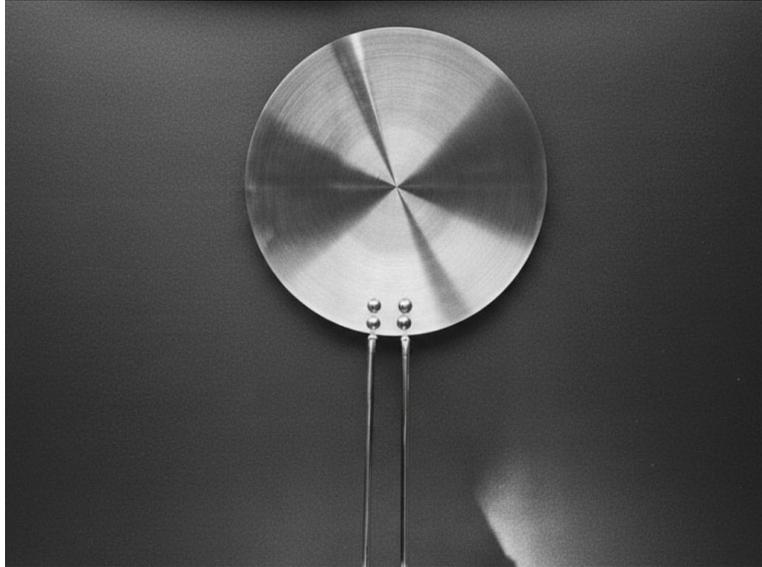
**16.2.4** Marketability as a finished article requires that the product be commercially recognizable and capable of being sold as such. The blank stage product is ordinarily traded, if at all, only as raw material and not as a cooking utensil. Even after forming and rim finishing, the product lacks functional completeness and is not typically marketed to end consumers as a tawa. Upon completion of drilling and handle attachment, the product acquires functional identity and becomes recognizable in commercial parlance as a tawa. The final polishing and surface finishing operations further enhance its commercial appeal and presentation, rendering it suitable for sale in the market as finished cookware. Accordingly, marketability as a finished good arises only after the stage of handle attachment and final finishing.

**16.2.5** Comparison at glance of ‘SS tri-ply circles’ or ‘Aluminium clad circles’ or blanks v/s Tawa:

<b>Core Legal Distinction</b>		
Test	SS tri-ply circles or Aluminium clad circles or blanks	Finished Tawa
3D Shape	No	Yes
Functional Use	No	Yes
Marketability	No	Yes
Further Manufacturing Required	Yes	No
Identity as Article	No	Yes

**16.2.6 Illustrative image of finished tawa:**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**



### **SUMMARY**

**16.2.7** In view of the foregoing, I find that the process of blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles is a tariff-neutral operation. The said process merely involves cutting or shaping flat-rolled material into circular form and does not, by itself, result in the emergence of a new article.

**16.2.7.1** SS tri-ply circles or aluminium-cladded circles are mere blanks of flat-rolled products, being a flat disc without curvature, rim formation, holes, attachment features, or any other attributes that would impart the identity of a finished article. At this stage, the product does not acquire any essential character of a finished good.

**16.2.7.2** I further find that such blanks do not have any usability as finished articles, as they are incapable of performing any intended end-use function without undergoing substantial further manufacturing processes. They are meant for subsequent forming, machining, assembly, and finishing operations.

**16.2.7.3** It is also observed that SS tri-ply circles do not possess marketability as finished goods in commercial parlance. They are not ordinarily bought or sold as consumer articles, but only as inputs for further manufacture.

**16.2.7.4** I also find that an SS tri-ply circle does not have any specific or dedicated use corresponding to a particular finished article. Instead, it has a general use, comparable to that of flat-rolled products, and is capable of being utilized for the manufacture of a variety of articles depending upon subsequent processing.

**16.2.7.5** Accordingly, I hold that the blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles does not result in the emergence of a new article having a distinct identity, essential character, usability, marketability, or specific end-use as a finished good, and the said blanks remain comparable in nature and utility to flat-rolled products.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**FLAT ROLLED PRODUCTS**

**16.3** I observe the relevant part of Note 1 to the Chapter 72 of the Customs Tariff Act, 1975 is reproduced as below:

**1 (j) Semi-finished products:**

*“Continuous cast products of solid section, whether or not subjected to primary hot-rolling; and Other products of solid section, which have not been further worked than subjected to primary hot-rolling or roughly shaped by forging, including blanks for angles, shapes or sections.*

*These products are not presented in coils.”*

**1 (k) Flat-rolled products:**

*“Rolled products of solid rectangular (other than square) cross-section, which do not conform to the definition at (1j) above in the form of:*

*-Coils of successively superimposed layers, or*

*-Straight lengths, which if of a thickness less than 4.75 mm are of a width measuring at least ten times the thickness or if of a thickness of 4.75 mm or more are of a width which exceeds 150 mm and measures at least twice the thickness.*

*Flat-rolled products include those with patterns in relief derived directly from rolling (for example, grooves, ribs, chequers, tears, buttons and lozenges) and those which have been perforated, corrugated or polished, provided that they do not thereby assume the character of articles or products of other headings.*

*Flat-rolled products of a shape other than rectangular or square, of any size, are to be classified as products of a width of 600 mm or more, provided that they do not assume the character of articles or products of other heading.”*

**16.3.1** I observe that for an item to be classified as a “flat-rolled product” under Chapter 72 of the Customs Tariff Act, 1975, the statutory definition contained in Note 1 to the Chapter assumes determinative importance. Note 1(j) defines “semi-finished products” as continuous cast products of solid section or other solid-section products not further worked than primary hot-rolling or roughly shaped by forging, including blanks for angles, shapes or sections, and expressly clarifies that such products are not presented in coils. This definition contemplates products which remain in primary or intermediate solid form and have not acquired the dimensional characteristics of flat-rolled products.

**16.3.1.1** In contrast, Note 1(k) defines “flat-rolled products” as rolled products of solid rectangular (other than square) cross-section which do not conform to the definition of semi-finished products under Note 1(j). Such products must be presented either in coils of successively superimposed layers or in straight lengths, subject to specified dimensional criteria. Where the thickness is less than 4.75 mm, the width must measure at least ten times

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

the thickness; and where the thickness is 4.75 mm or more, the width must exceed 150 mm and measure at least twice the thickness. These dimensional thresholds serve to distinguish flat-rolled products from bars, rods, and other solid-section goods. The Note further clarifies that flat-rolled products may include products having patterns in relief derived directly from rolling, as well as those that have been perforated, corrugated, or polished, provided that such processes do not result in the goods assuming the character of articles or products of other headings. This is a significant statutory indication that minor or surface-level working does not, per se, remove goods from the ambit of flat-rolled products so long as the essential character remains unchanged.

**16.3.1.2** Additionally, Note 1(k) expressly provides that flat-rolled products of a shape other than rectangular or square are to be classified as products of a width of 600 mm or more, provided they do not assume the character of articles of other headings. This provision makes it clear that even non-rectangular shapes, including circular profiles obtained by blanking, may continue to qualify as flat-rolled products, subject to retention of essential character and absence of transformation into distinct articles. Accordingly, from a conjoint reading of Notes 1(j) and 1(k), it emerges that classification as a flat-rolled product depends upon (i) the rolling origin of the product, (ii) satisfaction of prescribed dimensional parameters, (iii) presentation in coils or straight lengths (or equivalent non-rectangular forms treated as width  $\geq 600$  mm), and (iv) the product not having been further worked so as to assume the character of an article of another heading. The statutory framework thus draws a clear demarcation between semi-finished products, flat-rolled products, and finished articles.

**16.3.2 Upon examination of the statutory definitions contained in Note 1(j) and Note 1(k) to Chapter 72 of the Customs Tariff Act, 1975, read with the factual particulars available on record, I find that the SS tri-ply circles / aluminium-cladded circles in question satisfy the essential requirements for classification as flat-rolled products and are clearly excluded from the ambit of semi-finished products under Note 1(j).**

**16.3.2.1** Note 1(j) defines “semi-finished products” as continuous cast products of solid section or other products of solid section not further worked than primary hot-rolling or roughly shaped by forging, including blanks for angles, shapes or sections. The defining characteristic of such products is that they are solid-section products which have not attained the dimensional and form characteristics of flat-rolled products. The subject goods ‘SS tri-ply circle’s / ‘aluminium-cladded circles’ are not continuous cast products nor solid-section products within the meaning of Note 1(j). They originate from rolled stainless steel composite sheets and possess the characteristics of flat-rolled products. Accordingly, I find that the goods are excluded from the scope of Note 1(j).

**16.3.2.2** Turning to Note 1(k), flat-rolled products are defined as rolled products of solid rectangular (other than square) cross-section which do not conform to the definition under Note 1(j), subject to specified dimensional criteria. It is not in dispute that the subject goods ‘SS tri-ply circle’s / ‘aluminium-cladded circles’ originate from flat-rolled stainless-steel composite sheets consisting of stainless-steel layers bonded with an aluminium core. These

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

sheets are rolled products of rectangular cross-section prior to blanking. The subsequent process undertaken is limited to blanking, whereby circular discs are cut out from such flat-rolled sheets. As already discussed, blanking of Flat Rolled Products is a tariff neutral operation which does not alter the metallurgical composition, thickness, bonding structure, or essential character of the material, but merely changes the external outline from rectangular sheet form to circular profile.

**16.3.2.3** As per the invoices and packing list submitted by the importer (screenshot enclosed at Para 16.3.3 below), the goods have a thickness of less than 4.75 mm. Further, the width (diameter) of these circles is more than ten times their thickness. Therefore, it is an undisputed fact that the rectangular/square flat-rolled sheets from which these ‘SS tri-ply circles’ / ‘aluminium-cladded circles’ are blanked satisfy the prescribed criterion of having a width at least ten times the thickness. In terms of Note 1(k), where the thickness is less than 4.75 mm, the width must measure at least ten times the thickness. Although the dimensional formula is expressed with reference to rectangular cross-sections, **Note 1(k) further provides that flat-rolled products of a shape other than rectangular or square are to be classified as products of a width of 600 mm or more, provided they do not assume the character of articles of other headings. This clarification is significant in the present case, as it reflects the legislative intent that a mere change in external outline does not deprive the goods of their character as flat-rolled products.**

**16.3.2.4** The circles in question are obtained directly from rectangular flat-rolled sheets. The subsequent conversion into circular shape through blanking does not transform the goods into a new or distinct product category. The statutory intent, as reflected in Note 1(k), is to ensure that non-rectangular shapes derived from flat-rolled sheets do not lose their classification merely by reason of cutting to shape, so long as they retain the essential character of flat-rolled products and have not assumed the character of articles of other headings. I further observe that the subject goods ‘SS tri-ply circle’s / ‘aluminium-cladded circles’ remain flat, lack curvature, rim formation, holes, or handle attachment, and are incapable of being used as semi-finished or finished utensils. They require further forming, machining, assembly, and finishing operations before acquiring independent functional identity. Consequently, they do not assume the character of articles of Chapter 73 or any other heading.

**16.3.2.5** Accordingly, I find that the subject goods ‘SS tri-ply circle’s / ‘aluminium-cladded circles’:

1. The subject goods are excluded from the scope of Note 1(j) relating to semi-finished products;
2. They satisfy the statutory criteria under Note 1(k) as flat-rolled products;
3. The process of blanking is tariff-neutral and does not alter their essential character; and
4. The SS tri-ply circles / aluminium-cladded circles, being blanked out of rectangular flat-rolled stainless-steel sheets satisfying the dimensional criteria under Note 1(k), and having undergone no further working beyond cutting to shape, continue to retain the essential character of flat-rolled products.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**16.3.3** Screen shot of invoices of the impugned goods submitted by the importer with Bills of Entry are reproduced for reference, as follows:

**Invoice of Bill of Entry No. 2102441 dated 24.12.2020**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**VINA INDUSTRY (HK) LIMITED**

23/F, B07, Hover Ind Bldg, 26-38 Kwai Cheong Road, Kwai Chung, NT, Hong Kong

**INVOICE**

**To: Messrs** COOKS ARENA  
A1-169, GDC ANKLESHWAR  
393002 GUJARAT, INDIA  
GST NO. 24AAAPV5073C1ZX  
PAN NO. AAAPV5073C  
IEC NO. 3416903765  
EMAIL: ashwin\_vora2004@yahoo.com

**Invoice No.:** VIHL20201123  
**Date:** 23.11.2020

SHIPMENT FROM NINGBO, CHINA TO NHAVA SHEVA, INDIA BY SEA

Description	Thickness x Dia	Quantity (Pes)	Quantity (Kgs)	Unit Price	Total Amount
				(USD/Kg.Pc)	(USD)
<b>C &amp; I Nhava Sheva</b>					
ALUMINIUM CLADDED CIRCLES 3PLY SS304+AL+SS430	2.1 x 245mm	1071	560.0	\$2.23	\$1,248.80
	2.1 x 255mm	2241	1274.0	\$2.23	\$2,841.02
	2.1 x 270mm	1511	961.0	\$2.23	\$2,143.03
	2.1 x 280mm	2105	1452.0	\$2.23	\$3,237.96
	2.5 x 280mm	2209	1648.0	\$2.23	\$3,675.04
	2.5 x 305mm	8440	7478.0	\$2.23	\$16,675.96
	2.5 x 355mm	7791	9392.1	\$2.23	\$20,944.45
	2.5 x 380mm	1545	2131.0	\$2.23	\$4,752.13
	2.5 x 440mm	530	976.0	\$2.23	\$2,176.48
2.5 x 465mm	520	1066.0	\$2.23	\$2,377.18	
<b>Sub Total</b>		<b>27963</b>	<b>26938.1</b>		<b>\$60,072.05</b>
ALUMINIUM CLADDED CIRCLES 3PLY SS304+AL+SS430	2.1 x 295mm	1530	1170.0	\$2.23	\$2,609.10
	2.1 x 305mm	1490	1224.0	\$2.23	\$2,729.52
	2.1 x 315mm	1580	1286.0	\$2.23	\$2,867.78
	2.1 x 330mm	1037	1021.0	\$2.23	\$2,276.83
	2.1 x 355mm	1065	1139.0	\$2.23	\$2,539.97
	2.1 x 380mm	1102	1389.0	\$2.23	\$3,097.47
	2.1 x 420mm	1100	1743.0	\$2.23	\$3,886.89
	2.5 x 255mm	3536	2162.0	\$2.23	\$4,821.26
	2.5 x 330mm	11070	11549.0	\$2.23	\$25,754.27
	2.5 x 415mm	511	849.0	\$2.23	\$1,893.27
	2.5 x 430mm	535	956.0	\$2.23	\$2,131.88
	2.5 x 470mm	528	1109.0	\$2.23	\$2,473.07
	2.5 x 485mm	531	1183.0	\$2.23	\$2,638.09
SILICON SLEEVES		5500	22.3	\$0.09	\$495.00
<b>Sub Total</b>		<b>31115</b>	<b>26802.3</b>		<b>\$60,214.40</b>
<b>Total</b>		<b>59078</b>	<b>53740.4</b>		<b>\$1,20,286.44</b>

Total Usd  Thousand Two Hundred Eighty Six and Cents Forty Four Only.

Intermediary Bank: Citibank, NY, US

Swift: CITIUS33XXX

Beneficiary Bank: Evergrowing Bank, Hangzhou, CN

Swift: HFBACNSD050

Beneficiary: Vina Industry (HK) Ltd.

Beneficiary Account No. NRA857910011423700179

For and on behalf of  
**VINA INDUSTRY (HK) LIMITED**  
維納實業(香港)有限公司



**Invoice of Bill of Entry No. 2314102 dated 11.01.2021**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**VINA INDUSTRY (HK) LIMITED**

23/F, B07, Hover Ind Bldg, 26-38 Kwai Cheong Road, Kwai Chung, NT, Hong Kong

**INVOICE**

**To: Messrs** COOKS ARENA  
A1-169, GIDC ANKLESHWAR  
393002 GUJARAT, INDIA  
GST NO. 24AAAPV5073C1ZX  
PAN NO. AAAPV5073C  
IEC NO. 3416903765  
EMAIL: ashwin\_vora2004@yahoo.com

**Invoice No. :** VIH20201205

**Date :** 05.12.2020

SHIPMENT FROM NINGBO, CHINA TO NHAVA SHEVA, INDIA BY SEA

Description	Thickness x Dia	Quantity (Pcs)	Quantity (Kgs)	Unit Price (USD/Kg)	Total Amount (USD)
				C & I Nhava Sheva	
ALUMINIUM CLADDED CIRCLES 3PLY SS304+AL+SS430	255*3.8mm	961	777	\$2.222	\$1,725.38
	280*3.8mm	1026	1016	\$2.222	\$2,256.44
	315*3.0mm	2600	2693	\$2.222	\$5,983.85
	340*3.0mm	6600	8106	\$2.222	\$18,011.53
	370*3.0mm	2500	3609	\$2.222	\$8,019.20
	405*3.0mm	6000	10459	\$2.222	\$23,239.90
6 DIES			170		\$677.00
<b>Total</b>		<b>19687</b>	<b>26829</b>		<b>\$59,913.30</b>

**Total United States Dollars Fifty Nine Thousand Nine Hundred Thirteen and Cents Thirty Only.**

**Intermediary Bank:** Citibank N.A., New York, NY, US  
Swift: CITIUS33XXX

**Beneficiary Bank:** Evergrowing Bank, Hangzhou, CN  
Swift: HFBACNSD050

**Beneficiary:** Vina Industry (HK) Ltd.

**Beneficiary Account**



For and on behalf of  
**VINA INDUSTRY (HK) LIMITED**  
維納實業(香港)有限公司

.....  
Handwritten Signature(s)

**Invoice of Bill of Entry No. 2586714 dated 01.02.2021**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**VINA INDUSTRY (HK) LIMITED**

23/F, B07, Hover Ind Bldg, 26-38 Kwai Cheong Road, Kwai Chung, NT, Hong Kong

**INVOICE**

<b>To: Messrs</b>	COOKS ARENA A1-169, GIDC ANKLESHWAR 393002 GUJARAT, INDIA GST NO. 24AAAAPV5073CLZX PAN NO. AAAPV5073C IEC NO. 3416903765 EMAIL: ashwin_vora2004@yahoo.com	<b>Invoice No. :</b> VIHL20210101 <b>Date :</b> 01.01.2021
-------------------	---	---

SHIPMENT FROM NINGBO, CHINA TO NHAVA SHEVA, INDIA BY SEA

Description	Thickness x Dia	Quantity (Pcs)	Quantity (Kgs)	Unit Price (USD/Kg)	Total Amount (USD)
				C & I Nhava Sheva	
ALUMINIUM CLADDED CIRCLES 3PLY SS304+AL+SS430	2.5*265mm	2053	1380.0	\$2.323	\$3,205.74
	2.5*280mm	1250	936.0	\$2.323	\$2,174.33
	2.5*310mm	1544	1445.0	\$2.323	\$3,356.74
	2.5*330mm	2866	3057.0	\$2.323	\$7,101.41
	2.5*350mm	2021	2338.0	\$2.323	\$5,431.17
	2.5*380mm	2110	2861.0	\$2.323	\$6,646.10
	2.5*410mm	1567	2593.0	\$2.323	\$6,023.54
	3.0*315mm	6265	6612.0	\$2.323	\$15,359.68
	3.0*340mm	8589	10372.9	\$2.323	\$24,096.25
	3.0*370mm	6144	8988.9	\$2.323	\$20,881.21
	3.0*405mm	8433	14599.2	\$2.323	\$33,913.94
<b>Total</b>		<b>42842</b>	<b>55183.0</b>		<b>\$1,28,190.11</b>

Total United States Dollars One Hundred Twenty Eight Thousand One Hundred Ninety and Cents Eleven Only.

**Intermediary Bank:** Citibank N.A., New York, NY, US  
Swift: CITIUS33XXX

**Beneficiary Bank:** Evergrowing Bank, Hangzhou, CN  
Swift: HFBACNSD050

**Beneficiary:**  
**Beneficiary Acc**



For and on behalf of  
**VINA INDUSTRY (HK) LIMITED**  
維納實業(香港)有限公司

.....  
[Signature]  
.....

