



सीमा शुल्क आयुक्त का कार्यालय  
**OFFICE OF THE COMMISSIONER OF CUSTOMS**  
 केंद्रीय अधिनिर्णय प्रकोष्ठ, एन एस-व  
**CENTRAL ADJUDICATION CELL, NS-V**  
 जवाहरलाल नेहरू कस्टम हाउस, न्हावा-शेवा,  
**JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA-SHEVA,**  
 ताल-ऊरण, डिस्ट-राइगड, महाराष्ट्र-४०० ७०७.  
**TAL. URAN, DIST. RAIGAD, MAHARASHTRA - 400 707.**

DIN: 20260478NX000061616F

Date of Order: 22/04/2026

F.No. S/10-546/2025-26/JC/Gr.V/NS-V/CAC/JNCH

Date of issue: 22/04/2026

SCN No.: 1153/2025-26/ NS-V /Gr.V/JNCH

SCN Date: 15.10.2025

Passed By: Shri Mazid Khan

Additional Commissioner of Customs, CAC, NS-V, JNCH

Order-In-Original No: 74/2026-27/ADC/GR.V/NS-V/CAC/JNCH

Name of Party/Noticee: - M/s. STUDIO NEXT TECHNOLOGY PRIVATE LIMITED  
(IEC No. 0311026010)

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मूल आदेश

1. यह प्रति जिस व्यक्ति को जारी की जाती है, उसके उपयोग के लिए निःशुल्क दी जाती है।
2. इस आदेश के विरुद्ध अपील सीमाशुल्क अधिनियम 1962 की धारा 128 (1) के तहत इस आदेश की संसूचना की तारीख से साठ दिनों के भीतर सीमाशुल्क आयुक्त (अपील), जवाहरलाल नेहरू सीमाशुल्क भवन, शेवा, ता. उरण, जिला – रायगढ़, महाराष्ट्र -400707 को की जा सकती है। अपील दो प्रतियों में होनी चाहिए और सीमाशुल्क (अपील) नियमावली, 1982 के अनुसार फॉर्म सी.ए. 1 संलग्नक में की जानी चाहिए। अपील पर न्यायालय फीस के रूप में 2.00 रुपये मात्र का स्टॉप लगाया जायेगा और साथ में यह आदेश या इसकी एक प्रति लगायी जायेगी। यदि इस आदेश की प्रति संलग्न की जाती है तो इस पर न्यायालय फीस के रूप में 2.00 रुपये का स्टॉप भी लगाया जायेगा जैसा कि न्यायालय फीस अधिनियम 1970 की अनुसूची 1, मद 6 के अंतर्गत निर्धारित किया गया है।
3. इस निर्णय या आदेश के विरुद्ध अपील करनेवाला व्यक्ति अपील अनिर्णीत रहने तक, शुल्क या शास्ति के संबंध में विवाद होने पर