**Invoice of Bill of Entry No. 2898729 dated 24.02.2021**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**



# COMMERCIAL INVOICE

<b>1. SHIPPER/EXPORTER</b> ZHEJIANG JINNUO COMPOSITE MATERIALS CO.,LTD ADD: NIQIAO VILLAGE,TONGQIN TOWN,WUYI CITY, ZHEJIANG, CHINA TEL: 0086-579-87611126 FAX: 0086-579-87611127		<b>6. NO. &amp; DATE OF INVOICE</b> 20210103656      Jan-22-2021				
<b>2. CONSIGNEE</b> COOKS ARENA A1-169, GIDC ANK LESHWAR 393002 GUJARAT, INDIA GST NO. 24AAPV5073C1ZX IEC NO. 3416903765      PAN NO. AAAPV5073C EMAIL: ASHWIN_VORA2004@YAHOO.COM		<b>7. NO. &amp; DATE OF LC</b> _____				
<b>3. NOTIFY PARTY</b> SAME AS CONSIGNEE		<b>8. L/C ISSUING BANK</b> _____				
<b>4. PORT OF LADING</b> NINGBO, CHINA		<b>5. PORT OF DISCHARGE</b> Nhava Sheva, INDIA				
		<b>9. REMARK</b> * PAYMENT BY T/T				
<b>10. MARKS &amp; NO. OF PKGS</b>	<b>11. DESCRIPTION OF GOODS</b>	<b>12. QUANTITY</b>	<b>13. NET WEIGHT</b>	<b>14. UNIT PRICE</b>	<b>15. AMOUNT</b>	
	<b>ALUMINIUM CLADDED CIRCLES 3PLY (SS304+AL+SS430)</b>		<b>FOB NINGBO</b>			
	250 x 2.5mm	2216	pcs	1308.0 kgs	\$2,450 /kg	\$3,204.60
	265 x 2.5mm	1031	pcs	673.0 kgs	\$2,450 /kg	\$1,648.85
	280 x 2.5mm	6480	pcs	4868.0 kgs	\$2,450 /kg	\$11,926.60
	295 x 2.5mm	1122	pcs	943.0 kgs	\$2,450 /kg	\$2,310.35
	305 x 2.5mm	2430	pcs	2126.0 kgs	\$2,450 /kg	\$5,208.70
	310 x 2.5mm	4012	pcs	3610.0 kgs	\$2,450 /kg	\$8,844.50
	330 x 2.5mm	4560	pcs	4726.0 kgs	\$2,450 /kg	\$11,578.70
	370 x 2.5mm	1041	pcs	1357.0 kgs	\$2,450 /kg	\$3,324.65
	390 x 2.5mm	2102	pcs	3056.0 kgs	\$2,450 /kg	\$7,487.20
	410 x 2.5mm	1151	pcs	1868.0 kgs	\$2,450 /kg	\$4,576.60
	430 x 2.5mm	2000	pcs	3456.0 kgs	\$2,450 /kg	\$8,467.20
<b>TOTAL</b>		<b>28145</b>	<b>pcs</b>	<b>27991.00 kgs</b>		<b>\$68,577.95</b>
					Deposit:	<b>(\$10,015.00)</b>
					Balance payment:	<b>\$58,562.95</b>
<b>Account Details:</b> PLEASE REMIT TO : INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED NEW YORK BRANCH SWIFT BIC: ICBKUS33( FED ABA: 026014591 ,CHIPS ABA: 1459) FOR CREDIT TO: INDUSTRIAL AND COMMERCIAL BANK OF CHINA, ZHEJIANG PROVINCIAL BRANCH SWIFT BIC: ICBKCNBJJP BENEFICIARY'S ACCOUNT NO.: 1208060039114036778 BENEFICIARY'S NAME: ZHEJIANG JINNUO COMPOSITE MATERIALS CO.,LTD BENEFICIARY'S ADDRESS: NIQIAO VILLAGE, TONGQIN TOWN, WUYI CITY, ZHEJIANG CONTAINER NO: _____ M769407 COUNTRY OF ORIGIN: _____						
				浙江金诺复合材料有限公司 ZHEJIANG JINNUO COMPOSITE MATERIALS CO.,LTD SIGNED BY _____		

**Invoice of Bill of Entry No. 2981487 dated 02.03.2021**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**浙江赤诚工贸有限公司**

**ZHEJIANG CHICHENG INDUSTRY AND TRADE CO., LTD**

6 BUILDINGS IN THE NORTH OF LONGQIAN ROAD AND THE EAST OF LINJIANG STREET, WUCHENG DISTRICT, JINHUA CITY,  
ZHEJIANG PROVINCE, CHINA  
Tel:86-579-82600779 Fax:86-579-82629922

**发票  
INVOICE**

To: COOKS ARENA  
AI-169, GIDC, Ankleshwar-393002, Gujarat, India  
GST NO. 24AAAPV5073C1ZX  
IEC NO. 3416903765 PAN NO. AAAPV5073C  
装船口岸:  
Port of Loading: Ningbo, China

发票号码:  
Invoice No: CA/003/2020-21  
发票日期:  
Invoice Date: Jan.29,2021  
合同号码:  
Contract No: CA/003/2020-21

Shipping Marks	C/NO.	Descriptions	Quantity (PCS)	N.W (KG)	Unit Price (USD/KG)	Amount (USD)
唛头	编号	品名	数量	净重	单价	金额
		Thickness x Dia				FOB NINGBO
		ALUMINIUM CLADDED CIRCLES 3PLY (SS304+AL+SS430)				
	1	2.5*280mm	5105	3867.0	\$2.52	\$9,744.84
	2	2.5*305mm	12120	10678.5	\$2.52	\$26,909.82
	3	2.5*330mm	8212	8773.0	\$2.52	\$22,107.96
	4	2.5*355mm	1300	1566.5	\$2.52	\$3,947.58
	5	2.5*380mm	2000	2714.0	\$2.52	\$6,839.28
<b>TOTAL:</b>			<b>28737</b>	<b>27599.0</b>		<b>\$69,549.48</b>

**浙江赤诚工贸有限公司**

For and on behalf of  
ZHEJIANG CHICHENG INDUSTRY AND TRADE CO., LTD  
*Cissy*  
(Authorized Signature)



**Invoice of Bill of Entry No. 4726907 dated 19.07.2021**

F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
 SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025



# COMMERCIAL INVOICE

<b>1. SHIPPER/EXPORTER</b> ZHEJIANG JINNUO COMPOSITE MATERIALS CO.,LTD ADD: NIQIAO VILLAGE,TONGQIN TOWN,WUYI CITY, ZHEJIANG, CHINA TEL: 0086-579-87611126 FAX: 0086-579-87611127		<b>6. NO. &amp; DATE OF INVOICE</b> 20210527679      June-28-2021				
<b>2. CONSIGNEE</b> COOKS ARENA A1-169, GIDC ANKLESHWAR 393002 GUJARAT, INDIA GST NO. 24AAAPV5073C1ZX IEC NO. 3416903765    PAN NO. AAAPV5073C EMAIL: ASHWIN_VORA2004@YAHOO.COM		<b>7. NO. &amp; DATE OF L/C</b> _____				
<b>3. NOTIFY PARTY</b> SAME AS CONSIGNEE		<b>8. L/C ISSUING BANK</b> _____				
<b>4. PORT OF LADING</b> NINGBO, CHINA		<b>5. PORT OF DISCHARGE</b> Nhava Sheva, INDIA				
<b>9. REMARK</b> * PAYMENT BY T/T						
<b>10. MARKS &amp; NO. OF PKGS</b>	<b>11. DESCRIPTION OF GOODS</b>	<b>12. QUANTITY</b>	<b>13. NET WEIGHT</b>	<b>14. UNIT PRICE</b>	<b>15. AMOUNT</b>	
	<b>ALUMINIUM CLADDED CIRCLES 3PLY (SS304+AL+SS430)</b>			<b>FOB NINGBO</b>		
ALUMINIUM CLADDED CIRCLES 3PLY (SS304+AL+SS430)	280 x 2.5mm	5040	pcs	3646.0 kgs	\$2.600 /kg	\$9,479.60
	280 x 2.1mm	1260	pcs	892.0 kgs	\$2.600 /kg	\$2,319.20
	295 x 2.1mm	529	pcs	394.0 kgs	\$2.600 /kg	\$1,024.40
	305 x 2.5mm	1020	pcs	917.0 kgs	\$2.600 /kg	\$2,384.20
	330 x 2.5mm	1024	pcs	1029.0 kgs	\$2.600 /kg	\$2,675.40
	490 x 2.5mm	222	pcs	517.0 kgs	\$2.600 /kg	\$1,344.20
	355 x 2.5mm	7097	pcs	8523.0 kgs	\$2.600 /kg	\$22,159.80
	380 x 2.5mm	7080	pcs	9862.0 kgs	\$2.600 /kg	\$25,641.20
	390 x 2.5mm	500	pcs	743.0 kgs	\$2.600 /kg	\$1,931.80
	415 x 2.5mm	723	pcs	1191.0 kgs	\$2.600 /kg	\$3,096.60
<b>TOTAL</b>		<b>24495 pcs</b>		<b>27714.00 kgs</b>		<b>\$72,056.40</b>
					Deposit:	<b>(\$10,650.00)</b>
					Balance payment:	<b>\$61,406.40</b>
<b>Account Details:</b> PLEASE REMIT TO : INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED NEW YORK BRANCH SWIFT BIC: ICBKUS33( FED ABA: 026014591,CHIPS ABA:1459) FOR CREDIT TO: INDUSTRIAL AND COMMERCIAL BANK OF CHINA, ZHEJIANG PROVINCIAL BRANCH SWIFT BIC: ICBKCNBJJP BENEFICIARY'S ACCOUNT NO.: 1208060039114036778 BENEFICIARY: ZHEJIANG JINNUO COMPOSITE MATERIALS CO.,LTD BENEFICIARY: TONGQIN TOWN,WUYI CITY,ZHEJIANG						
CONTAINER NO./ SEAL NO.:		SEGU1651541 / 431128				
COUNTRY OF ORIGIN: CHINA						
					浙江金诺复合材料有限公司 ZHEJIANG JINNUO COMPOSITE MATERIALS CO.,LTD	
SIGNED BY _____						

Invoice of Bill of Entry No. 6859937 dated 28.12.2021

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**浙江赤诚工贸有限公司**  
**ZHEJIANG CHICHENG INDUSTRY AND TRADE CO., LTD**  
6 BUILDINGS IN THE NORTH OF LONGQIAN ROAD AND THE EAST OF LINJIANG STREET, WUCHENG DISTRICT, JINHUA CITY, ZHEJIANG PROVINCE, CHINA  
Tel:86-579-82600779 Fax:86-579-82629922

发票  
**INVOICE**

To: COOKS ARENA  
AI-169,GIDC,Ankleshwar-393002,Gujarat,India  
GST NO. 24AAPV5073C1ZX  
IEC NO. 3416903765 PAN NO. AAAPV5073C  
装船口岸:  
Port of Loading: NingBo, China

发票号码:  
Invoice No: ZJCC20211207  
发票日期:  
Invoice Date: Dec.07,2021  
合同号码:  
Contract No: ZJCC20211207

Shipping Marks	C/NO.	Descriptions	Quantity ( PCS)	N.W (KG)	Unit Price (USD/KG)	Amount (USD)	
唛头	编号	品名	数量	净重	单价	金额	
Cooks Arena		品名			含税含运费(到宁波)		
		Articles of Clad Metals Triply Circles					
	1	2.5*340mm	2000	2279.0	\$2.964	\$6,755.41	
	2	2.5*305mm	3000	2710.5	\$2.964	\$8,033.92	
	3	2.5*330mm	13000	14415.5	\$2.964	\$42,727.54	
	4	2.5*380mm	6000	8721.0	\$2.964	\$25,849.04	
	5	2.5*320mm	2000	1997.0	\$2.964	\$5,919.11	
	6	2.5*355mm	8900	11159.5	\$2.964	\$33,076.76	
	7	2.5*390mm	1000	1413.0	\$2.964	\$4,188.13	
	8	3.0*340mm	3000	3742.5	\$2.964	\$11,092.77	
	9	3.0*355mm	2100	2794.0	\$2.964	\$8,281.42	
	10	3.0*400mm	1200	2066.5	\$2.964	\$6,125.11	
	11	3.0*580mm	240	870.0	\$2.964	\$2,578.68	
	12	2.1*245mm	1500	766.0	\$2.980	\$2,282.68	
	13	3.0*245mm	500	319.0	\$2.964	\$945.52	
	14	3.0*260mm	500	359.0	\$2.964	\$1,064.08	
15	3.0*340mm	500	624.0	\$2.964	\$1,849.54		
TOTAL:			<b>45440</b>	<b>54236.5</b>		<b>\$1,60,769.70</b>	
			— advance payment			\$15,000.00	
			Residual payment			\$1,45,769.70	

浙江赤诚工贸有限公司

*ZHEJIANG CHICHENG INDUSTRY AND TRADE CO., LTD*

**Invoice of Bill of Entry No. 6988747 dated 07.01.2022**

F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
 SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025



# COMMERCIAL INVOICE

<b>1. SHIPPER/EXPORTER</b> ZHEJIANG JINNUO COMPOSITE MATERIALS CO.,LTD ADD: NIQIAO VILLAGE,TONGQIN TOWN,WUYI CITY, ZHEJIANG, CHINA TEL: 0086-579-87611126 FAX: 0086-579-87611127				<b>6. NO. &amp; DATE OF INVOICE</b> 20211130718    Dec-21-2021					
<b>2. CONSIGNEE</b> COOKS ARENA A1-169, GIDC ANKLESHWAR 393002 GUJARAT, INDIA GST NO. 24AAAPV5073C1ZX IEC NO. 3416903765    PAN NO. AAAPV5073C EMAIL: COOKSARENA@OUTLOOK.COM				<b>7. NO. &amp; DATE OF LIC</b>					
<b>3. NOTIFY PARTY</b> SAME AS CONSIGNEE				<b>8. LIC ISSUING BANK</b>					
<b>4. PORT OF LADING</b> NINGBO, CHINA				<b>5. PORT OF DISCHARGE</b> NHAVA SHEVA, INDIA					
<b>10. MARKS &amp; NO. OF PKGS</b>				<b>9. REMARK</b> * PAYMENT BY T/T					
<b>11. DESCRIPTION OF GOODS</b>		<b>12. QUANTITY</b>		<b>13. NET WEIGHT</b>		<b>14. UNIT PRICE</b>		<b>15. AMOUNT</b>	
<b>ARTICLES OF CLAD METAL TRIPLY CIRCLES</b>				<b>FOB NINGBO</b>					
TRIPLY CIRCLES	165 x 2.5 mm	2212	pcs	583.0	kgs	\$2.750	/kg	\$1,603.25	
	230 x 2.5 mm	1080	pcs	552.0	kgs	\$2.750	/kg	\$1,518.00	
	255 x 2.5 mm	1020	pcs	684.0	kgs	\$2.750	/kg	\$1,881.00	
	280 x 2.5 mm	1020	pcs	823.0	kgs	\$2.750	/kg	\$2,263.25	
	305 x 2.5 mm	1000	pcs	902.0	kgs	\$2.750	/kg	\$2,480.50	
	320 x 2.5 mm	1014	pcs	1006.0	kgs	\$2.750	/kg	\$2,766.50	
	330 x 2.5 mm	2081	pcs	2149.0	kgs	\$2.750	/kg	\$5,909.75	
	340 x 2.5 mm	1000	pcs	1094.0	kgs	\$2.750	/kg	\$3,008.50	
	355 x 2.5 mm	4010	pcs	4932.0	kgs	\$2.750	/kg	\$13,563.00	
	380 x 2.5 mm	3989	pcs	5641.0	kgs	\$2.750	/kg	\$15,512.75	
	390 x 2.5 mm	1017	pcs	1507.0	kgs	\$2.750	/kg	\$4,144.25	
	405 x 2.5 mm	1003	pcs	1538.0	kgs	\$2.750	/kg	\$4,229.50	
	415 x 2.5 mm	1077	pcs	1782.0	kgs	\$2.750	/kg	\$4,900.50	
	440 x 2.5 mm	300	pcs	564.0	kgs	\$2.750	/kg	\$1,551.00	
	465 x 2.5 mm	348	pcs	732.0	kgs	\$2.750	/kg	\$2,013.00	
	490 x 2.5 mm	200	pcs	465.0	kgs	\$2.750	/kg	\$1,278.75	
420 x 2.1 mm	1520	pcs	2294.0	kgs	\$2.750	/kg	\$6,308.50		
<b>TOTAL</b>		<b>23891</b>	<b>pcs</b>	<b>27248.0</b>	<b>0.00</b>			<b>\$74,932.00</b>	
								Deposit: (\$10,802.00)	
								Balance payment: <b>\$64,130.00</b>	
<b>Account Details:</b> PLEASE REMIT TO : INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED NEW YORK BRANCH SWIFT BIC: ICBKUS33( FED ABA: 026014591,CHIPS ABA:1459) FOR CREDIT TO: INDUSTRIAL AND COMMERCIAL BANK OF CHINA, ZHEJIANG PROVINCIAL BRANCH SWIFT BIC: ICBKCNBJJP BENEFICIARY: [REDACTED] 036778 BENEFICIARY: [REDACTED] COMPOSITE MATERIALS CO.,LTD BENEFICIARY: [REDACTED] TONGQIN TOWN,WUYI CITY,ZHEJIANG CONTAINER NO./ SEAL NO.: COUNTRY OF ORIGIN: CHINA									
								浙江金诺复合材料有限公司 ZHEJIANG JINNUO COMPOSITE MATERIALS CO.,LTD SIGNED BY _____	

Invoice of Bill of Entry No. 7157747 dated 20.01.2022

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**浙江赤诚工贸有限公司**

**ZHEJIANG CHICHENG INDUSTRY AND TRADE CO., LTD**

8 BUILDINGS IN THE NORTH OF LONGQIAN ROAD AND THE EAST OF LINJIANG STREET, HUSHENG DISTRICT, NINGBO CITY, ZHEJIANG PROVINCE, CHINA

Tel:86-579-82600779 Fax:86-579-82629922

**发票  
INVOICE**



To COOKS ARENA

A1-169, GIDC, Ankleshwar-393002, Gujarat, India  
GST NO. 24AAAPV5073C2X  
IEC NO. 3498903785  
PAN NO. AAAPV5073C

装船口岸:

Port of Loading: NingBo, China

发票号码:

Invoice No: ZJCC20211220

发票日期:

Invoice Date: Dec 20, 2021

合同号码:

Contract No: ZJCC20211220

Shipping Marks	C/NO.	Descriptions	Quantity ( PCS)	N.W (KG)	Unit Price (USD/KG)	Amount (USD)
唛头	编号	品名	数量	净重	单价	金额
		品名			含税普运费(到宁波)	
		Articles of Clad Metal Triply Circles				
Cooks Arena	1	3.0*310mm	1500	1525.5	\$2.970	\$4,530.74
	2	3.0*355mm	1065	1437.5	\$2.970	\$4,269.38
	3	3.0*400mm	11000	19399.5	\$2.970	\$57,616.52
	4	3.0*335mm	1000	1286	\$2.970	\$3,819.42
	5	3.0*370mm	500	759.5	\$2.970	\$2,255.72
	6	3.0*315mm	13000	14527	\$2.970	\$43,145.19
	7	3.0*280mm	700	582.5	\$2.970	\$1,730.03
	8	3.0*340mm	7500	9680	\$2.970	\$28,749.60
	9	3.0*665mm	1000	5024.5	\$2.970	\$14,922.77
TOTAL:			37265	54222.00		\$161,039.34
			— advance payment			\$15,000.00
			<b>Residual payment</b>			\$146,039.34

浙江赤诚工贸有限公司

浙江赤诚工贸有限公司  
ZHEJIANG CHICHENG INDUSTRY AND TRADE CO., LTD

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**CLASSIFICATION OF ‘ALUMINIUM CLADDED CIRCLES’ OR ‘SS TRI-PLY CIRCLES’**

**16.4** I observe that Chapter 72 and chapter 73 both are covered under Section XV i.e. (Base Metals and Articles of Base Metal) of Customs Tariff consist of two chapters of Iron and Steel. Chapter 72 covers Iron and Steel, whereas Chapter 73 covers Articles of Iron and Steel. Chapter 72 consists of primary Material, Semi-Finished products and Flat rolled products of Iron and different types of Steel (Non-alloy/Stainless/Other Alloys). Further, I find that goods included in Chapter 73 are sheet piling, tubes, pipes, anchors, sewing needle, kitchen articles of iron or steel etc. All these products have their direct end use and can be used independently without being further worked upon. An article under Chapter 73 has to be a finished product which either can be used independently or to be joined or fixed together to make structures etc.

**I. EXCLUSION FROM CTH 7326**

**16.4.1** I observe that the item ‘SS Triply Circle’ or ‘Aluminium cladded circles 3 Ply SS304 + AL + SS430’ is a composite product of two base metals viz. Stainless Steel and Aluminium and it should be classified as product of stainless Steel as Stainless Steel predominates the weight. **I find that it is also an undisputed fact that the stainless steel is predominating by the weight in the imported item.**

**16.4.1.1** As per Note 7 to Chapter XV of Customs Tariff Act, 1975,

*“7. Classification of composite articles:*

*Except where the headings otherwise require, articles of base metal (including articles of mixed materials treated as articles of base metal under the Interpretive Rules) containing two or more base metals **are to be treated as articles of the base metal predominating by weight** over each of the other metals.*

*For this purpose:*

*(a) iron and steel, or different kinds of iron or steel, are regarded as one and the same metal”.*

**16.4.1.2** Although, section note 7 is for articles of steel, whereas the present case involves a different kind of dispute namely as to whether the process of cladding of one layer of aluminium with two layers of flat rolled stainless steel will result into an article of steel or not. However, section note 7 contains a principle of weight ‘weight’ in the manner that classification will be decided on the basis of preponderance of weight.

**16.4.1.3** Based on above note, I find that the ‘SS Triply Circle’ merits classification as a **product of Stainless Steel** and it is also an admitted fact that the item has to be processed before using in manufacturing of cooking wares, hence, I find that the item is not having the essential shape of finished articles, they have not assumed the character of articles of chapter 73 or of other headings, i.e., heading 7326 and the item ‘SS Triply circles’, neither have any

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

independent function or use nor they can be used by joining or fixing together, therefore, I am of the opinion that it doesn't merit to be classified in chapter 73 for the reasons. Further, it is a flat-rolled product, which is to be further worked upon to get a desired article. Therefore, it fulfils the criteria to be classified under Chapter 72 only and the possibility of its classification under chapter 73 stands ruled out, it merits classification under Chapter 72.

**16.4.1.4** I observe that the Explanatory Notes to CTH 7326 specify that as follows:

*“this heading covers all iron or steel articles obtained by forging or punching, by cutting or stamping or by other processes such as folding, assembling, welding, turning, milling or perforating **other than** articles included in the preceding headings of this Chapter or covered by Note I to Section XV or included in **Chapter 82 or 83** or more specifically covered elsewhere in the Nomenclature.”*

**16.4.1.5** I observe that Heading 7326 reads as “Other articles of iron or steel.” The use of the expression “Other articles” indicates that the heading is residuary in nature and is intended to cover only those articles of iron or steel which are not specifically covered elsewhere in Chapter 73 or in any other Chapter of the Tariff. The legal implication of this structure is that Heading 7326 operates only when the goods in question:

1. Qualify as “articles” of iron or steel;
2. Are not covered by any of the preceding headings of Chapter 73;
3. Are not excluded by Section Note 1 to Section XV; and
4. Are not more specifically covered elsewhere in the Tariff.

**16.4.1.6** The CTH 73269070 is for ‘articles of clad metals’ it is evident from the said wording of the heading of CTH 73269070 that there is difference between ‘articles’ and ‘clad metals’. Since this heading is for articles of steel, the same does not qualify for only any ‘article’ or only any ‘clad metal’. It may be seen that an article may be made of many materials or metals. However, all such articles would not merit classification under CTH 73269070 if they are not ‘made’ of ‘clad metal’. Similarly, there may be many instances of ‘clad metals’ any different variations of clad steel like clad mild steel or clad copper would not qualify under CTH 73269070 because they are not clad stainless steel. Sheer reading of the heading of CTH 732670, it is clear that such clad metals of stainless or mild steel will have to be first converted into an article and only thereafter, said article of clad metal/steel could qualify classification under CTH 73269070.

**16.4.1.7** The clad metals/steel cannot be classified under CTH 73269070 only because of the usage of the phrase ‘clad metals’ because sheer reading of CTH 73269070, it is clear that a product has to fulfil both criteria namely i) the criterion of being ‘an article’ and ii) criterion of being made from ‘clad metal’. Since the impugned goods though made of ‘clad metal’ has not attained the essential characters of an articles, same can't be classified under CTH 73269070.

**16.4.1.8** More importantly, they are specifically covered under Heading 7219 as flat-rolled stainless-steel products. Since they are more specifically described under Chapter 72, resort to Heading 7326, which is residuary and applicable only to “other articles,” is legally unsustainable.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**16.4.1.9** Thus, heading 7326 cannot be invoked to classify goods that:

- Do not qualify as articles;
- Are specifically covered elsewhere in the Nomenclature, particularly under Chapter 72.

**16.4.1.10** Accordingly, I observe that Heading 7326, being a residual entry, excludes goods that are not articles & covered by Section Note 1 to Section XV or are more specifically classifiable under other headings, including those of Chapter 72. Therefore, the impugned goods cannot be brought under CTH 7326.

## **II. INCLUSION UNDER CTH 7219**

**16.4.2** I further observe that the 'SS Triply Circle' is a product of Stainless Steel and therefore shall fall in the Sub-Chapter III. STAINLESS STEEL (CTH 7218 to CTH 7227) of chapter 72. The only relevant CTH for this kind of product, I find is either 7219 (FLAT-ROLLED PRODUCTS OF STAINLESS STEEL, OF A WIDTH OF 600 MM OR MORE) OR 7220 (FLAT-ROLLED PRODUCTS OF STAINLESS STEEL, OF A WIDTH OF LESS THAN 600 MM).

**16.4.2.1** I observe that CTH 7219 covers both '**non-further worked than hot/cold rolled**' steel and '**further worked on hot/cold rolling like clad of steel product**'. On seeing the provisions of CTH 721911 to 721914, 721921 to 721924, 721931 to 721935 it would transpire that all these heads are for only hot or cold rolled stainless steel, not further worked. Whereas CTH 721990 is for other than aforesaid 'not further worked' stainless steel. Therefore, it is evident that 'further worked on stainless less' like clad steel/ metals will merit classification under CTH 7219.90.

**16.4.2.2** It is further observed that the Explanatory Notes to Headings 7208 to 7210 apply mutatis mutandis to products of Heading 7219. Heading 7210 specifically covers flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, which are clad, plated or coated. On a harmonious reading of the tariff structure and corresponding Explanatory Notes, it becomes evident that the scheme adopted for iron or non-alloy steel under Headings 7208 to 7210 is mirrored for stainless steel under Heading 7219. **Just as Heading 7210 is the specific entry for clad, plated or coated flat-rolled products of iron or non-alloy steel, Heading 7219, through subheading 7219.90, provides the corresponding classification for clad, plated or coated flat-rolled products of stainless steel.** Since subheadings 7219.11 to 7219.35 are confined to hot-rolled or cold-rolled stainless steel 'not further worked', subheading 7219.90 necessarily encompasses stainless steel flat-rolled products which have been further worked by cladding, plating or coating.

**16.4.2.3** In this way, since there is a clear, apparent an unequivocal tariff heading provided for clad metals/steel in tariff in form of CTH 7219.90, therefore, the clad metal/steel are more specifically and more appropriate classifiable under CTH 7219.90. Therefore, there is no need

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

of forcing the classification of subject 'clad metal/steel' or Tri-Ply steel under CTH 73269070 which is not meant for 'clad metal/steel' but for only 'articles of clad metals'

**16.4.2.4** Since, the cladding does not result into conversion of clad metals into articles of steel, the clad metal/steel i.e. Triply circles do not merit classification under CTH 73269070 All such products of stainless steel, which are the results of any such process like cladding which do not transform the base metals/ clad metals or any other metal which does not convert into an article of steel, will qualify under the mischief of CTH 7219.90.

**16.4.2.5** Further, as already discussed in the forgoing Para 16.3 supra the subject goods 'SS tri-ply circle's / 'aluminium-cladded circles' are excluded from the scope of Note 1(j) relating to semi-finished products and satisfy the statutory criteria under Note 1(k) as flat-rolled products. It is also held that the process of blanking is tariff-neutral and does not alter their essential character and that the SS tri-ply circles / aluminium-cladded circles, being blanked out of rectangular flat-rolled stainless-steel sheets satisfying the dimensional criteria under Note 1(k), and having undergone no further working beyond cutting to shape, continue to retain the essential character of flat-rolled products. In this context I observe that the Note 1(k) further provides that flat-rolled products of a shape other than rectangular or square are to be classified as products of a width of 600 mm or more, accordingly the impugned goods merit classification under CTH 7219 that covers Flat-Rolled Products of Stainless Steel, of a width of 600 mm or more.

**16.4.2.6** I further observe that subheading 7219.90 is subdivided into tariff items 7219.90.11 to 7219.90.13, which specifically pertain to clad stainless steel products presented in the form of sheets and plates. The residual tariff item 7219.90.90 covers "others" falling within the scope of 7219.90 but not specifically enumerated in the preceding entries. In the present case, the impugned goods are SS tri-ply / aluminium-cladded stainless-steel circles obtained by blanking from flat-rolled sheets. They are not presented as rectangular sheets or plates but as circular profiles. While they retain the essential character of flat-rolled stainless-steel products and fall squarely within subheading 7219.90 as clad stainless-steel products, they do not conform to the description of "sheets" or "plates" under tariff items 7219.90.11 to 7219.90.13. Accordingly, by application of the principle of specific enumeration followed by residual coverage within the same subheading, I find that the impugned circular clad stainless-steel products merit classification under tariff item 7219.90.90, being "other" clad flat-rolled stainless-steel products not specifically covered under 7219.90.11 to 7219.90.13.

### **Implementation of the General Rules for Interpretation (GRI)**

**16.4.2.7** I observe that Rule 1 of the GRI provides that the goods under consideration should be classified in accordance with the terms of the heading or relevant Section or Chapter Notes. Accordingly, on applying the provisions of rule of 1 GIR, I find that good merit classification under CTH 7219.90 due to the following reasons: -

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

- (i) As per rule 1 of GIR *“for legal purposes, classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes”*. In the scheme of chapter 72, Custom Tariff Heading 7219.90 is for further worked flat rolled Stainless-steel products like clad products. It is because entire CTH 7219 is divided into two parts, one for **“not further worked flat rolled stainless steel products”** and **“further worked flat rolled stainless steel products”**. Whereas CTHs 721911 to 721914, 721921 to 7421924, 721931 to 721935 are for **“not further worked flat rolled stainless steel products”**, CTH 7219.90 is for others. It clearly shows that CTH 7219.90 is for **“further worked flat rolled stainless steel products”**. Further the Explanatory Notes to Headings 7208 to 7210 apply mutatis mutandis to products of Heading 7219. Heading 7210 specifically covers flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, which are clad, plated or coated. On a harmonious reading of the tariff structure and corresponding Explanatory Notes, it becomes evident that the scheme adopted for iron or non-alloy steel under Headings 7208 to 7210 is mirrored for stainless steel under Heading 7219. Just as Heading 7210 is the specific entry for clad, plated or coated flat-rolled products of iron or non-alloy steel, Heading 7219, through subheading 7219.90, provides the corresponding classification for clad, plated or coated flat-rolled products of stainless steel. In this context, clad flat rolled stainless steel has been provided with a very clear and unambiguous Custom Tariff Heading in terms of CTH 7219.90. Therefore, the same merits classification under CTH 7219.90 in terms of general rules of interpretation.
- (ii) Further, cladding is a process where a layer of one material is bonded to other by welding, rolling, laser base techniques. The triply steel is obtained by hot rolling-based bonding of two layers of stainless steel with one layer of aluminum sandwich between them. In any case, two layers of steel are always obtained by rolling of two layers. Presence of two layers the weight of Triply is about three times more than the weight of aluminum therefore the weight of two layers of stainless steel in Triply is about six times more than the aluminum due to presence of two layers of stainless steel in contrast of one layer of aluminum. Since **‘rule 2(b)’** read with **‘rule 3(a)’** of the rules of interpretation legally provides that *“any reference in a heading to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances”*. Moreover, flat rolled steel provides the most specific description of the products of the importer. Further, importer also considers their product as steel and not as aluminum. Moreover, there is no dispute about the fact that the goods of the importer are flat rolled products. Therefore, in terms of the provisions of **‘rule 2(b)’** read with **‘rule 3(a)’** also, the goods of the importer merits classification under CTH 7219.90.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**16.5 Above findings are supported by following case laws: -**

**(A) NEEL METAL PRODUCTS LTD. Versus COMMISSIONER OF C. EX., DELHI-III (2017 (7) G.S.T.L. 76 (Tri. - Chan.)**

*“6. On careful consideration of the said facts, we find that the facts are not in dispute by the Revenue as **blanks are metal sheets cut to the specification for use in further manufacture of products.** The Revenue has assumed the character of products only after manufacturing process are carried out but in case **these blanks are not usable or cannot be said as motor vehicle parts.** They would become only blanks/motor vehicle part after various process carried out, therefore, it cannot be said that these blanks are classifiable under CETH 8708/8714.....*

*As these blanks in question are not used as part of the motor vehicle part and they are required to be further processing which has been done by the buyers of the goods. In that circumstances, we hold that the appellant has correctly classified the said goods under Chapter 72 of the Central Excise Tariff Act. “*

**(B) S.S. MIRANDA LIMITED Versus COLLECTOR OF CENTRAL EXCISE, BOMBAY - 1997 (96) E.L.T. 634 -Tribunal) (upheld by Hon’ble Supreme Court:- [Commissioner v. S.S. Miranda Limited – [1999 \(106\) E.L.T. A191](#) (S.C)]**

*“6. What then is the correct classification of the goods? The plea of the appellant that even after the bars and rods **are subjected to processes** in their hands, they remained bars and rods of alloy steel, cannot be accepted, the bars and rods have acquired a different character viz. that of tool bit blank which can be considered as the article of iron and steel and hence classification under Heading 7308.90 as other articles of iron and steel for the **period up to 1-3-1988** would be more appropriate than Heading 72.09. **After 1-3-1988, the tariff provides for a more specific entry for the disputed items viz. Heading 7224.00 which covers semi-finished products of other alloy steel.** We have already held that the goods in question are in the nature of semi-finished products. This Heading is more appropriate **than** the Heading 7326.90 where the Department has sought to classify the goods after 1-3-1988.”*

**(C) V.R. FORGINGS (P) LTD. Versus COLLECTOR OF CENTRAL EXCISE, MEERUT- 1995 (80) E.L.T. 562 (Tribunal)**

*“4. We have carefully considered the submissions made by both the sides. On prima facie view of the issue under dispute, we are inclined prima facie to agree with the submissions made by the Learned DR that the goods in this case would appear to be in a semi-finished stage and in such a condition their classification under Chapter 72 would prima facie appear to be more appropriate. ....”*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**16.6 I also find support from the US Customs Ruling No. HQ 963255 dated APRIL 28, 2000: -**

**“LAW AND ANALYSIS:**

*Under General Rule of Interpretation (GRI) 1, Harmonized Tariff Schedule of the United States (HTSUS), goods are to be classified according to the terms of the headings and any relative section or chapter notes, and provided the headings or notes do not require otherwise, according to GRIs 2 through 6.*

*Chapter 72, Note 1(k), HTSUS, defines Flat-rolled products in part as rolled products of solid rectangular (other than square) cross section, and include flat-rolled products of a shape other than rectangular or square, of any size, provided that they do not assume the character of articles or products of other headings. Circles and octagons are shapes that are other than rectangular or square. However, in Motor Wheel Corp. v. United States, 19 CIT 385 (1995), the Court of International Trade found that steel in circular shapes cut from flat-rolled other alloy steel of heading 7208, HTSUS, by an automated cookie cutter process, constituted a stamping made from flat-rolled other alloy steel. Because subheading 7326.19, HTSUS, includes the phrase “forged or stamped, but not further worked,” the Court held that the circular shapes had assumed the character of goods of another heading and were classifiable as other articles of iron or steel, forged or stamped, but not further worked, in subheading 7326.19.00, HTSUS. In our opinion, because the steel circles at issue are produced by a type of circular cutting operation, and not by a recognized stamping operation, they have not assumed the character of articles of another heading, and are not covered by the decision in Motor Wheel. **The circles remain flat-rolled products of stainless steel, of heading 7219.***

**HOLDING:**

***Under the authority of GRI 1, the steel circles produced from flat-rolled stainless steel in coils by a Bombed Circular Cutter is provided for in heading 7219. It is classifiable in subheading [7219.90.00](#), HTSUS.***

**16.7** I find that it has been clearly established that the imported product merits classification under CTH 7219 read with Note 7 of the Chapter 15 of the Customs tariff Act, 1975 for the following reasons: -

- The preponderance of weight in the imported goods is of the steel and there is no dispute regarding the product being flat rolled product comprising of two layers of steel with a sandwiched layer of aluminum between them.
- The product squarely falls within the definition of Flat Rolled product of Stainless-Steel of a width of 600 mm or more, as per Rule 2(b) of the General Rules of Interpretation (GRI) read with Note 1(j) and Note 1(k) to Chapter 72 of the Customs Tariff Act, 1975. The process of cladding with aluminum neither changes the nature of the imported product as semi-finished product nor makes it as a finished article of steel. There is no dispute about the fact that imported products are not rectangle or square in shape of any size. Therefore, in view of the relevant Chapter Note’s they do

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

not assume the characteristics of a finished article, merely because of cladding a layer of aluminum.

### **SUMMARY**

**16.8** Upon careful consideration of the nature of the product and the processes undertaken, I find that the impugned goods, namely “Aluminium Cladded Circles” / “SS Tri-Ply Circles,” are flat-rolled stainless steel products. The product is manufactured by cladding, wherein an aluminium layer is metallurgically bonded between two stainless steel layers through roll bonding. This process results in the formation of a composite material, combining the properties of stainless steel and aluminium, while retaining the essential character of a flat-rolled stainless-steel product.

**16.8.1 Cladding** is a recognized surface treatment process and does not alter the fundamental classification of the product as a flat-rolled item. The tri-ply configuration enhances functional properties such as heat distribution and durability, but the product continues to remain a flat-rolled composite metal sheet within the meaning of Chapter 72. The subsequent operation undertaken is **blanking**, whereby circular profiles are cut out from the flat-rolled composite sheets. Blanking is a sheet-metal shearing operation performed using a punch-and-die mechanism. In this process, the circular cut-out portion constitutes the intended product (blank), while the surrounding sheet skeleton becomes scrap. The operation merely changes the external outline from rectangular to circular shape and does not affect thickness, metallurgical structure, bonding characteristics, or intrinsic properties of the composite material. It is important to distinguish blanking from punching. In punching, the sheet remains the principal product and only perforations are created, with the removed slugs treated as scrap. In blanking, however, the cut-out portion is the usable product and the remaining material becomes scrap. Nevertheless, in both operations, there is no functional transformation. In the present case, blanking does not impart any curvature, rim formation, holes, handle attachment, or three-dimensional form. The circles remain flat and lack independent functional identity. Thus, the SS tri-ply / aluminium-cladded circles retain their identity as flat-rolled stainless-steel composite products and do not emerge as articles merely by virtue of blanking.

**16.8.2** In view of the foregoing, I find that the process of blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles is a tariff-neutral operation. The said process merely involves cutting or shaping flat-rolled material into circular form and does not, by itself, result in the emergence of a new article. SS tri-ply circles or aluminium-cladded circles are mere blanks of flat-rolled products, being a flat disc without curvature, rim formation, holes, attachment features, or any other attributes that would impart the identity of a finished article. At this stage, the **product does not acquire any essential character** of a finished good. I further find that such **blanks do not have any usability as finished articles**, as they are incapable of performing any intended end-use function without undergoing substantial further manufacturing processes. They are meant for subsequent forming, machining, assembly, and finishing operations. It is also observed that SS tri-ply circles **do not possess**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH**  
**SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**marketability as finished goods** in commercial parlance. They are not ordinarily bought or sold as consumer articles, but only as inputs for further manufacture.

**16.8.2.1** I also find that an SS tri-ply circle **does not have any specific or dedicated use corresponding to a particular finished article. Instead, it has a general use**, comparable to that of flat-rolled products, and is capable of being utilized for the manufacture of a variety of articles depending upon subsequent processing. Accordingly, I hold that the blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles does not result in the emergence of a new article having a distinct identity, essential character, usability, marketability, or specific end-use as a finished good, and the said blanks remain comparable in nature and utility to flat-rolled products.

**16.8.3** Upon examination of Note 1(j) and Note 1(k) to Chapter 72 of the Customs Tariff Act, 1975, read with the undisputed factual matrix, I find that the impugned SS tri-ply circles / aluminium-cladded circles are flat-rolled stainless-steel composite products and are clearly excluded from the scope of “semi-finished products” under Note 1(j). The goods originate from rectangular flat-rolled sheets satisfying the prescribed dimensional criteria, and the subsequent process of blanking is merely a tariff-neutral cutting operation that changes the external outline without altering thickness, composition, bonding structure, or essential character. **Note 1(k) specifically provides that flat-rolled products of shapes other than rectangular or square are to be classified as products of a width of 600 mm or more, provided they do not assume the character of articles of other headings. This clarification is significant in the present case, as it reflects the legislative intent that a mere change in external outline does not deprive the goods of their character as flat-rolled products.** The impugned goods remain flat, lack independent functionality, and have not acquired the character of articles under Chapter 73. Accordingly, I hold that the goods retain the essential character of flat-rolled products and are rightly classifiable under Heading 7219

**16.8.4** I observe that Chapter 72 of the Customs Tariff covers iron and steel in their primary, semi-finished and flat-rolled forms, whereas Chapter 73 covers finished articles of iron and steel having definite shape, independent function and direct end use. The impugned SS Triply / Aluminium Cladded Circles are composite products in which stainless steel predominates by weight and, in terms of Section Note 7 to Section XV, are to be treated as stainless steel products. At the stage of importation, the goods are merely flat blank circles requiring substantial further processing and do not possess independent functionality, finished shape, or direct usability. They therefore do not qualify as “articles” under Chapter 73. Heading 7326, being a residuary entry covering “other articles of iron or steel,” can be invoked only where goods qualify as articles and are not more specifically covered elsewhere in the Tariff. Since the impugned goods are specifically covered under Heading 7219 as flat-rolled stainless-steel products and have not assumed the essential character of articles, classification under CTH 7326 stands excluded.

**16.8.5** The impugned goods, namely SS Triply / Aluminium Cladded Circles, are products of stainless steel and fall within Sub-Chapter III (Headings 7218–7227) of Chapter 72 dealing

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

with stainless steel. The relevant competing headings are 7219 (for width 600 mm or more) and 7220 (for width less than 600 mm). In terms of Note 1(k), flat-rolled products of non-rectangular shape are to be classified as products of width 600 mm or more. The circles are blanked from rectangular flat-rolled sheets, and blanking being a tariff-neutral operation does not alter their essential character. The goods therefore retain the character of flat-rolled stainless-steel products. Heading 7219 covers flat-rolled stainless-steel products of width 600 mm or more, and subheadings 7219.11 to 7219.35 cover stainless steel not further worked beyond hot or cold rolling. The impugned goods are clad stainless-steel products and are therefore “further worked.” Subheading 7219.90 specifically covers other flat-rolled stainless-steel products, including clad products. The Explanatory Notes to Headings 7208–7210 apply *mutatis mutandis* to Heading 7219, and just as Heading 7210 covers clad flat-rolled products of iron or non-alloy steel, heading 7219.90 covers clad stainless steel. The tariff scheme clearly segregates not-further-worked and further-worked stainless steel products. Cladding does not convert the goods into articles of steel, and they remain flat-rolled composite stainless-steel products. Tariff items 7219.90.11 to 7219.90.13 apply to sheets and plates, whereas the impugned goods are circular profiles and not sheets or plates. Therefore, they fall under residual tariff item 7219.90.90. Accordingly, by application of GRI Rules 1, 2(b), 3(a) and 6, the goods are correctly classifiable under CTH 7219.90.90.

**16.8.6 In view of above facts, findings, Chapter Notes, Section Notes, General Rule of Interpretation, I hold that the item – 'Aluminium Cladded Circles'/ 'SS Triply circles' imported vide Bills of Entries mentioned above in Table-II, is rightly classifiable under CTH 72199090.**

### **REBUTTAL OF DEFENCE SUBMISSIONS**

**16.9** Noticee has contended that their product comes in to existence primarily through a process of punching of the sandwiched sheet made of two layers of iron and one sandwiched layer of aluminium. As per HSN Explanatory Noted to CTH 7326 it has been abundantly clarified that on applying the said process subject goods takes the shape of an article. In view of the above their product is classifiable under CTH 7326 and not under CTH 7219. Further as per the manufacturing process to obtain tri-ply circles (marked as **ANNEXURE A**), which necessarily comes into existence by subjecting the products to “punching” process and hence, the resultant product must be treated to be “article” of steel, rightly meriting classification under CTH 73 necessarily.

**16.9.1 I observe that blanking and punching are two separate and distinct processes in the steel industry, each serving different purposes. In this context, I reiterate my findings in the foregoing Paras as the same are *mutatis mutandis* applicable to the issue in hand.**

**16.9.1.1** It is also pertinent to mention here that **blanking is distinct from the punching process** undertaken in the steel industry. Though both operations involve shearing of sheet metal using a punch and die arrangement, **the essential difference lies in the intended product of the operation.** In blanking, the portion cut out from the flat-rolled sheet constitutes the desired product, commonly referred to as the “blank,” while the remaining

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

surrounding material becomes scrap. Conversely, in punching, the sheet itself remains the principal product and the material removed in the form of holes or perforations is discarded as scrap. Technically, blanking is employed to obtain flat pieces of predetermined shape and size for further processing, whereas punching is undertaken to create apertures or perforations in a sheet without altering its overall identity as a flat product. Thus, while both are cutting operations, blanking results in the separation of a usable product, whereas punching merely modifies an existing sheet. This distinction is material in understanding the nature and extent of processing involved. A comparative Table of the above discussion is as follows:

<b>Comparative Table: Blanking vs Punching in Steel Industry</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Blanking</b>	<b>Punching</b>
1	Nature of operation	Shearing operation to cut out a predetermined external profile	Shearing operation to create holes or perforations in a sheet
2	Intended product	The cut-out portion (blank) is the useful product	The remaining sheet is the useful product
3	Scrap generated	Surrounding sheet skeleton becomes scrap	The punched-out pieces (slugs) become scrap
4	Change in product form	Produces a separate flat piece of defined shape and size	Sheet remains intact except for holes/perforations
5	Dimensional alteration	Alters external outline of the sheet	Does not alter overall outline; only internal removal
6	Functional transformation	No functional identity imparted; remains flat rolled product	No functional identity imparted; remains flat rolled sheet
7	Metallurgical change	None	None

**16.9.1.2 Further I observe that Note 1(k) to chapter 72 of Customs Tariff Act, 1975 further provides that flat-rolled products of a shape other than rectangular or square are to be classified as products of a width of 600 mm or more, provided they do not assume the character of articles of other headings. This clarification is significant in the present case, as it reflects the legislative intent that a mere change in external outline does not deprive the goods of their character as flat-rolled products.**

**16.9.1.3 The litmus test here is to determine as to whether the impugned goods have attained the essential characters of an article. In this context, I reiterate my findings recorded in para 16.2 supra, which are mutatis mutandis applicable to the issue at hand.**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**16.9.1.3.1** Now coming to the point of use of SS tri-ply circles and the subsequent article-forming steps, I am taking the manufacturing of a *tawa* as an illustrative example.

**16.9.1.3.2** The manufacturing process of a *tawa* from stainless steel blanks proceeds through identifiable and sequential stages, each contributing progressively to the development of the finished product.

- i. **SS tri-ply circles or Aluminium cladded circles or blanks:** At the stage of the product remains a flat disc of uniform thickness without curvature, rim formation, holes, or handle. The blank is incapable of being used as a cooking utensil and represents only an intermediate material intended for further processing.
- ii. **Stage I – Press Forming / Dishing:** The circular blank is thereafter subjected to forming operations in a hydraulic or mechanical press. Through controlled application of pressure, a shallow concave shape is imparted to the disc, thereby creating the basic cooking surface contour. While this operation alters the flat profile and introduces three-dimensional form, the product at this stage still lacks handling capability and remains incomplete.
- iii. **Stage II – Edge Trimming and Rim Formation:** Subsequent to forming, the edges of the shaped disc are trimmed and finished. Rim strengthening or rolling may be undertaken to enhance structural integrity and safety. These processes refine the shape and improve durability, but the product continues to remain without attachment mechanisms and is not yet capable of independent use.
- iv. **Stage III – Drilling and Handle Attachment:** In the next stage, holes are drilled at designated positions and a handle is affixed through riveting or welding. The attachment of the handle imparts handling capability and renders the product suitable for placement over a heat source and safe manual use. The product at this stage assumes the recognizable form of a *tawa* and becomes capable of functioning as a cooking utensil.
- v. **Stage IV – Surface Finishing and Polishing:** Finally, polishing, buffing, and surface finishing operations are carried out to enhance the aesthetic appeal and smoothness of the cooking surface. These finishing processes render the product commercially presentable and ready for sale in the market.
- vi. Thus, the transformation from a flat blank to a finished *tawa* is achieved through progressive forming, machining, assembly, and finishing operations, each stage contributing to the emergence of the final functional article.

**Not attaining the Essential Character of an Article**

**16.9.1.3.3** The emergence of essential character must be examined with reference to the progressive stages of manufacture. At the stage of SS tri-ply circles or aluminium-cladded blanks, the product remains a flat disc of uniform thickness without curvature, rim formation, holes, or handle attachment. At this point, the product does not possess the distinctive features associated with a *tawa*. Even after press forming or dishing, though a shallow concave contour is introduced, the absence of handling capability and structural completeness indicates that the essential character has not yet fully emerged. Similarly, edge trimming and rim formation improve durability and safety but do not impart functional identity. It is only at the stage

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

where drilling and handle attachment are completed that the product assumes the recognizable shape and character of a tawa. The subsequent polishing and finishing operations enhance presentation but do not fundamentally alter the essential character already established upon handle attachment.

**Non-Usability as an Article**

**16.9.1.3.4** The usability of the product as a finished good depends upon its capability to perform the intended function without further processing. At the blank stage, the flat circular disc is incapable of being used as a cooking utensil and serves only as raw material. Following press forming and rim finishing, although the product begins to resemble a cooking surface, it still lacks handling capability and cannot be practically used over a heat source. The attachment of the handle marks the stage at which the product becomes capable of being placed on a stove and manually handled during cooking. Thus, usability as a finished cooking utensil arises only upon completion of handle attachment, whereas earlier stages represent incomplete and non-usable forms.

**Non-Marketability as an Article**

**16.9.1.3.5** Marketability as a finished article requires that the product be commercially recognizable and capable of being sold as such. The blank stage product is ordinarily traded, if at all, only as raw material and not as a cooking utensil. Even after forming and rim finishing, the product lacks functional completeness and is not typically marketed to end consumers as a tawa. Upon completion of drilling and handle attachment, the product acquires functional identity and becomes recognizable in commercial parlance as a tawa. The final polishing and surface finishing operations further enhance its commercial appeal and presentation, rendering it suitable for sale in the market as finished cookware. Accordingly, marketability as a finished good arises only after the stage of handle attachment and final finishing.

**16.9.1.3.6** Comparison at glance of ‘SS tri-ply circles’ or ‘Aluminium cladded circles’ or blanks v/s Tawa

<b>Core Legal Distinction</b>		
Test	SS tri-ply circles or Aluminium cladded circles or blanks	Finished Tawa
3D Shape	No	Yes
Functional Use	No	Yes
Marketability	No	Yes
Further Manufacturing Required	Yes	No
Identity as Article	No	Yes

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**16.9.1.3.7** From the foregoing, I find that the essential character of a tawa does not arise at the blank stage. The blank lacks three-dimensional form, functional usability, and independent market identity. It does not possess the defining attributes of a cooking utensil.

**16.9.1.3.8** The tests of essential character, usability, and marketability clearly demonstrate the distinction:

- A blank is flat and incomplete; a tawa has a defined concave cooking surface with handle.
- A blank cannot be used independently; a tawa can be directly used for cooking.
- A blank is traded, if at all, as raw material; a tawa is sold as finished cookware.
- A blank requires substantial further manufacturing; a tawa does not.

**16.9.1.3.9** Accordingly, I find that the imported SS tri-ply circles / **aluminium-cladded circles are not tawa and do not possess the essential character of a finished article. I further find that the impugned goods do not even possess the essential characteristics to be remotely regarded as semi-finished tawa or any identifiable utensil.** They are merely flat-rolled composite stainless-steel blanks which require substantial further processing—such as forming, rim finishing, drilling, handle attachment, and polishing—before the emergence of a cooking utensil.

**16.9.1.4** In view of the foregoing, the contention of the Noticee that the imported goods come in to existence through a process of punching and hence, and therefore the resultant product must be treated to be “article” of steel under CTH 73 is mis-conceived and accordingly rejected.

**16.9.2** Noticee has further contended that the *product, due to usage of Aluminium in the centre, while being covered by SS from both sides, has unique heat exchange application, which renders it suitable for cooking, including making cookers, Pans and being used as Tava i.e. as an article.*

**16.9.2.1** In this regard I observe that the process of blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles is a tariff-neutral operation. The said process merely involves cutting or shaping flat-rolled material into circular form and does not, by itself, result in the emergence of a new article. SS tri-ply circles or aluminium-cladded circles are mere blanks of flat-rolled products, being a flat disc without curvature, rim formation, holes, attachment features, or any other attributes that would impart the identity of a finished article. At this stage, the **product does not acquire any essential character** of a finished good. I further find that such **blanks do not have any usability as finished articles**, as they are incapable of performing any intended end-use function without undergoing substantial further manufacturing processes. They are meant for subsequent forming, machining, assembly, and finishing operations. It is also observed that SS tri-ply circles **do not possess marketability as**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**finished goods** in commercial parlance. They are not ordinarily bought or sold as consumer articles, but only as inputs for further manufacture.

**16.9.2.2** I also find that an SS tri-ply circle **does not have any specific or dedicated use corresponding to a particular finished article. Instead, it has a general use**, comparable to that of flat-rolled products, and is capable of being utilized for the manufacture of a variety of articles depending upon subsequent processing. Accordingly, I hold that the blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles does not result in the emergence of a new article having a distinct identity, essential character, usability, marketability, or specific end-use as a finished good, and the said blanks remain comparable in nature and utility to flat-rolled products.

**16.9.2.3** Accordingly, I reject the contention of the Noticee, as being devoid of merit.

**16.9.3** Further, the Noticee has produced a Certificate dated 22.10.2022, issued by an accredited Chartered Engineer (ANNEXURE B), to support his submission that the product “tri-ply circles” could never be considered as an article classifiable under CTH 7219/7220. Though the said Certificate pertains to a different importer, the Noticee has submitted that the product involved therein is identical and, therefore, the Certificate assumes significance as an independent expert opinion on the issue.

**16.9.3.1** In this context, I observe that the Chartered Engineer Certificate dated 22.10.2022 issued by TSK Engineers Pvt. Ltd. does not carry evidentiary value for the following reasons:

- (i) TSK Engineers Pvt. Ltd. is not empaneled as a Chartered Engineer with JNCH, Nhava Sheva, as per the latest Public Notice No. 87/2024 dated 14.10.2024 (copy enclosed below). The said Public Notice supersedes all earlier Public Notices regarding empanelment of Chartered Engineers by JNCH.
- (ii) The Certificate dated 22.10.2022 categorically states that the technical opinion has been rendered on the basis of certain available material/technical literature. However, the said relied-upon technical literature has neither been annexed to nor furnished along with the Certificate for the purposes of verification and scrutiny.
- (iii) The Certificate appears to have been issued without a coherent and comprehensive reading of Note 1(k) of Chapter 72 of the Customs Tariff Act, 1975, read with CTH 7219 and the corresponding Explanatory Notes.
- (iv) Note 1(k) specifically provides that flat-rolled products of shapes other than rectangular or square are to be classified as products of a width of 600 mm or more, provided they do not assume the character of articles of other headings. This clarification is significant in the present case, as it reflects the legislative intent that a mere change in external outline does not divest the goods of their character as flat-rolled products. The impugned goods remain flat, lack independent functionality, and have not acquired the character of articles under Chapter 73. Accordingly, I hold that the goods retain the essential character of flat-rolled products and are rightly classifiable under Heading 7219.

**16.9.3.2** In view of the foregoing, I find no merit in the contention of the Noticee, and the same is rejected accordingly.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**Public Notice No. 87/2024 dated 14.10.2024 issued by JNCH**

F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025



सीमा शुल्क आयुक्त कार्यालय, एन.एस.व  
OFFICE OF THE COMMISSIONER OF CUSTOMS, N.S.V  
जवाहरलालनेहरुसीमा शुल्क भवन, न्हावा शेवा  
JAWAHARLAL NEHRU CUSTOMS HOUSE, NHAVA SHEVA,  
तालुका/TALUKA- उरण/URAN, जिला/DISTRICT: रायगढ़/RAIGAD,  
महाराष्ट्र/MAHARASHTRA- 400707

F. No. S/26-Misc-2665/2008-09 Gr. V/JNCH/Pt-III  
DJN: 20241078N700003338CE

Date: 14.10.24

PUBLIC NOTICE NO: 87 /2024-25

**Sub: Empanelment of Chartered Engineers for technical opinion/  
valuation of mechanical/electrical/electronics machinery and Plants,  
(including second hand) etc, in Mumbai Customs Zone - II: Reg.**

Attention of all Importers, Custom Brokers, other stake holders and members of the Trade is invited to Public Notice No. 16/2024 dated 23.02.2024 seeking Nomination for Empanelment of Chartered Engineers (CEs), issued in the light of CBIC Circular No. 07 /2020 dtd. 05.02.2020. Applications received have been processed as per the eligibility criteria prescribed by the Board.

2. After careful assessment of the applications, academic background, expertise in the field of valuing import goods, knowledge of technology, Customs valuation and procedures, performance during interview, the CEs specified in Annexure-I to this Public Notice are being empanelled for the purpose of providing **technical opinion/valuation of mechanical/electrical/electronics Machinery, Plants and other Goods, including second hand goods, etc.** The area of specialization of the CEs has also been specified there in, against their company/firm/individuals along with their mobile numbers, for ease of access.

3.1 The Importers/CBs/Trade and stakeholders are advised to make use of the services of any of the listed CEs as per **Annexure-I** to this Public Notice, for purposes relevant to the imported goods based on their requisite specialization in that field/faculty/category for assisting Customs in providing technical opinion or valuation of machinery/goods including second hand goods under Mumbai Customs Zone-II. The report of CEs will be as per the form B which is also annexed to this Public Notice as Annexure II. It is, however, clarified that if the proper officer has doubt regarding the accuracy of the evaluation of a CE or the evaluation is made by a CE who is not qualified in the relevant field to appraise the particular consignment, the consignment would be referred to another CE at the behest of the department with the approval of jurisdictional Addl. Commissioner of Customs. The service charges, in any case, shall be borne by the importers, exporters or their representatives.

3.2 CE mentioned against the names of the company/firm listed in Annexure-I, would cease to remain in the panel if the said CE quits the company / firm on the strength of which he/she has been empanelled. Similarly, the CE listed against the company/firm cannot issue reports in his/her individual capacity. He would provide report only on the letter head of the company/firm. Further, if for some reason, if the company/firm is de-listed at any stage by the Customs, the CEs listed against the name of such company/firm would cease to be competent to operate in terms of this Public Notice.

*m*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

3.3 If the nature of the machinery/goods/plants requires examination by more than one CE, then the same can be directed/allowed by the department. However, in such cases the report of the CEs would be signed by the examining CEs, jointly or severally.

3.4 Officers of Assessing Groups and docks should ensure that the goods are inspected by the empanelled chartered engineers only and the reports are duly signed by them only. Photography of goods during examination shall be captured to ensure the presence of the Chartered Engineer at the time of valuation/examination/inspection. The photographs should be submitted to the concerned Assessing Groups along with their valuation/inspection report in the prescribed format as per Form B (Annexure-II to this Public Notice).

3.5 If any of the empanelled CEs are found to be involved in any offense related to Customs classification, valuation etc., then their empanelment would be revoked and appropriate action would be initiated under the provisions of the Customs Act, 1962.

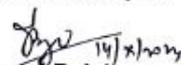
4. The empanelled Chartered Engineers, who are conducting examination of machinery imported through this Custom House have to submit yearly Self-Appraisal Report to the Commissioner of Customs, NS-V, JNCH before 30<sup>th</sup> April every year, for the previous financial year, to assess their performance to decide whether they are fit to continue in the panel. The first such report would be expected on or before 30.04.2025 for the remaining part of 2024-25.

5. This Commissionerate reserves the right to modify or amend or review the panel periodically on the basis of report submitted by the CEs from time to time, or on the report of Deputy/Assistant Commissioner of Customs in-charge of the Import Docks/Assessment Group/SIIB (I)/SIIB(X)/CIU to ensure continued adherence to the conditions and standards for which the CEs are empanelled. Induction of any new Chartered Engineer to render the services for customs purpose shall be permitted only with the prior approval of the Commissioner of Customs, NS-V. This panel shall be valid for 03 (three) years and may be considered for review thereafter, if deemed necessary by the Department.

6. This Public Notice will take effect from 15.10.2024 and will supersede all previous Public Notices related to the empanelment of Chartered Engineers issued by this Commissionerate.

7. Difficulties, if any, may be brought to the notice of the Addl. Commissioner of Customs, Gr. V, JNCH or through email at group5.jnch@gov.in.

Encl: a. Annexure-I containing the list of empanelled Chartered Engineers  
b. Annexure-II containing Form B for submission of valuation/inspection report.

  
(Sonal Bajaj)

**Commissioner of Customs, NS-V  
Mumbai Customs Zone-II, JNCH**

To

**All Concerned.**

**Copy to:**

1. The Pr. Chief Commissioner of Customs, Mumbai Customs Zone-II, for kind information.
2. Commissioner/Commissioners of Customs, NS-Gen/ NS-I/NS-II/ NS-III/ NS-IV/ NS-V Mumbai Customs Zone-II.
3. The Addl. /Joint/Deputy/Asst. Commissioners of Customs, Mumbai-II.
4. i DCs/ACs Customs, Docks all clusters, JNCH.

14/12/2025

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

ANNEXURE - I (LIST OF QUALIFIED CE's) TO PN No				
Sr. No	Name of the Applicant with Address	Whether Individual or Company / Firms	Authorised Member to Issue Chartered Engineer Report	Specialization
1	<b>A.G. ASSOCIATES</b> SADHAK, 1ST FLOOR, PLOT NO-18, SECTOR-8A, NEAR JAIN MANDIR, CBD BELAPUR, NAVI MUMBAI-400614 Contact Details : 9422223129	Company/Firm	JITENDRA NARAYAN DARUNIKAR	MECHANICAL
2	<b>ASHOK SONJE ENGINEERS &amp; VALUERS</b> E-302, BABA VIHAR, MOTHER DAIRY ROAD, NEHRU NAGAR, KURLA-EAST, 400024 Contact Details: 9969140117	Company/Firm	ASHOK RAGHUNATH SONJE	MECHANICAL
3	<b>ASTELLA ASSOCIATES PVT LTD</b> B/20 VISHWAS CHS, RM MARG, OPP.SADGURU GARDENS, KOPRI, THANE-400603 Contact Details: 8879288112 / 8779136676	Company/Firm	ANNIRUDHA GONDHALEKAR	MECHANICAL
4	<b>ASTRAL ASSOCIATES</b> C-5, RAGHUVIR CHS, JIJAMATA MARG, NEAR NAKHWA HIGH SCHOOL, TILAK NAGAR, KOPRI, THANE EAST - 400603 Contact Details: 9870342188 / 9967736526	Company/Firm	SHAILESH M. GONDHALEKAR	CHEMICAL
5	<b>BALU ASSOCIATES</b> 73A, ERIKKARAI STREET, JAFFERKHANPET, R V NAGAR, CHENNAI, TAMILNADU - 600083 Contact Details: 9042879142	Company/Firm	CHANDRAMOULI B	ELECTRICAL
6	<b>BEST MULYANKAN</b> 1103, CHANDAK CHAMBERS, WEH MEVRO STATION, ANDHERI E-400099 Contact Details : 9821648495	Company/Firm	SUJIT S. JOGLEKAR	CIVIL
7	<b>COMPUBEE TECHNOLOGIES PVT LTD</b> 602/B2, VEDANT COMPLEX, ACHARYA ATRE MARG, VARTAKNAGAR, THANE WEST-400606 Contact Details: 8355909225 / 9967399903	Company/Firm	CHANDRASHEKHAR SASHIKANT JOSHI	MECHANICAL
8	<b>GATTINI &amp; CO</b> PLOT NO-8, BEHIND FISH MARKET, BESIDES RUNWAL OMKAR E-SQUARE, SION EAST, MUMBAI-400022 Contact Details: 9819566123	Company/Firm	G.VENKATPATHY M	MECHANICAL
9	<b>GAURI ASSOCIATES</b> VARSHA, SECTOR-C, C-6/3, 0/3, CBD BELAPUR, NAVI MUMBAI-400614 Contact Details: 9920761855 / 8808158787	Company/Firm	1.PARITOSH SHANKAR MOHITE 2.ANURAG ARUN THAKUR	CIVIL MECHANICAL
10	<b>INMARTCH CHARTERED ENGINEERS &amp; VALUERS PVT. LTD.</b> S-8, 3rd floor, Kamanwala Chambers, sir P.M Road, Fort, Mumbai-400001. Contact Details : 9920755685	Company/Firm	SARVESH SUDHIR SANGLE	MECHANICAL

11	<b>PERFECT CHARTERED ENGINEERS AND SURVEYORS</b> NO-E2, OLYMPIA BLOCK, RC WESTMINSTER APARTMENTS, TEACHERS COLONY, CHENNAI, TAMIL NADU-600118 Contact Details: 8681932894	Company/Firm	T KRISHNADEVAN	MECHANICAL
12	<b>PRIYANKA ENGINEERS &amp; SURVEYORS PVT LTD</b> 103, DREAM HERITAGE, PLOT NO-120&121, SECTOR-19, ULWE, NAVI MUMBAI-410206 Contact Details : 9967352014 / 9819321555 / 7718096788 / 9167674497	Company/Firm	1.KISHOR RAMCHANDRA JAGTAP 2.PRIYANKA RAMCHANDRA JAGTAP 3. AMAR SANJAY JAWALE	ELECTRONICS & TELE COMMUNICATION CHEMICAL MECHANICAL
13	<b>SAISIDDHI ASSOCIATES</b> ROW HOUSE No. 47, SECTOR-12, NR. FREIGHT FORWARDERS PREMISES CO-OP. SOC. LTD., DRONAGIRI, NHAVA SHEVA, MAHARASHTRA - 400 210 Contact Details: 9833037742 / 9167673446	Company/Firm	1.TUSHAR BALKRISHNA KADVEKAR	INSTRUMENTATION AND CONTROL
14	<b>SHARANI ASSOCIATES</b> FLAT NO.601, 6TH FLOOR, BLDG NO56, NRJ SEAWOODS ESTATE, PLOT NO 94/56/58, NERUL, NAVI MUMBAI-400706 Contact Details: 9869616421 / 9920657196	Company/Firm	SHAILAJA B MASANAGI	ELECTRICAL AND ELECTRONICS
15	<b>SIDDHIVINAYAK CONSULTANCY</b> 302, PRAJRUTI CHS, PLOT NO03, SECTOR-21, NEAR NAVJEEVAN HOSPITAL, KHARGHAR, NAVI MUMBAI-410210 Contact Details: 9920158989 / 9773275786	Company/Firm	1.SIDDHANT MORE 2.DEEP MISTRY	MECHANICAL MECHANICAL
16	<b>SUVIKAA ASSOCIATES</b> 305, B WING, RAVECHI HEIGHTS, SECTOR-7, PLOT NO 25, KHARGHAR, NAVI MUMBAI-410210 Contact Details: 9653602686	Company/Firm	KUNAL AJAY KUMAR	MECHANICAL
17	<b>V.S.JADON &amp; COMPANY VALUERS LLP</b> 1031, 1ST FLOOR, J-WING, AKSHAR BUSINESS PARK, PLOT NO-3, SEC.25, NEAR APMC MARKET, VASHI, NAVI MUMBAI - 400703 Contact Details: 9619191044 / 9702933960 / 9137850263	Company/Firm	1.VISHWAJEET JADON	MECHANICAL
18	<b>VALUEGURU CHARTERED ENGINEER &amp; SURVEYOR</b> OFFICE NO-12, 1ST FLOOR, VGP MURPHY SQUARE, FIRST CROSS STREET, ST. THOMAS MOUNT, CHENNAI 600016 Contact Details: 044-22112647	Company/Firm	VIKRANT DEEPAK SALUNKE	MECHANICAL
19	<b>VINOD GANDHI &amp; ASSOCIATES</b> 4:1, SHIVDARSHAN, GURUDWARA ROAD, PLOT NO-8, SECTOR-8B, CBD BELAPUR, NAVI MUMBAI-400614 Contact Details: 9820034079	Company/Firm	VINOD GANDHI	ELECTRICAL

Scanned with OKEN SCAN

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

20	<b>VRISHAK ENGINEERING</b> C-1403, BHOOMI GARDENIA-II, PLOT NO 10, SECTOR-20, ROADPALLI, NAVI MUMBAI-410218 Contact Details:9624526600	Company/Firm	SHAILESH P. BADGE	MECHANICAL
21	<b>AMOL NANASAHEB SOMASE</b> D104, RUSTIC PARADISE, DEHU-ALANDI ROAD, CHIKHALI, PUNE-62 Contact Details: 9970225552	Individual	AMOL NANASAHEB SOMASE	MECHANICAL
22	<b>MANISH M KOTHARI</b> PLOT. NO- D.5, STREET NO 10, MIDC, SATPUR, NASHIK, Contact Details: 9422247911	Individual	MANISH M KOTHARI	AERO SPACE ENGINEERING
23	<b>MEKALA NAGA CHAITANYA</b> A-302, KARTHIK HERITAGE, PLOT NO-C1+E3+E4, SECTOR-20, CBD BELAPUR, NAVI MUMBAI-400614 Contact Details: 9892487662	Individual	MEKALA NAGA CHAITANYA	ELECTRONICS
24	<b>MOHAN S. KAMBLE</b> C/O GAUTAM BASTE, BK NO 90/2, MUKUND NAGAR, OPP VITTHAL APARTMENT, ULHAS NAGAR, THANE-421001 Contact Details:9423680887	Individual	MOHAN S. KAMBLE	MECHANICAL
25	<b>RAJENDRA S. TAMBHI</b> 403, NILAMBARI, NEAR NHP SCHOL, SECTOR-19, AIROLI, NAVI MUMBAI-400708 Contact Details: 9324181461 / 9699961461	Individual	RAJENDRA S. TAMBHI	MECHANICAL
26	<b>S.D. DESHPANDE</b> FLAT NO.6, VISHWANATH PLAZA, NEAR WATER TANK, MAHATMA NAGAR, Nasik-422007 Contact Details: 9422258807 / 9545048899	Individual	S.D. DESHPANDE	MECHANICAL
27	<b>VINIT CHANDRAKANT JADHAV</b> A1/2101, ASTERIA, RUNWAL MY CITY, DIVA MANPADA ROAD, DOMBIVALI EAST-421204 Contact Details:9820338295	Individual	VINIT CHANDRAKANT JADHAV	MECHANICAL

*14/10/2025  
(S Kumar)  
Asst Gvt*

F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025

**B. NOW I TAKE UP THE NEXT ISSUE AS TO WHETHER THE DIFFERENTIAL DUTY OF RS.1,48,06,946/- (RUPEES ONE CRORE FORTY-EIGHT LAKHS SIX THOUSAND NINE HUNDRED FORTY-SIX ONLY) ON LEVIABILITY OF CVD @18.95% AS PER NOTIFICATION NO. 01/2017-CUSTOMS (CVD) DATED 07.09.2017 (FOR THE RELEVANT PERIOD) RECOVERABLE UNDER SECTION 28(4) OF THE CUSTOMS ACT, 1962 IN RESPECT OF BILLS OF ENTRY AS DETAILED IN TABLE-II ABOVE ALONG WITH APPLICABLE INTEREST UNDER SECTION 28AA OF THE CUSTOMS ACT, 1962.**

17. In this regard, I reiterate my findings mutatis mutandis at para 16 supra, to decide applicability of CVD under Notification No. 01/2017-Customs (CVD) dated 07.09.2017, it would be prudent to reproduce relevant part of the Notification, as under: -

*“Whereas, in the matter of “Certain Hot Rolled and Cold Rolled Stainless Steel Flat Products” (hereinafter referred to as the subject goods) falling under tariff heading 7219 or 7220 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975),*

**TABLE-III**

<i>Sl. No.</i>	<i>Heading</i>	<i>Description of goods</i>	<i>Country of origin</i>	<i>Country of export</i>	<i>Produce r</i>	<i>Exporter</i>	<i>Duty amount as % of landed value</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>	<i>(7)</i>	<i>(8)</i>
1.	7219 or 7220	Flat-rolled products of stainless steel- ( <i>Note below</i> )	China PR	China PR	Any	Any	18.95%
2.	-do	-do-	China PR	Any Country	Any	Any	18.95%
3.	-do	-do-	Any Country	China PR	Any	Any	18.95%

***Note :- (i) Flat Rolled Products of Stainless Steel for the purpose of the present notification implies “Flat rolled products of stainless steel, whether hot rolled or cold rolled of all grades/series; whether or not in plates, sheets, or in coil form or in any shape, of any width, of thickness 1.2 mm to 10.5 mm in case of hot rolled coils; 3 mm to 105 mm in case of hot rolled plates & sheets; and up to 6.75 mm in case of cold rolled flat products. Product scope specifically excludes razor blade grade steel”.***

17.1. In view of above, I find that Certain Hot Rolled and Cold Rolled Stainless Steel Flat Products falling under CTH 7219 & 7220 attracts CVD @ 18.95% of Landed Value. For the Notification, ‘Flat Rolled Products of Stainless Steel’ has been defined vide Note to the said Notification. As per the definition, hot rolled or cold rolled flat stainless steel of all grades/series in plates, sheets, or in coil form or in any shape, of any width, of thickness 1.2

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

mm to 10.5 mm in case of hot rolled coils; 3 mm to 105 mm in case of hot rolled plates & sheets; and up to 6.75 mm in case of cold rolled flat products, are to be considered as ‘Flat-rolled products of stainless steel’ for the purpose of applicability of CVD.

**17.2.** As per my detailed findings in Para 16 supra, the item – “SS Triply Circles” is Flat-rolled products of stainless steel and rightly classifiable under 7219 90 90 and it is also an undisputed fact that the item has been imported from China, therefore, I further find that CVD @ 18.95% as per Notification No. 01/2017-Customs (CVD) dated 07.09.2017 for the relevant period is leviable for the goods imported vide Bills of Entry mentioned in Table-II above.

**17.3.** In the subject case, as per Notification No. 1/2017-Cus. (CVD) dated 07.09.2017, scope of product excludes only “razor blade grade steel.” Since, the goods i.e. SS Triply Circles are not razor blade grade steel, CVD as per Notification No. 1/2017-Cus. (CVD) dated 07.09.2017, is applicable to these goods.

**17.4** I observe that with the introduction of the “Self-Assessment”, with effect from 08.04.2011, Section 17 of the Customs Act 1962 provides that the duty on imported or export goods shall be self-assessed by the importer or exporter, as the case may be, by filing the Bill of Entry or Shipping Bill in electronic form in terms of Section 46 or Section 50 respectively. Enhanced faith and reliance have been placed on the importer to make a true, correct, and complete declaration. Accordingly, it is the statutory responsibility of the importer to correctly declare the classification, applicable rate of duty, assessable value, and to correctly claim any exemption or preferential notification, if applicable, in respect of the imported goods. The scheme of self-assessment thus operates on the principle of trust reposed in the importer.

**17.4.1** From the advent of self-assessment in 2011, it is the responsibility of the importer under Section 46(4) and 46(4A) of Customs Act, 1962 while presenting the Bill of Entry under Section 46(1) that it shall make and subscribe to a declaration as to the truth and correctness of the contents of the Bill of Entry and to correct value, classification, description of the goods, exemption notification and self- assess duty, etc. The declaration is made on the basis of self-assessment and places full responsibility on the importer for the accuracy of the description, quantity, value, classification, and other material particulars of the imported goods. Any misdeclaration, suppression, or furnishing of incorrect information in the Bill of Entry constitutes a breach of this statutory duty and renders the goods liable to confiscation and the importer liable to penal action under the provisions of the Customs Act.

**17.4.2 Section 28. Recovery of [duties not levied or not paid or short-levied or short-paid] or erroneously refunded.-**

*(4) 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, by reason of,—*

- (a) collusion; or*
- (b) any wilful mis-statement; or*
- (c) suppression of facts,*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*by the importer or the exporter or the agent or employee of the importer or exporter, the proper officer shall, within five years from the relevant date, serve notice on the person chargeable with duty or interest which has not been [so levied or not paid] or which has been so 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.*

**17.4.3** Section 28(4) of the Customs Act, 1962 provides that 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, by reason of Collusion, or any willful mis-statement, or suppression of facts by the importer or the exporter or the agent or employee of the importer or exporter, the proper officer shall within five years from the relevant date, serve notice on the person chargeable with duty or interest which has not been so levied or not paid or which has been so 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.

**17.5** I observe that Section 17 embodies the statutory scheme of self-assessment, under which the importer is mandatorily required to correctly determine the classification, valuation and rate of duty applicable to the imported goods in accordance with the Customs Tariff Act, 1975 and the relevant Chapter and Section Notes. The responsibility is substantive and not procedural. In the present case, the impugned goods were clearly classifiable under CTH 7219.90.90 in view of Note 1(k) to Chapter 72 and the specific coverage of flat-rolled stainless-steel products of non-rectangular shape. The importer, despite being fully aware of the nature, composition and manufacturing process of the goods, failed to apply the correct tariff provisions and instead adopted a classification under Chapter 73. Such incorrect self-assessment directly resulted in short-payment of duty. I therefore hold that the importer failed to discharge the statutory obligation cast under Section 17 to correctly self-assess the goods in accordance with law. The incorrect classification adopted by the importer constitutes a clear contravention of Section 17 of the Customs Act, 1962.

**17.6** I observe that Section 46(4) requires the importer to make a true, correct and complete declaration in the Bill of Entry and to subscribe to the declaration of its correctness. Section 46(4A) further casts a statutory responsibility upon the importer to ensure the accuracy of the particulars furnished and renders him accountable for any incorrect declaration. In the present case, the importer declared an incorrect tariff classification in the Bills of Entry, despite the goods being specifically covered under Heading 7219 by virtue of Chapter Note 1(k). Classification being a material particular that determines duty liability, the incorrect declaration cannot be treated as minor or inadvertent. By furnishing an incorrect classification and affirming the declaration of truthfulness, the importer failed to ensure accuracy and completeness of the particulars furnished in the Bills of Entry. I therefore hold that the importer has contravened the provisions of Sections 46(4) and 46(4A) of the Customs Act, 1962.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**17.7** I find that the classification of the impugned goods, namely “Aluminium Cladded Circles” / “SS Tri-Ply Circles,” is not a matter of interpretational ambiguity but is clearly determinable on the basis of the statutory provisions of the Customs Tariff Act, 1975. As discussed in detail in **para 16 supra**, the goods are flat-rolled stainless-steel composite products and are correctly classifiable under CTH 7219.90.90.

**17.7.1** Note 1(k) to Chapter 72 of the Customs Tariff Act, 1975 explicitly provides that flat-rolled products of shapes other than rectangular or square are to be classified as products of width 600 mm or more, provided they do not assume the character of articles of other headings. The legislative intent is abundantly clear that mere change in external outline, including circular shape, does not alter the essential character of a flat-rolled product. In the present case, the process of blanking merely changes the outline from rectangular to circular without imparting any independent functionality or essential character of an article. Therefore, the goods squarely fall within Heading 7219.

**17.7.2** Further, tariff item 7219.90.90 specifically covers “other flat-rolled stainless-steel products,” including clad products, other than sheets or plates in rectangular form. The impugned goods are admittedly clad stainless-steel composite flat products in circular profile and are not articles of Chapter 73. Thus, the correct classification under CTH 7219.90.90 is clearly discernible from the tariff structure itself.

**17.7.3** I find that the importer declared the goods under a heading applicable to “articles of iron or steel” under Chapter 73, thereby seeking classification under a residuary entry. Such declaration is contrary to the clear mandate of Chapter Note 1(k) to Chapter 72 and the specific coverage under Heading 7219. When a specific entry exists in Chapter 72, recourse to a residuary entry under Chapter 73 is legally impermissible.

**17.7.4** Section 17 of the Customs Act, 1962 mandates that the importer shall self-assess the duty leviable on imported goods correctly in accordance with the provisions of the Act and the Tariff. Section 46 requires a true and correct declaration of the description, classification and other particulars of the imported goods in the Bill of Entry. In the present case, the importer failed to correctly declare the classification despite the tariff provisions being explicit. This amounts to contravention of Sections 17 and 46 of the Act.

**17.7.5** I observe that ‘blind belief’ can’t be equated with ‘bonafide belief’. Bonafide belief must be founded upon reasonable interpretation and due diligence; it cannot be a blind belief contrary to explicit statutory provisions. Where the Chapter Notes clearly govern classification and the goods are squarely covered by a specific tariff item, ignorance or self-serving interpretation cannot be accepted as a defense. The Hon’ble Supreme Court has consistently held that suppression includes deliberate non-declaration or mis-declaration of material facts affecting duty liability.

**17.7.6** In the present case, the importer was fully aware of the composition, nature and manufacturing process of the goods, including roll bonding and blanking, yet chose to classify

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

them under an inapplicable heading. The classification adopted was not supported by the Chapter Notes or the tariff structure. The misclassification directly resulted in short-payment of duty and cannot be treated as a mere clerical or interpretational error. The conduct of the importer demonstrates conscious disregard of the statutory provisions governing classification and duty liability.

**17.7.7** I therefore hold that the importer, by willfully mis-declaring the classification of the impugned goods and failing to correctly self-assess duty in accordance with the explicit provisions of Chapter 72 and CTH 7219.90.90, has miss-declared the content of the Bills of Entry. The circumstances clearly establish mens rea, inasmuch as the incorrect classification was adopted despite clear statutory guidance, leading to evasion of the correct duty payable.

**17.7.8** In view of the above findings, I hold that all the essential ingredients for invocation of Section 28(4) of the Customs Act, 1962 are present in this case, namely: (i) short-levy of duty; (ii) willful mis-declaration; and (iii) intent to evade payment of duty. Accordingly, the extended period of limitation has been rightly invoked for recovery of the differential duty along with applicable interest and consequential penal provisions under the Act.

**17.8** In view of the foregoing, I find that, due to deliberate mis-declaration, mis-classification duty demand against the Noticee(s) has been correctly proposed under Section 28(4) of the Customs Act, 1962 by invoking the extended period of limitation. In support of this finding of invoking extended period, I rely upon the following court decisions:

- (a) 2013(294) E.L.T.222 (Tri. - LB): Union Quality Plastic Ltd. Versus Commissioner of C.E. & S.T., Vapi [Misc. Order Nos. M/12671-12676/2013-WZB/AHD, dated 18.06.2013 in Appeal Nos. E/1762-1765/2004 and E/635- 636/2008]

*“In case of non-levy or short-levy of duty with intention to evade payment of duty, or any of circumstances enumerated in proviso ibid, where suppression or wilful omission was either admitted or demonstrated, invocation of extended period of limitation was justified”*

- (b) 2013(290) E.L.T.322 (Guj.): Salasar Dyeing & Printing Mills (P) Ltd. Versus C.C.E. & C., Surat-I; Tax Appeal No. 132 of 2011, decided on 27.01.2012.

*Demand – Limitation – Fraud, collusion, willful misstatement, etc. – Extended period can be invoked up to five years anterior to date of service of notice –Assessee’s plea that in such case, only one year was available for service of notice, which should be reckoned from date of knowledge of department about fraud, collusion, willful misstatement, etc., rejected as it would lead to strange and anomalous results;*

- (c) 2005 (191) E.L.T. 1051 (Tri. – Mumbai): Winner Systems Versus Commissioner of Central Excise & Customs, Pune: Final Order Nos. A/1022-1023/2005-WZB/C-I, dated 19-7-2005 in Appeal Nos. E/3653/98 & E/1966/2005-Mum.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*Demand – Limitation – Blind belief cannot be a substitute for bona fide belief –  
Section 11A of Central Excise Act, 1944. [para 5]*

(d) 2006 (198) E.L.T. 275 –Interscape v. CCE, Mumbai-I.

*It has been held by the Tribunal that a bona fide belief is not blind belief. A belief can be said to be bona fide only when it is formed after all the reasonable considerations are taken into account;*

**17.9** From the above discussions, I find that the Noticee were involved in mis-declaration & misclassification of the goods imported vide Bills of Entry mentioned in **Table-II**. Further, the Hon’ble Supreme Court in CC Madras V/s D Bhuramal – [1983 (13) ELT 1546 (SC)] has held that “The department is not required to prove the case with mathematical precision but what is required is the establishment of such a degree of probability that a prudent man may on its basis believe in the existence of the facts in issue.” Further in the case of K.I. International Vs Commissioner of Customs, Chennai reported in 2012 (282) E.L.T. 67 (Tri. - Chennai) the Hon’ble CESTAT, South Zonal Bench, Chennai has held as under: -

*“Enactments like Customs Act, 1962, and Customs Tariff Act, 1975, are not merely taxing statutes but are also potent instruments in the hands of the Government to safeguard interest of the economy. One of its measures is to prevent deceptive practices of undue claim of fiscal incentives. Evidence Act not being applicable to quasi-judicial proceeding, preponderance of probability came to rescue of Revenue and Revenue was not required to prove its case by mathematical precision. Exposing entire modus operandi through allegations made in the show cause notice on the basis of evidence gathered by Revenue against the appellants was sufficient opportunity granted for rebuttal. Revenue discharged its onus of proof and burden of proof remained un-discharged by appellants. They failed to lead their evidence to rule out their role in the offence committed and prove their case with clean hands. No evidence gathered by Revenue were demolished by appellants by any means. ‘*

## **DUTY CALCULATION**

**17.10 Differential duty is determined in Table-II as follows:**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**Table-II**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

S. No	BOE NO.	Date	ITEM S. NO.	ASSESSABLE VALUE (Rs.)	TABLE-II									
					BCD@7.5% (Rs.)	SWS@10% (Rs.)	Landed cost (Rs.) FOR CAL. OF CVD)	CVD@18.95% (Rs.)	IGST 18% (Rs.)	Total Duty Payable	Total Duty paid as per BE (Rs.)	Differential Duty (Rs.)		
1	2102441	24.12.2020	1	2,261,266	169,595	16,960	2,430,861	460,648	523,524	1,170,727	700,540	470,187		
2	2102441	24.12.2020	2	6,927,831	519,587	51,959	7,447,418	1,411,286	2,000,000	3,586,751	2,146,242	1,440,509		
3	2314102	11.01.2021	1	131,834	9,888	989	141,721	26,856	30,522	68,254	40,842	27,412		
4	2314102	11.01.2021	2	172,411	12,931	1,293	185,342	35,122	39,916	89,263	53,413	35,850		
5	2314102	11.01.2021	3	457,217	34,291	3,429	491,508	93,141	105,854	236,715	141,646	95,069		
6	2314102	11.01.2021	4	1,376,234	103,218	10,322	1,479,451	280,356	318,623	712,519	426,357	286,161		
7	2314102	11.01.2021	5	612,735	45,955	4,596	658,690	124,822	141,859	317,232	189,825	127,406		
8	2314102	11.01.2021	6	1,775,725	133,179	13,318	1,908,905	361,737	411,113	919,348	550,120	369,228		
9	2586714	01.02.2021	1	2,578,740	193,406	19,341	2,772,146	525,322	597,025	1,335,093	798,894	536,199		
10	2586714	01.02.2021	2	7,161,344	537,101	53,710	7,698,445	1,458,855	2,000,000	3,707,648	2,218,584	1,489,064		
11	2898729	24.02.2021	1	5,209,957	390,747	39,075	5,600,704	1,061,333	1,000,000	2,697,355	1,614,045	1,083,310		
12	2981487	02.03.2021	1	5,274,264	395,570	39,557	5,669,833	1,074,433	1,000,000	2,730,648	1,633,967	1,096,682		
13	4726907	19.07.2021	1	3,521,374	264,103	26,410	3,785,477	717,348	815,262	1,823,124	1,090,922	732,202		
14	4726907	19.07.2021	2	2,070,613	155,296	15,530	2,225,909	421,810	479,385	1,072,020	641,476	430,544		
15	6859937	28.12.2021	1	12,794,781	959,609	95,961	14,000,000	2,606,457	3,000,000	6,624,252	3,963,823	2,660,428		
16	6859937	28.12.2021	2	184,283	13,821	1,382	198,104	37,541	42,665	95,409	57,091	38,318		
17	6988747	07.01.2022	1	5,949,770	446,233	44,623	6,396,003	1,212,042	1,000,000	3,080,379	1,843,239	1,237,140		
18	7157747	20.01.2022	1	12,750,569	956,293	95,629	14,000,000	2,597,450	3,000,000	6,601,362	3,950,126	2,651,235		
				<b>71,210,949</b>	<b>5,340,823</b>	<b>534,082</b>	<b>77,090,517</b>	<b>14,506,559</b>	<b>16,505,748</b>	<b>36,868,099</b>	<b>22,061,152</b>	<b>14,806,946</b>		

**17.11** In view of the facts and findings above, I further find that differential duty (CVD) amounting **Rs.1,48,06,946/- (Rupees One Crore Forty-Eight Lakhs Six Thousand Nine Hundred Forty-Six Only)** on levibility of CVD @ 18.95% as per Notification No. 01/2017-

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

Customs (CVD) dated 07.09.2017 (for the relevant period is recovered from the importer, M/s Cooks Arena under the provisions of Section 28(4) of the Customs Act, 1962 along with applicable interest under the provisions of Section 28AA of the Customs Act, 1962. In this regard, the ratio laid down by Hon'ble Supreme Court in the case of CCE, Pune V/s. SKF India Ltd. [2009 (239) ELT 385 (SC)] is squarely applicable in the instant case on the ground of mis-statement and suppression of facts.

**C. NOW I TAKE UP THE NEXT ISSUE, AS TO WHETHER THE GOODS IMPORTED IN RESPECT OF BILLS OF ENTRY AS DETAILED IN Table-II ABOVE HAVING DECLARED ASSESSABLE VALUE OF RS. 7,12,10,949/- (RUPEES SEVEN CRORES TWELVE LAKHS TEN THOUSAND NINE HUNDRED FORTY-NINE ONLY) ARE LIABLE FOR CONFISCATION UNDER THE PROVISIONS OF SECTION 111(m) OF THE CUSTOMS ACT, 1962.**

**18.** I observe that the Show Cause Notice has proposed confiscation of the goods under Sections 111(m) of the Customs Act, 1962, which are reproduced as under:

**Section 111(m)** - *Confiscation of improperly imported goods, etc.—The following goods brought from a place outside India shall be liable to confiscation: —*

*(m) any goods which do not correspond in respect of value or in any other particular with the entry made under this Act or in the case of baggage with the declaration made under section 77 in respect thereof or in the case of goods under transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54;*

**18.1** In this context, I reiterate my findings in Paras 16 to 17 supra, as the same are *mutatis mutandis* applicable to the issue in hand.

**18.1.1** Upon careful consideration of the nature of the product and the processes undertaken, I find that the impugned goods, namely “Aluminium Cladded Circles” / “SS Tri-Ply Circles,” are flat-rolled stainless steel products. The product is manufactured by cladding, wherein an aluminium layer is metallurgically bonded between two stainless steel layers through roll bonding. This process results in the formation of a composite material, combining the properties of stainless steel and aluminium, while retaining the essential character of a flat-rolled stainless-steel product.

**18.1.2 Cladding** is a recognized surface treatment process and does not alter the fundamental classification of the product as a flat-rolled item. The tri-ply configuration enhances functional properties such as heat distribution and durability, but the product continues to remain a flat-rolled composite metal sheet within the meaning of Chapter 72. The subsequent operation undertaken is **blanking**, whereby circular profiles are cut out from the flat-rolled composite sheets. Blanking is a sheet-metal shearing operation performed using a punch-and-die

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH**  
**SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

mechanism. In this process, the circular cut-out portion constitutes the intended product (blank), while the surrounding sheet skeleton becomes scrap. The operation merely changes the external outline from rectangular to circular shape and does not affect thickness, metallurgical structure, bonding characteristics, or intrinsic properties of the composite material. It is important to distinguish blanking from punching. In punching, the sheet remains the principal product and only perforations are created, with the removed slugs treated as scrap. In blanking, however, the cut-out portion is the usable product and the remaining material becomes scrap. Nevertheless, in both operations, there is no functional transformation. In the present case, blanking does not impart any curvature, rim formation, holes, handle attachment, or three-dimensional form. The circles remain flat and lack independent functional identity. Thus, the SS tri-ply / aluminium-cladded circles retain their identity as flat-rolled stainless-steel composite products and do not emerge as articles merely by virtue of blanking.

**18.1.3** In view of the foregoing, I find that the process of blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles is a tariff-neutral operation. The said process merely involves cutting or shaping flat-rolled material into circular form and does not, by itself, result in the emergence of a new article. SS tri-ply circles or aluminium-cladded circles are mere blanks of flat-rolled products, being a flat disc without curvature, rim formation, holes, attachment features, or any other attributes that would impart the identity of a finished article. At this stage, the **product does not acquire any essential character** of a finished good. I further find that such **blanks do not have any usability as finished articles**, as they are incapable of performing any intended end-use function without undergoing substantial further manufacturing processes. They are meant for subsequent forming, machining, assembly, and finishing operations. It is also observed that SS tri-ply circles **do not possess marketability as finished goods** in commercial parlance. They are not ordinarily bought or sold as consumer articles, but only as inputs for further manufacture.

**18.2** I also find that an SS tri-ply circle **does not have any specific or dedicated use corresponding to a particular finished article. Instead, it has a general use**, comparable to that of flat-rolled products, and is capable of being utilized for the manufacture of a variety of articles depending upon subsequent processing. Accordingly, I hold that the blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles does not result in the emergence of a new article having a distinct identity, essential character, usability, marketability, or specific end-use as a finished good, and the said blanks remain comparable in nature and utility to flat-rolled products.

**18.3** Upon examination of Note 1(j) and Note 1(k) to Chapter 72 of the Customs Tariff Act, 1975, read with the undisputed factual matrix, I find that the impugned SS tri-ply circles / aluminium-cladded circles are flat-rolled stainless-steel composite products and are clearly excluded from the scope of “semi-finished products” under Note 1(j). The goods originate from rectangular flat-rolled sheets satisfying the prescribed dimensional criteria, and the subsequent process of blanking is merely a tariff-neutral cutting operation that changes the external outline without altering thickness, composition, bonding structure, or essential

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

character. **Note 1(k) specifically provides that flat-rolled products of shapes other than rectangular or square are to be classified as products of a width of 600 mm or more, provided they do not assume the character of articles of other headings. This clarification is significant in the present case, as it reflects the legislative intent that a mere change in external outline does not deprive the goods of their character as flat-rolled products.** The impugned goods remain flat, lack independent functionality, and have not acquired the character of articles under Chapter 73. Accordingly, I hold that the goods retain the essential character of flat-rolled products and are rightly classifiable under Heading 7219

**18.4.** I observe that Chapter 72 of the Customs Tariff covers iron and steel in their primary, semi-finished and flat-rolled forms, whereas Chapter 73 covers finished articles of iron and steel having definite shape, independent function and direct end use. The impugned SS Triply / Aluminium Cladded Circles are composite products in which stainless steel predominates by weight and, in terms of Section Note 7 to Section XV, are to be treated as stainless steel products. At the stage of importation, the goods are merely flat blank circles requiring substantial further processing and do not possess independent functionality, finished shape, or direct usability. They therefore do not qualify as “articles” under Chapter 73. Heading 7326, being a residuary entry covering “other articles of iron or steel,” can be invoked only where goods qualify as articles and are not more specifically covered elsewhere in the Tariff. Since the impugned goods are specifically covered under Heading 7219 as flat-rolled stainless-steel products and have not assumed the essential character of articles, classification under CTH 7326 stands excluded.

**18.5.** The impugned goods, namely SS Triply / Aluminium Cladded Circles, are products of stainless steel and fall within Sub-Chapter III (Headings 7218–7227) of Chapter 72 dealing with stainless steel. The relevant competing headings are 7219 (for width 600 mm or more) and 7220 (for width less than 600 mm). In terms of Note 1(k), flat-rolled products of non-rectangular shape are to be classified as products of width 600 mm or more. The circles are blanked from rectangular flat-rolled sheets, and blanking being a tariff-neutral operation does not alter their essential character. The goods therefore retain the character of flat-rolled stainless-steel products. Heading 7219 covers flat-rolled stainless-steel products of width 600 mm or more, and subheadings 7219.11 to 7219.35 cover stainless steel not further worked beyond hot or cold rolling. The impugned goods are clad stainless-steel products and are therefore “further worked.” Subheading 7219.90 specifically covers other flat-rolled stainless-steel products, including clad products. The Explanatory Notes to Headings 7208–7210 apply mutatis mutandis to Heading 7219, and just as Heading 7210 covers clad flat-rolled products of iron or non-alloy steel, heading 7219.90 covers clad stainless steel. The tariff scheme clearly segregates not-further-worked and further-worked stainless steel products. Cladding does not convert the goods into articles of steel, and they remain flat-rolled composite stainless-steel products. Tariff items 7219.90.11 to 7219.90.13 apply to sheets and plates, whereas the impugned goods are circular profiles and not sheets or plates. Therefore, they fall under residual tariff item 7219.90.90. Accordingly, by application of GRI Rules 1, 2(b), 3(a) and 6, the goods are correctly classifiable under CTH 7219.90.90.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**18.6** I observe that Section 17 embodies the statutory scheme of self-assessment, under which the importer is mandatorily required to correctly determine the classification, valuation and rate of duty applicable to the imported goods in accordance with the Customs Tariff Act, 1975 and the relevant Chapter and Section Notes. The responsibility is substantive and not procedural. In the present case, the impugned goods were clearly classifiable under CTH 7219.90.90 in view of Note 1(k) to Chapter 72 and the specific coverage of flat-rolled stainless-steel products of non-rectangular shape. The importer, despite being fully aware of the nature, composition and manufacturing process of the goods, failed to apply the correct tariff provisions and instead adopted a classification under Chapter 73. Such incorrect self-assessment directly resulted in short-payment of duty. I therefore hold that the importer failed to discharge the statutory obligation cast under Section 17 to correctly self-assess the goods in accordance with law. The incorrect classification adopted by the importer constitutes a clear contravention of Section 17 of the Customs Act, 1962.

**18.7** I observe that Section 46(4) requires the importer to make a true, correct and complete declaration in the Bill of Entry and to subscribe to the declaration of its correctness. Section 46(4A) further casts a statutory responsibility upon the importer to ensure the accuracy of the particulars furnished and renders him accountable for any incorrect declaration. In the present case, the importer declared an incorrect tariff classification in the Bills of Entry, despite the goods being specifically covered under Heading 7219 by virtue of Chapter Note 1(k). Classification being a material particular that determines duty liability, the incorrect declaration cannot be treated as minor or inadvertent. By furnishing an incorrect classification and affirming the declaration of truthfulness, the importer failed to ensure accuracy and completeness of the particulars furnished in the Bills of Entry. I therefore hold that the importer has contravened the provisions of Sections 46(4) and 46(4A) of the Customs Act, 1962.

**18.8** I find that the classification of the impugned goods, namely “Aluminium Cladded Circles” / “SS Tri-Ply Circles,” is not a matter of interpretational ambiguity but is clearly determinable on the basis of the statutory provisions of the Customs Tariff Act, 1975. As discussed in detail in **para 16 supra**, the goods are flat-rolled stainless-steel composite products and are correctly classifiable under CTH 7219.90.90.

**18.8.1** Note 1(k) to Chapter 72 of the Customs Tariff Act, 1975 explicitly provides that flat-rolled products of shapes other than rectangular or square are to be classified as products of width 600 mm or more, provided they do not assume the character of articles of other headings. The legislative intent is abundantly clear that mere change in external outline, including circular shape, does not alter the essential character of a flat-rolled product. In the present case, the process of blanking merely changes the outline from rectangular to circular without imparting any independent functionality or essential character of an article. Therefore, the goods squarely fall within Heading 7219.

**18.8.2** Further, tariff item 7219.90.90 specifically covers “other flat-rolled stainless-steel products,” including clad products, other than sheets or plates in rectangular form. The impugned goods are admittedly clad stainless-steel composite flat products in circular profile

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

and are not articles of Chapter 73. Thus, the correct classification under CTH 7219.90.90 is clearly discernible from the tariff structure itself.

**18.8.3** I find that the importer declared the goods under a heading applicable to “articles of iron or steel” under Chapter 73, thereby seeking classification under a residuary entry. Such declaration is contrary to the clear mandate of Chapter Note 1(k) to Chapter 72 and the specific coverage under Heading 7219. When a specific entry exists in Chapter 72, recourse to a residuary entry under Chapter 73 is legally impermissible.

**18.8.4** Section 17 of the Customs Act, 1962 mandates that the importer shall self-assess the duty leviable on imported goods correctly in accordance with the provisions of the Act and the Tariff. Section 46 requires a true and correct declaration of the description, classification and other particulars of the imported goods in the Bill of Entry. In the present case, the importer failed to correctly declare the classification despite the tariff provisions being explicit. This amounts to contravention of Sections 17 and 46 of the Act.

**18.8.5** I observe that ‘blind belief’ can’t be equated with ‘bonafide belief’. Bonafide belief must be founded upon reasonable interpretation and due diligence; it cannot be a blind belief contrary to explicit statutory provisions. Where the Chapter Notes clearly govern classification and the goods are squarely covered by a specific tariff item, ignorance or self-serving interpretation cannot be accepted as a defense. The Hon’ble Supreme Court has consistently held that suppression includes deliberate non-declaration or mis-declaration of material facts affecting duty liability.

**18.8.6** In the present case, the importer was fully aware of the composition, nature and manufacturing process of the goods, including roll bonding and blanking, yet chose to classify them under an inapplicable heading. The classification adopted was not supported by the Chapter Notes or the tariff structure. The misclassification directly resulted in short-payment of duty and cannot be treated as a mere clerical or interpretational error. The conduct of the importer demonstrates conscious disregard of the statutory provisions governing classification and duty liability.

**18.8.7** I therefore hold that the importer, by willfully mis-declaring the classification of the impugned goods and failing to correctly self-assess duty in accordance with the explicit provisions of Chapter 72 and CTH 7219.90.90, has mis-declared the content of the Bills of Entry. The circumstances clearly establish mens rea, inasmuch as the incorrect classification was adopted despite clear statutory guidance, leading to evasion of the correct duty payable.

**18.8.8** In view of the above findings, I hold that all the essential ingredients for invocation of Section 28(4) of the Customs Act, 1962 are present in this case, namely: (i) short-levy of duty; (ii) willful mis-declaration; and (iii) intent to evade payment of duty. Accordingly, the extended period of limitation has been rightly invoked for recovery of the differential duty along with applicable interest and consequential penal provisions under the Act.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**18.9** In view of the facts and findings above, I further find that differential duty (CVD) amounting **Rs.1,48,06,946/- (Rupees one crore forty-eight lakhs six thousand nine hundred forty-six only)** on leviability of CVD @ 18.95% as per Notification No. 01/2017-Customs (CVD) dated 07.09.2017 (for the relevant period is recovered from the importer, M/s Cooks Arena under the provisions of Section 28(4) of the Customs Act, 1962 along with applicable interest under the provisions of Section 28AA of the Customs Act, 1962. In this regard, the ratio laid down by Hon'ble Supreme Court in the case of CCE, Pune V/s. SKF India Ltd. [2009 (239) ELT 385 (SC)] is squarely applicable in the instant case on the ground of mis-statement and suppression of facts.

**18.10** I observe that Section 111(m) of the Customs Act, 1962 provides that any goods which do not correspond in respect of value or in any other particular with the entry made under the Act are liable to confiscation. In the present case, the impugned goods were wilfully mis-declared in respect of their correct classification and correct description at the time of filing the Bills of Entry. Despite being fully aware that the goods were flat-rolled clad stainless-steel products correctly classifiable under CTH 7219.90.90, the Noticee(s) deliberately declared them under CTH 73269070, which is applicable to articles of iron or steel, thereby materially misrepresenting their true nature and classification. Such mis-declaration directly affected the assessment of duty and resulted in short-levy of CVD. These acts of omission and commission on the part of the importer rendered the goods liable for confiscation under the provisions of Section 111(m) of the Customs Act, 1962. Supported by above judicial pronouncements, I hold that the Show Cause Notice has adduced sufficient evidences which establish the case and accordingly, I arrive to the conclusion that the Noticee cannot escape their liability towards mis-declaration & misclassification of the imported goods. These acts of omission and commission on the part of the importer rendered the goods liable for confiscation under the provisions of Section 111 (m) of the Customs Act, 1962.

**18.11** I find that however, the goods are not available for confiscation, but I rely upon the order of Hon'ble Madras High Court in case of M/s Visteon Automotive Systems India Limited reported in 2018 (9) G.S.T.L. 142 (Mad.) wherein the Hon'ble Madras High Court held in para 23 of the judgment as below:

*“23. The penalty directed against the importer under Section 112 and the fine payable under Section 125 operate in two different fields. The fine under Section 125 is in lieu of confiscation of the goods. The payment of fine followed up by payment of duty and other charges leviable, as per sub-section (2) of Section 125, fetches relief for the goods from getting confiscated. By subjecting the goods to payment of duty and other charges, the improper and irregular importation is sought to be regularised, whereas, by subjecting the goods to payment of fine under sub-section (1) of Section 125, the goods are saved from getting confiscated. Hence, the availability of the goods is not necessary for imposing the redemption fine. The opening words of Section 125, “Whenever confiscation of any goods is authorised by this Act ....”, brings out the point clearly. The power to impose redemption fine springs from the authorisation of confiscation of goods provided for under Section 111 of the Act. When once power of authorisation for confiscation of goods gets traced to the said Section 111 of the Act,*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*we are of the opinion that the physical availability of goods is not so much relevant. The redemption fine is in fact to avoid such consequences flowing from Section 111 only. Hence, the payment of redemption fine saves the goods from getting confiscated. Hence, their physical availability does not have any significance for imposition of redemption fine under Section 125 of the Act. We accordingly answer question No. (iii)."*

**18.12** I further find that the above view of Hon'ble Madras High Court in case of M/s Visteon Automotive Systems India Limited reported in 2018 (9) G.S.T.L. 142 (Mad.), has been cited by Hon'ble Gujarat High Court in case of M/s Synergy Fertichem Pvt. Ltd reported in 2020 (33) G.S.T.L. 513 (Guj.).

**18.13** I also find that the decision of Hon'ble Madras High Court in case of M/s Visteon Automotive Systems India Limited reported in 2018 (9) G.S.T.L. 142 (Mad.) and the decision of Hon'ble Gujarat High Court in case of M/s Synergy Fertichem Pvt. Ltd reported in 2020 (33) G.S.T.L. 513 (Guj.) have not been challenged by any of the parties and are in operation.

**18.14** I find that the declaration under section 46 (4) of the Customs Act, 1962 made by the importer at the time of filing Bills of Entry is to be considered as an undertaking which appears as good as conditional release. I further find that there are various orders passed by the Hon'ble CESTAT, High Court and Supreme Court, wherein it is held that the goods cleared on execution of Undertaking are liable for confiscation under Section 111 of the Customs Act, 1962 and Redemption Fine is imposable on them under provisions of Section 125 of the Customs Act, 1962. A few such cases are detailed below:

- (a) M/s Dadha Pharma h/t. Ltd. Vs. Secretary to the Govt. of India, as in 2000 (126) ELT 535 (Chennai High Court);
- (b) M/s Sangeeta Metals (India) Vs. Commissioner of Customs (Import) Sheva, as reported in 2015 (315) ELT 74 (Tri-Mumbai);
- (c) M/s SacchaSaudhaPedhi Vs. Commissioner of Customs (Import), Mu reported in 2015 (328) ELT 609 (Tri-Mumbai);
- (d) M/s Weston Components Ltd. Vs. Commissioner of Customs, New Delhi reported in 2000 (115) ELT 278 (S.C.) wherein it has been held that:

*"if subsequent to release of goods import was found not valid or that there was any other irregularity which would entitle the customs authorities to confiscate the said goods - Section 125 of Customs Act, 1962, then the mere fact that the goods were released on the bond would not take away the power of the Customs Authorities to levy redemption fine."*

- (e) Commissioner of Customs, Chennai Vs. M/s Madras Petrochem Ltd. As reported in 2020 (372) E.L.T. 652 (Mad.) wherein it has been held as under:

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*“We find from the aforesaid observation of the Learned Tribunal as quoted above that the Learned Tribunal has erred in holding that the cited case of the Hon’ble Supreme Court in the case of Weston Components, referred to above is distinguishable. This observation written by hand by the Learned Members of the Tribunal, bearing their initials, appears to be made without giving any reasons and details. The said observation of the Learned Tribunal, with great respect, is in conflict with the observation of the Hon’ble Supreme Court in the case of Weston Components.”*

**18.15.** In view of above, I find that any goods improperly imported as provided in any sub-section of the Section 111 of the Customs Act, 1962, the impugned goods become liable for confiscation. Hon’ble Bombay High Court in case of M/s Unimark reported in 2017(335) ELT (193) (Bom) held RF imposable in case of liability of confiscation of goods under provisions of Section 111(o). Thus, I also find that the goods liable for confiscation under other sub-sections of Section 111 too as the goods committing equal offense are to be treated equally. I opine that merely because the importer was not caught at the time of clearance of the imported goods, can’t be given differential treatment.

**18.16.** In view of the above, I find that the decision of Hon’ble Madras High Court in case of M/s Visteon Automotive Systems India Limited reported in 2018 (9) G.S.T.L. 142 (Mad.), which has been passed after observing decision of Hon’ble Bombay High Court in case of M/s Finesse Creations Inc reported vide 2009 (248) ELT 122 (Bom)-upheld by Hon'ble Supreme Court in 2010(255) ELT A. 120 (SC), is squarely applicable in the present case. **Accordingly, I observe that the present case is also merits imposition of Redemption Fine.**

**D. NOW I TAKE UP THE NEXT ISSUE AS TO WHETHER PENALTY UNDER SECTION 112(a) AND/OR 114A, 114AA AND SECTION 117 OF THE CUSTOMS ACT, 1962 IS LIABLE TO BE IMPOSED ON THE IMPORTER M/s. COOKS ARENA.**

**19.** I observe that the Show Cause Notice proposes imposition of penalty under Sections **112(a), 114A, 114AA and 117** of the Customs Act, 1962 on the Noticee, which are reproduced as follows:

- i. **Section 112-** *Penalty for improper importation of goods, etc. —Any person, —*
  - (a) *who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or*
  - (b) *who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111, shall be liable to penalty.*
- ii. **Section 114A.** [ Penalty for short-levy or non-levy of duty in certain cases. [ *Inserted by Act 33 of 1996, Section 64 (w.e.f. 28.9.1996).*]

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

- Where the duty has not been levied or has been short-levied or the interest has not been charged or paid or has been part paid or the duty or interest has been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under sub-section (4) of section 28 shall also be liable to pay a penalty equal to the duty or interest so determined:]

iii. **Section 114AA - Penalty for use of false and incorrect material.**—*If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.*

iv. **SECTION 117.** Penalties for contravention, etc., not expressly mentioned. Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty not exceeding one lakh rupees.

**19.1** In this context, I reiterate my findings in Paras 16 to 18 supra, as the same are *mutatis mutandis* applicable to the issue in hand.

**19.1.1** Upon careful consideration of the nature of the product and the processes undertaken, I find that the impugned goods, namely “Aluminium Cladded Circles” / “SS Tri-Ply Circles,” are flat-rolled stainless steel products. The product is manufactured by cladding, wherein an aluminium layer is metallurgically bonded between two stainless steel layers through roll bonding. This process results in the formation of a composite material, combining the properties of stainless steel and aluminium, while retaining the essential character of a flat-rolled stainless-steel product.

**19.1.2 Cladding** is a recognized surface treatment process and does not alter the fundamental classification of the product as a flat-rolled item. The tri-ply configuration enhances functional properties such as heat distribution and durability, but the product continues to remain a flat-rolled composite metal sheet within the meaning of Chapter 72. The subsequent operation undertaken is **blanking**, whereby circular profiles are cut out from the flat-rolled composite sheets. Blanking is a sheet-metal shearing operation performed using a punch-and-die mechanism. In this process, the circular cut-out portion constitutes the intended product (blank), while the surrounding sheet skeleton becomes scrap. The operation merely changes the external outline from rectangular to circular shape and does not affect thickness, metallurgical structure, bonding characteristics, or intrinsic properties of the composite material. It is important to distinguish blanking from punching. In punching, the sheet remains the principal product and only perforations are created, with the removed slugs treated as scrap. In blanking, however, the cut-out portion is the usable product and the remaining material becomes scrap. Nevertheless, in both operations, there is no functional

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

transformation. In the present case, blanking does not impart any curvature, rim formation, holes, handle attachment, or three-dimensional form. The circles remain flat and lack independent functional identity. Thus, the SS tri-ply / aluminium-cladded circles retain their identity as flat-rolled stainless-steel composite products and do not emerge as articles merely by virtue of blanking.

**19.2** In view of the foregoing, I find that the process of blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles is a tariff-neutral operation. The said process merely involves cutting or shaping flat-rolled material into circular form and does not, by itself, result in the emergence of a new article. SS tri-ply circles or aluminium-cladded circles are mere blanks of flat-rolled products, being a flat disc without curvature, rim formation, holes, attachment features, or any other attributes that would impart the identity of a finished article. At this stage, the **product does not acquire any essential character** of a finished good. I further find that such **blanks do not have any usability as finished articles**, as they are incapable of performing any intended end-use function without undergoing substantial further manufacturing processes. They are meant for subsequent forming, machining, assembly, and finishing operations. It is also observed that SS tri-ply circles **do not possess marketability as finished goods** in commercial parlance. They are not ordinarily bought or sold as consumer articles, but only as inputs for further manufacture.

**19.2.1** I also find that an SS tri-ply circle **does not have any specific or dedicated use corresponding to a particular finished article. Instead, it has a general use**, comparable to that of flat-rolled products, and is capable of being utilized for the manufacture of a variety of articles depending upon subsequent processing. Accordingly, I hold that the blanking of flat-rolled products into SS tri-ply circles or aluminium-cladded circles does not result in the emergence of a new article having a distinct identity, essential character, usability, marketability, or specific end-use as a finished good, and the said blanks remain comparable in nature and utility to flat-rolled products.

**19.3** Upon examination of Note 1(j) and Note 1(k) to Chapter 72 of the Customs Tariff Act, 1975, read with the undisputed factual matrix, I find that the impugned SS tri-ply circles / aluminium-cladded circles are flat-rolled stainless-steel composite products and are clearly excluded from the scope of “semi-finished products” under Note 1(j). The goods originate from rectangular flat-rolled sheets satisfying the prescribed dimensional criteria, and the subsequent process of blanking is merely a tariff-neutral cutting operation that changes the external outline without altering thickness, composition, bonding structure, or essential character. **Note 1(k) specifically provides that flat-rolled products of shapes other than rectangular or square are to be classified as products of a width of 600 mm or more, provided they do not assume the character of articles of other headings. This clarification is significant in the present case, as it reflects the legislative intent that a mere change in external outline does not deprive the goods of their character as flat-rolled products.** The impugned goods remain flat, lack independent functionality, and have not acquired the character of articles under Chapter 73. Accordingly, I hold that the goods

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

retain the essential character of flat-rolled products and are rightly classifiable under Heading 7219

**19.4.** I observe that Chapter 72 of the Customs Tariff covers iron and steel in their primary, semi-finished and flat-rolled forms, whereas Chapter 73 covers finished articles of iron and steel having definite shape, independent function and direct end use. The impugned SS Triply / Aluminium Cladded Circles are composite products in which stainless steel predominates by weight and, in terms of Section Note 7 to Section XV, are to be treated as stainless steel products. At the stage of importation, the goods are merely flat blank circles requiring substantial further processing and do not possess independent functionality, finished shape, or direct usability. They therefore do not qualify as “articles” under Chapter 73. Heading 7326, being a residuary entry covering “other articles of iron or steel,” can be invoked only where goods qualify as articles and are not more specifically covered elsewhere in the Tariff. Since the impugned goods are specifically covered under Heading 7219 as flat-rolled stainless-steel products and have not assumed the essential character of articles, classification under CTH 7326 stands excluded.

**19.5.** The impugned goods, namely SS Triply / Aluminium Cladded Circles, are products of stainless steel and fall within Sub-Chapter III (Headings 7218–7227) of Chapter 72 dealing with stainless steel. The relevant competing headings are 7219 (for width 600 mm or more) and 7220 (for width less than 600 mm). In terms of Note 1(k), flat-rolled products of non-rectangular shape are to be classified as products of width 600 mm or more. The circles are blanked from rectangular flat-rolled sheets, and blanking being a tariff-neutral operation does not alter their essential character. The goods therefore retain the character of flat-rolled stainless-steel products. Heading 7219 covers flat-rolled stainless-steel products of width 600 mm or more, and subheadings 7219.11 to 7219.35 cover stainless steel not further worked beyond hot or cold rolling. The impugned goods are clad stainless-steel products and are therefore “further worked.” Subheading 7219.90 specifically covers other flat-rolled stainless-steel products, including clad products. The Explanatory Notes to Headings 7208–7210 apply mutatis mutandis to Heading 7219, and just as Heading 7210 covers clad flat-rolled products of iron or non-alloy steel, heading 7219.90 covers clad stainless steel. The tariff scheme clearly segregates not-further-worked and further-worked stainless steel products. Cladding does not convert the goods into articles of steel, and they remain flat-rolled composite stainless-steel products. Tariff items 7219.90.11 to 7219.90.13 apply to sheets and plates, whereas the impugned goods are circular profiles and not sheets or plates. Therefore, they fall under residual tariff item 7219.90.90. Accordingly, by application of GRI Rules 1, 2(b), 3(a) and 6, the goods are correctly classifiable under CTH 7219.90.90.

**19.6** I observe that Section 17 embodies the statutory scheme of self-assessment, under which the importer is mandatorily required to correctly determine the classification, valuation and rate of duty applicable to the imported goods in accordance with the Customs Tariff Act, 1975 and the relevant Chapter and Section Notes. The responsibility is substantive and not procedural. In the present case, the impugned goods were clearly classifiable under CTH 7219.90.90 in view of Note 1(k) to Chapter 72 and the specific coverage of flat-rolled stainless-steel products of non-rectangular shape. The importer, despite being fully aware of

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

the nature, composition and manufacturing process of the goods, failed to apply the correct tariff provisions and instead adopted a classification under Chapter 73. Such incorrect self-assessment directly resulted in short-payment of duty. I therefore hold that the importer failed to discharge the statutory obligation cast under Section 17 to correctly self-assess the goods in accordance with law. The incorrect classification adopted by the importer constitutes a clear contravention of Section 17 of the Customs Act, 1962.

**19.7** I observe that Section 46(4) requires the importer to make a true, correct and complete declaration in the Bill of Entry and to subscribe to the declaration of its correctness. Section 46(4A) further casts a statutory responsibility upon the importer to ensure the accuracy of the particulars furnished and renders him accountable for any incorrect declaration. In the present case, the importer declared an incorrect tariff classification in the Bills of Entry, despite the goods being specifically covered under Heading 7219 by virtue of Chapter Note 1(k). Classification being a material particular that determines duty liability, the incorrect declaration cannot be treated as minor or inadvertent. By furnishing an incorrect classification and affirming the declaration of truthfulness, the importer failed to ensure accuracy and completeness of the particulars furnished in the Bills of Entry. I therefore hold that the importer has contravened the provisions of Sections 46(4) and 46(4A) of the Customs Act, 1962.

**19.8** I find that the classification of the impugned goods, namely “Aluminium Cladded Circles” / “SS Tri-Ply Circles,” is not a matter of interpretational ambiguity but is clearly determinable on the basis of the statutory provisions of the Customs Tariff Act, 1975. As discussed in detail in **para 16 supra**, the goods are flat-rolled stainless-steel composite products and are correctly classifiable under CTH 7219.90.90.

**19.8.1** Note 1(k) to Chapter 72 of the Customs Tariff Act, 1975 explicitly provides that flat-rolled products of shapes other than rectangular or square are to be classified as products of width 600 mm or more, provided they do not assume the character of articles of other headings. The legislative intent is abundantly clear that mere change in external outline, including circular shape, does not alter the essential character of a flat-rolled product. In the present case, the process of blanking merely changes the outline from rectangular to circular without imparting any independent functionality or essential character of an article. Therefore, the goods squarely fall within Heading 7219.

**19.8.2** Further, tariff item 7219.90.90 specifically covers “other flat-rolled stainless-steel products,” including clad products, other than sheets or plates in rectangular form. The impugned goods are admittedly clad stainless-steel composite flat products in circular profile and are not articles of Chapter 73. Thus, the correct classification under CTH 7219.90.90 is clearly discernible from the tariff structure itself.

**119.8.3** I find that the importer declared the goods under a heading applicable to “articles of iron or steel” under Chapter 73, thereby seeking classification under a residuary entry. Such declaration is contrary to the clear mandate of Chapter Note 1(k) to Chapter 72 and the

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

specific coverage under Heading 7219. When a specific entry exists in Chapter 72, recourse to a residuary entry under Chapter 73 is legally impermissible.

**19.8.4** Section 17 of the Customs Act, 1962 mandates that the importer shall self-assess the duty leviable on imported goods correctly in accordance with the provisions of the Act and the Tariff. Section 46 requires a true and correct declaration of the description, classification and other particulars of the imported goods in the Bill of Entry. In the present case, the importer failed to correctly declare the classification despite the tariff provisions being explicit. This amounts to contravention of Sections 17 and 46 of the Act.

**19.8.5** I observe that 'blind belief' can't be equated with 'bonafide belief'. Bonafide belief must be founded upon reasonable interpretation and due diligence; it cannot be a blind belief contrary to explicit statutory provisions. Where the Chapter Notes clearly govern classification and the goods are squarely covered by a specific tariff item, ignorance or self-serving interpretation cannot be accepted as a defense. The Hon'ble Supreme Court has consistently held that suppression includes deliberate non-declaration or mis-declaration of material facts affecting duty liability.

**19.8.6** In the present case, the importer was fully aware of the composition, nature and manufacturing process of the goods, including roll bonding and blanking, yet chose to classify them under an inapplicable heading. The classification adopted was not supported by the Chapter Notes or the tariff structure. The misclassification directly resulted in short-payment of duty and cannot be treated as a mere clerical or interpretational error. The conduct of the importer demonstrates conscious disregard of the statutory provisions governing classification and duty liability.

**19.8.7** I therefore hold that the importer, by willfully mis-declaring the classification of the impugned goods and failing to correctly self-assess duty in accordance with the explicit provisions of Chapter 72 and CTH 7219.90.90, has miss-declared the content of the Bills of Entry. The circumstances clearly establish mens rea, inasmuch as the incorrect classification was adopted despite clear statutory guidance, leading to evasion of the correct duty payable.

**19.8.8** In view of the above findings, I hold that all the essential ingredients for invocation of Section 28(4) of the Customs Act, 1962 are present in this case, namely: (i) short-levy of duty; (ii) willful mis-declaration; and (iii) intent to evade payment of duty. Accordingly, the extended period of limitation has been rightly invoked for recovery of the differential duty along with applicable interest and consequential penal provisions under the Act.

**19.9** In view of the facts and findings above, I further find that differential duty (CVD) amounting **Rs.1,48,06,946/- (Rupees one crore forty-eight lakhs six thousand nine hundred forty-six only)** on leviability of CVD @ 18.95% as per Notification No. 01/2017-Customs (CVD) dated 07.09.2017 (for the relevant period is recovered from the importer, M/s Cooks Arena under the provisions of Section 28(4) of the Customs Act, 1962 along with applicable interest under the provisions of Section 28AA of the Customs Act, 1962. In this regard, the

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

ratio laid down by Hon'ble Supreme Court in the case of CCE, Pune V/s. SKF India Ltd. [2009 (239) ELT 385 (SC)] is squarely applicable in the instant case on the ground of mis-statement and suppression of facts.

**19.10** I observe that Section 111(m) of the Customs Act, 1962 provides that any goods which do not correspond in respect of value or in any other particular with the entry made under the Act are liable to confiscation. In the present case, the impugned goods were wilfully mis-declared in respect of their correct classification and correct description at the time of filing the Bills of Entry. Despite being fully aware that the goods were flat-rolled clad stainless-steel products correctly classifiable under CTH 7219.90.90, the Noticee(s) deliberately declared them under CTH 73269070, which is applicable to articles of iron or steel, thereby materially misrepresenting their true nature and classification. Such mis-declaration directly affected the assessment of duty and resulted in short-levy of CVD. These acts of omission and commission on the part of the importer rendered the goods liable for confiscation under the provisions of Section 111(m) of the Customs Act, 1962. Supported by above judicial pronouncements, I hold that the Show Cause Notice has adduced sufficient evidences which establish the case and accordingly, I arrive to the conclusion that the Noticee cannot escape their liability towards mis-declaration & misclassification of the imported goods. These acts of omission and commission on the part of the importer rendered the goods liable for confiscation under the provisions of Section 111 (m) of the Customs Act, 1962.

**Penalty under section 112 (a) of the Customs Act, 1962**

**19.11** I observe that Section 112(a) of the Customs Act, 1962 provides for imposition of penalty on any person who, in relation to any goods, does or omits to do any act which renders such goods liable to confiscation under Section 111 of the Act, or who abets the doing or omission of such an act. In the present case, it has been conclusively held that the impugned goods are liable to confiscation under Section 111(m) for willful mis-declaration of classification and material particulars in the Bills of Entry. The Noticee(s), despite being fully aware of the nature and correct tariff classification of the goods under CTH 7219.90.90, deliberately declared them under CTH 73269070, thereby misrepresenting the goods as articles of iron or steel.

**19.11.1** The said conduct constitutes a conscious act of commission in declaring an incorrect classification and a corresponding act of omission in failing to declare the correct tariff entry as mandated under law. These acts directly resulted in short-levy of duty and rendered the goods liable to confiscation under Section 111(m). The element of mens rea stands established from the facts on record, as the statutory provisions governing classification were explicit and unambiguous, and the Noticee(s) were fully aware of the composition and manufacturing process of the goods. The misclassification was not a mere technical or clerical error but a deliberate declaration affecting duty liability.

**19.11.2** In view of the above, I hold that the Noticee(s), by their acts of omission and commission, have rendered the goods liable to confiscation under Section 111(m), and

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

therefore attract penal liability under Section 112(a) of the Customs Act, 1962. Accordingly, the Noticee(s) are liable for imposition of penalty under Section 112(a) of the Act.

**Penalty under Sections 114A of the Customs Act, 1962**

**19.12** I observe that Section 114A of the Customs Act, 1962 provides for imposition of penalty in cases where duty has not been levied or has been short-levied, or interest has not been charged or has been short-paid, or where duty or interest has been erroneously refunded, by reason of collusion, willful mis-statement, or suppression of facts. The said provision mandates that the person who is liable to pay the duty or interest, as determined under Section 28(4) of the Act, shall also be liable to pay a penalty equal to the amount of duty or interest so determined. This provision is attracted where the short-levy or non-levy of duty is not accidental or procedural, but is a consequence of deliberate acts involving mens rea, such as conscious mis-declaration or suppression of material facts.

**19.12.1** In this context, I reiterate my findings recorded in para 17 *supra*, which are *mutatis mutandis* applicable to the issue at hand.

**19.12.1.1** I observe that Section 17 embodies the statutory scheme of self-assessment, under which the importer is mandatorily required to correctly determine the classification, valuation and rate of duty applicable to the imported goods in accordance with the Customs Tariff Act, 1975 and the relevant Chapter and Section Notes. The responsibility is substantive and not procedural. In the present case, the impugned goods were clearly classifiable under CTH 7219.90.90 in view of Note 1(k) to Chapter 72 and the specific coverage of flat-rolled stainless-steel products of non-rectangular shape. The importer, despite being fully aware of the nature, composition and manufacturing process of the goods, failed to apply the correct tariff provisions and instead adopted a classification under Chapter 73. Such incorrect self-assessment directly resulted in short-payment of duty. I therefore hold that the importer failed to discharge the statutory obligation cast under Section 17 to correctly self-assess the goods in accordance with law. The incorrect classification adopted by the importer constitutes a clear contravention of Section 17 of the Customs Act, 1962.

**19.12.1.2** I observe that Section 46(4) requires the importer to make a true, correct and complete declaration in the Bill of Entry and to subscribe to the declaration of its correctness. Section 46(4A) further casts a statutory responsibility upon the importer to ensure the accuracy of the particulars furnished and renders him accountable for any incorrect declaration. In the present case, the importer declared an incorrect tariff classification in the Bills of Entry, despite the goods being specifically covered under Heading 7219 by virtue of Chapter Note 1(k). Classification being a material particular that determines duty liability, the incorrect declaration cannot be treated as minor or inadvertent. By furnishing an incorrect classification and affirming the declaration of truthfulness, the importer failed to ensure accuracy and completeness of the particulars furnished in the Bills of Entry. I therefore hold that the importer has contravened the provisions of Sections 46(4) and 46(4A) of the Customs Act, 1962.

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**19.12.1.3** I find that the classification of the impugned goods, namely “Aluminium Cladded Circles” / “SS Tri-Ply Circles,” is not a matter of interpretational ambiguity but is clearly determinable on the basis of the statutory provisions of the Customs Tariff Act, 1975. As discussed in detail in para 16 supra, the goods are flat-rolled stainless-steel composite products and are correctly classifiable under CTH 7219.90.90.

**19.12.1.4** Note 1(k) to Chapter 72 of the Customs Tariff Act, 1975 explicitly provides that flat-rolled products of shapes other than rectangular or square are to be classified as products of width 600 mm or more, provided they do not assume the character of articles of other headings. The legislative intent is abundantly clear that mere change in external outline, including circular shape, does not alter the essential character of a flat-rolled product. In the present case, the process of blanking merely changes the outline from rectangular to circular without imparting any independent functionality or essential character of an article. Therefore, the goods squarely fall within Heading 7219.

**19.12.1.5** Further, tariff item 7219.90.90 specifically covers “other flat-rolled stainless-steel products,” including clad products, other than sheets or plates in rectangular form. The impugned goods are admittedly clad stainless-steel composite flat products in circular profile and are not articles of Chapter 73. Thus, the correct classification under CTH 7219.90.90 is clearly discernible from the tariff structure itself.

**19.12.1.6** I find that the importer declared the goods under a heading applicable to “articles of iron or steel” under Chapter 73, thereby seeking classification under a residuary entry. Such declaration is contrary to the clear mandate of Chapter Note 1(k) to Chapter 72 and the specific coverage under Heading 7219. When a specific entry exists in Chapter 72, recourse to a residuary entry under Chapter 73 is legally impermissible.

**19.12.1.7** Section 17 of the Customs Act, 1962 mandates that the importer shall self-assess the duty leviable on imported goods correctly in accordance with the provisions of the Act and the Tariff. Section 46 requires a true and correct declaration of the description, classification and other particulars of the imported goods in the Bill of Entry. In the present case, the importer failed to correctly declare the classification despite the tariff provisions being explicit. This amounts to contravention of Sections 17 and 46 of the Act.

**19.12.1.8** I observe that ‘blind belief’ can’t be equated with ‘bonafide belief’. Bonafide belief must be founded upon reasonable interpretation and due diligence; it cannot be a blind belief contrary to explicit statutory provisions. Where the Chapter Notes clearly govern classification and the goods are squarely covered by a specific tariff item, ignorance or self-serving interpretation cannot be accepted as a defense. The Hon’ble Supreme Court has consistently held that suppression includes deliberate non-declaration or mis-declaration of material facts affecting duty liability.

**19.12.1.9** In the present case, the importer was fully aware of the composition, nature and manufacturing process of the goods, including roll bonding and blanking, yet chose to classify

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

them under an inapplicable heading. The classification adopted was not supported by the Chapter Notes or the tariff structure. The misclassification directly resulted in short-payment of duty and cannot be treated as a mere clerical or interpretational error. The conduct of the importer demonstrates conscious disregard of the statutory provisions governing classification and duty liability.

**19.12.1.10** I therefore hold that the importer, by willfully mis-declaring the classification of the impugned goods and failing to correctly self-assess duty in accordance with the explicit provisions of Chapter 72 and CTH 7219.90.90, has miss-declared the content of the Bills of Entry. The circumstances clearly establish mens rea, inasmuch as the incorrect classification was adopted despite clear statutory guidance, leading to evasion of the correct duty payable.

**19.12.1.11** In view of the above findings, I hold that all the essential ingredients for invocation of Section 28(4) of the Customs Act, 1962 are present in this case, namely: (i) short-levy of duty; (ii) willful mis-declaration; and (iii) intent to evade payment of duty. Accordingly, the extended period of limitation has been rightly invoked for recovery of the differential duty along with applicable interest and consequential penal provisions under the Act.

**19.12.1.12** In view of the facts and findings above, I further find that differential duty (CVD) amounting **Rs.1,48,06,946/- (Rupees one crore forty-eight lakhs six thousand nine hundred forty-six only)** on leviability of CVD @ 18.95% as per Notification No. 01/2017-Customs (CVD) dated 07.09.2017 (for the relevant period is recovered from the importer, M/s Cooks Arena under the provisions of Section 28(4) of the Customs Act, 1962 along with applicable interest under the provisions of Section 28AA of the Customs Act, 1962. In this regard, the ratio laid down by Hon'ble Supreme Court in the case of CCE, Pune V/s. SKF India Ltd. [2009 (239) ELT 385 (SC)] is squarely applicable in the instant case on the ground of mis-statement and suppression of facts.

**19.12.2** From the foregoing, I observe that the Noticee(s) wilfully mis-declared the classification of the impugned goods despite being fully aware that the goods were flat-rolled clad stainless-steel products correctly classifiable under CTH 7219.90.90. Instead, they consciously declared the goods under CTH 73269070 applicable to articles, thereby reducing the applicable CVD liability @ 18.95% under Notification No. 01/2017-Customs (CVD) dated 07.09.2017.

**19.12.2.1** I further find that the importer wilfully violated Sections 17, 46(4), and 46(4A) of the Customs Act, 1962 by failing to make true, correct, and complete declarations and by not exercising due diligence under the self-assessment regime. The mis-declaration of classification was neither accidental nor inadvertent but a conscious and intentional act to obtain illegal pecuniary benefits. The plea of bona fide belief or blind reliance is rejected as untenable and contrary to statutory obligations.

**19.12.2.2** Accordingly, I hold that all the essential ingredients required for invocation of Section 114A—namely willful misstatement, mis-classification, suppression of facts, intent to

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

evade duty, and determination of duty under Section 28(4)—are clearly present in the present case. Therefore, the importer, M/s Cooks Arena, is liable to penalty equal to the duty determined and interest, in terms of Section 114A of the Customs Act, 1962.

**19.13** In view of the foregoing, it is observed that, it is a settled law that fraud and justice never dwell together (*Fraus et Jus nunquam cohabitant*). Lord Denning had observed that “no judgement of a court, no order of a minister can be allowed to stand if it has been obtained by fraud, for, fraud unravels everything” there are numerous judicial pronouncements wherein it has been held that no court would allow getting any advantage which was obtained by fraud. The Hon’ble Supreme Court in case of *CC, Kandla vs. Essar Oils Ltd.* reported as 2004 (172) ELT 433 SC at Para’s 31 and 32 held as follows:

*“31. ‘Fraud’ as is well known vitiates every solemn act. Fraud and justice never dwell together. Fraud is a conduct either by letter or words, which includes the other person or authority to take a definite determinative stand as a response to the conduct of the former either by words or letter. It is also well settled that misrepresentation itself amounts to fraud. Indeed, innocent misrepresentation may also give reason to claim relief against fraud. A fraudulent misrepresentation is called deceit and consists in leading a man into damage by wilfully or recklessly causing him to believe and act on falsehood. It is a fraud in law if a party makes representations, which he knows to be false, although the motive from which the representations proceeded may not have been bad. An act of fraud on court is always viewed seriously. A collusion or conspiracy with a view to deprive the rights of the others in relation to a property would render the transaction void ab initio. Fraud and deception are synonymous. Although in a given case a deception may not amount to fraud, fraud is anathema to all equitable principles and any affair tainted with fraud cannot be perpetuated or saved by the application of any equitable doctrine including res judicata. (Ram Chandra Singh v. Savitri Devi and Ors.[2003 (8) SCC 319].*

*32. ‘Fraud’ and collusion vitiate even the most solemn proceedings in any civilized system of jurisprudence. Principle Bench of Tribunal at New Delhi extensively dealt with the issue of Fraud while delivering judgment in Samsung Electronics India Ltd. Vs commissioner of Customs, New Delhi reported in 2014(307)ELT 160(Tri. Del). In Samsung case, Hon’ble Tribunal held as under.*

*“If a party makes representations which he knows to be false and injury ensues there from although the motive from which the representations proceeded may not have been bad is considered to be fraud in the eyes of law. It is also well settled that misrepresentation itself amounts to fraud when that results in deceiving and leading a man into damage by wilfully or recklessly causing him to believe on falsehood. Of course, innocent misrepresentation may give reason to claim relief against fraud. In the case of Commissioner of Customs, Kandla vs. Essar Oil Ltd. - 2004 (172) E.L.T. 433 (S.C.) it has been held that by ‘fraud’ is meant an intention to deceive; whether it is from any expectation of advantage to the party himself or from the ill-will towards the other is immaterial. ‘Fraud’ involves two elements, deceit and injury to the deceived.*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*Undue advantage obtained by the deceiver will almost always cause loss or detriment to the deceived. Similarly a "fraud" is an act of deliberate deception with the design of securing something by taking unfair advantage of another. It is a deception in order to gain by another's loss. It is a cheating intended to get an advantage. (Ref: S.P. Chengalvaraya Naidu v. Jagannath [1994 (1) SCC 1: AIR 1994 S.C. 853]. It is said to be made when it appears that a false representation has been made (i) knowingly, or (ii) without belief in its truth, or (iii) recklessly and carelessly whether it be true or false [Ref: RoshanDeenv. PreetiLal [(2002) 1 SCC 100], Ram Preeti Yadav v. U.P. Board of High School and Intermediate Education [(2003) 8 SCC 311], Ram Chandra Singh's case (supra) and Ashok Leyland Ltd. v. State of T.N. and Another [(2004) 3 SCC 1].*

*Suppression of a material fact would also amount to a fraud on the court [(Ref: Gowrishankarv. Joshi Amha Shankar Family Trust, (1996) 3 SCC 310 and S.P. Chengalvaraya Naidu's case (AIR 1994 S.C. 853)]. No judgment of a Court can be allowed to stand if it has been obtained by fraud. Fraud unravels everything and fraud vitiates all transactions known to the law of however high a degree of solemnity. When fraud is established that unravels all. [Ref: UOI v. Jain Shudh Vanaspati Ltd. - 1996 (86) E.L.T. 460 (S.C.) and in Delhi Development Authority v. Skipper Construction Company (P) Ltd. - AIR 1996 SC 2005]. Any undue gain made at the cost of Revenue is to be restored back to the treasury since fraud committed against Revenue voids all judicial acts, ecclesiastical or temporal and DEPB scrip obtained playing fraud against the public authorities are non-est. So also, no Court in this country can allow any benefit of fraud to be enjoyed by anybody as is held by Apex Court in the case of Chengalvaraya Naidu reported in (1994) 1 SCC 1: AIR 1994 SC 853. Ram Preeti Yadav v. U.P. Board High School and Inter Mediate Education (2003) 8 SCC 311.*

*A person whose case is based on falsehood has no right to seek relief in equity [Ref: S.P. Chengalvaraya Naidu v. Jagannath, AIR 1994 S.C. 853]. It is a fraud in law if a party makes representations, which he knows to be false, and injury ensues there from although the motive from which the representations proceeded may not have been bad. [Ref: Commissioner of Customs v. Essar Oil Ltd., (2004) 11 SCC 364 = 2004 (172) E.L.T. 433 (S.C.)].*

*When material evidence establishes fraud against Revenue, white collar crimes committed under absolute secrecy shall not be exonerated as has been held by Apex Court judgment in the case of K.I. Pavunnyv.AC, Cochin - 1997 (90) E.L.T. 241 (S.C.). No adjudication is barred under Section 28 of the Customs Act, 1962 if Revenue is defrauded for the reason that enactments like Customs Act, 1962, and Customs Tariff Act, 1975 are not merely taxing statutes but are also potent instruments in the hands of the Government to safeguard interest of the economy. One of its measures is to prevent deceptive practices of undue claim of fiscal incentives.*

*It is a cardinal principle of law enshrined in Section 17 of Limitation Act that fraud nullifies everything for which plea of time bar is untenable following the ratio laid down by Apex Court in the case of CC. v. Candid Enterprises - 2001 (130) E.L.T. 404 (S.C.). Non est instruments at*

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

*all times are void and void instrument in the eyes of law are no instruments. Unlawful gain is thus debarred.”*

**19.14 Therefore, I hold that the conditions prescribed under Section 114A of the Customs Act, 1962 are fully satisfied in the present case, and accordingly, the importer, is liable to penalty equal to the duty and interest so determined under Section 114A of the Customs Act, 1962.**

**19.15** I observe that the Fifth Proviso to Section 114A of the Customs Act, 1962 provides that where penalty is imposed under Section 114A, no penalty shall be imposed under Section 112 of the Customs Act, 1962 for the same act or omission.

**19.15.1** Further, sub-section (ii) of Section 112 of the Customs Act, 1962 provides that the penalty prescribed thereunder in respect of dutiable goods is **applicable subject to the provisions of Section 114A** of the Act. This clearly establishes the **primacy and supremacy of penalty under Section 114A** in cases involving evasion of duty on account of **willful misstatement, collusion, or suppression of facts**. Accordingly, where penalty under Section 114A is attracted, the penalty under Section 112(ii) operates in a subordinate manner, subject to the overriding applicability of Section 114A.

**19.15.2** Since the acts and omissions of the importer, which rendered the goods liable to confiscation and resulted in evasion of duty, have already been adequately covered and penalized under Section 114A of the Customs Act, 1962, imposition of a separate penalty under Section 112(a) and Section 112(b) of the Customs Act, 1962 for the same set of facts would be hit by the Fifth Proviso to Section 114A, read with provision of subsection (ii) of Section 112 of the Customs Act, 1962.

**19.15.3** Accordingly, in view of the Fifth Proviso to Section 114A, read with provision of subsection (ii) of Section 112 of the Customs Act, 1962, No separate penalty under Section 112(a) of the Customs Act, 1962 is warranted on Noticee in the present case.

**Penal Action under Section 117 of the Customs Act**

**19.16** I observe that Section 117 of the Customs Act, 1962 provides that any person who contravenes any provision of the Act or abets any such contravention, for which no express penalty is elsewhere provided under the Act, shall be liable to a penalty which may extend to the amount prescribed therein. The said provision is residuary in nature and is attracted in cases where there is a breach of statutory obligations under the Customs Act, but such contravention does not specifically fall within any other penal provision. Thus, Section 117 operates to ensure that violations of procedural or statutory requirements under the Act do not go unaddressed merely because no specific penalty clause is invoked elsewhere.

**19.16.1** I find that the present case involves short-payment of customs duty arising out of willful misstatement, mis-classification & suppression of facts on the part of the importer with intent to evade payment of duty. Accordingly, the provisions of Section 114A of the Customs

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

Act, 1962 are squarely attracted. Since penalty under Section 114A is a specific and mandatory penalty provision applicable to cases involving fraud, collusion, willful misstatement or suppression of facts, no separate penalty under Section 117 of the Customs Act, 1962 is warranted for the same set of acts and omissions. Therefore, no separate penalty under Section 117 of the Customs Act, 1962 is warranted on Noticee in the present case.

**Penalty under Sections 114AA of the Customs Act, 1962**

**19.17** I observe that Section 114AA of the Customs Act, 1962 provides for imposition of penalty on any person **who knowingly or intentionally makes, signs, uses,** or causes to be made, signed, or used, any declaration, statement, or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of the Act. The provision covers deliberate use of false or incorrect documents such as commercial invoices, Bills of Entry, Certificates of Origin, or other statutory declarations, and prescribes a penalty not exceeding five times the value of the goods involved, where such falsehood or incorrectness is established to be intentional or knowing.

**19.17.1** In view of the detailed discussion in the foregoing paragraphs, it has already been held that the Noticee(s) have wilfully violated the provisions of Sections 46(4) and 46(4A) of the Customs Act, 1962. Section 46(4) mandates that the importer shall make and subscribe to a declaration as to the truth of the contents of the Bill of Entry and furnish true, correct, and complete particulars regarding the description, classification, value, and other material details of the imported goods. Section 46(4A) further imposes a statutory obligation upon the importer to exercise due diligence to ensure the accuracy and completeness of the information furnished for assessment purposes. In the present case, despite the impugned goods being clearly classifiable as flat-rolled clad stainless-steel products under CTH 7219.90.90, the Noticee(s) wilfully mis-declared them under CTH 73269070, an incorrect tariff heading applicable to articles. Such conduct establishes a deliberate and conscious false declaration of material particulars in violation of Section 46.

**19.17.2** I further find that, by filing the impugned Bills of Entry and subscribing to the statutory declaration affirming the truthfulness of their contents, the Noticee(s) knowingly and intentionally made and used declarations that were false and incorrect in material particulars. The mis-declaration was not inadvertent but was directly connected to the assessment of duty and resulted in short-levy. Therefore, the act of making and using such false declarations squarely attracts the provisions of Section 114AA of the Customs Act, 1962. Accordingly, I hold that the Noticee(s) are liable to penalty under Section 114AA for knowingly and intentionally making and using false declarations and documents in the transaction of business under the Act.

**19.17.3** Accordingly, I find that Importer is also liable for penal action under section 114AA of the Customs Act, 1962.

**20.** In view of the above facts of the case and findings on record, I pass the following order;

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**ORDER**

- (i) I reject the declared classification of goods i.e. 'Aluminium Cladded Circles'/ 'SS Triply Circles' under CTH 73269070, imported vide Bills of Entry mentioned above in Table-II above and order to classify the same under CTH 72199090 with applicable duties;
- (ii) I confirm the demand of total differential duty of **Rs.1,48,06,946/- (Rupees One Crore Forty-Eight Lakhs Six Thousand Nine Hundred Forty-Six Only)** in respect of goods cleared by M/s Cooks Arena vide Bills of Entry as mentioned above in Table-II, under the provision of Section 28(4) of the Customs Act, 1962 along with applicable interest leviable under Section 28AA of the Customs Act, 1962;
- (iii) I order confiscation of the imported goods vide Bills of Entry listed in Table-II above, valued at **Rs. 7,12,10,949/- (Rupees Seven Crores Twelve Lakhs Ten Thousand Nine Hundred Forty-Nine Only)** under Section 111(m) of the Customs Act, 1962. However, I impose a redemption fine of **Rs. 1,45,00,000/- (Rs. One Crore Forty Five Lakh only)** on the importer in lieu of confiscation under Section 125(1) of the Customs Act, 1962.;
- (iv) I impose a penalty equivalent to differential duty of **Rs.1,48,06,946/- (Rupees One Crore Forty-Eight Lakhs Six Thousand Nine Hundred Forty-Six Only)** and interest accrued there upon on the importing firm M/s Cooks Arena under section 114A of the Customs Act, 1962. However, in terms of the first and second proviso to Section 114A ibid, if duty and interest is paid within thirty days from the date of the communication of this order, the amount of penalty liable to be paid shall be twenty-five per cent of the duty and interest, subject to the condition that the amount of penalty is also paid within the period of thirty days of communication of this order. I refrain from imposing any penalty on the importer under Section 112(a) of the Customs Act, 1962, in view of the Fifth Proviso to Section 114A, read with sub-section (ii) of Section 112 of the Customs Act, 1962. I also refrain from imposing any penalty on the importer under Section 117 of the Customs Act, 1962 as discussed in **Para 19.16 supra**;
- (v) I impose a Penalty of **Rs. 60,00,000/- (Rupees Sixty Lakh Only)** on the importer under **Section 114AA** of the Customs Act, 1962 for their involvement and role in knowingly using of false declarations for the import of the of the aforementioned impugned goods (as detailed in Table-II), as detailed in para **19.17 supra**.

**Digitally signed by  
Vijay Risi  
Date: 20-02-2026  
15:20:45 (VJY RISI)  
Pr. COMMISSIONER OF CUSTOMS  
NS-III, JNCH**

**F. No. S/10-1375/2025-26/ADJ/COMMR./GR.IV/NS-III/CAC/JNCH  
SCN NO. 1574/2025-26/COMMR./GR.IV/NS-III/CAC/JNCH dated 10.12.2025**

**To,**

M/s. Cooks Arena (IEC: 3416903765)  
A-1 169, Gidc Ankleshwar,  
Ankleshwar, Bharuch,  
Gujrat, 393002

**Copy to:**

1. The Asst. /Dy. Commissioner of Customs, Chief Commissioner's Office, JNCH
2. The Asst. /Dy. Commissioner, Audit, D3 Circle, NS-IV, JNCH
3. The Asst./Dy. Commissioner of Customs, Group-IV, JNCH
4. The Asst. /Dy. Commissioner of Customs, Centralized Revenue Recovery Cell (CRRC), JNCH
5. The Asst. / Dy. Commissioner of Customs, SIIB (Import), JNCH: For uploading on DIGIT.
6. The Asst. /Dy. Commissioner of Customs (CAC), JNCH: For uploading on CARMA Portal.
7. The Asst. /Dy. Commissioner of Customs, EDI, JNCH: For display on JNCH Website.
8. Superintendent (P), CHS Section, JNCH: For display on JNCH Notice Board.
9. Office Copy.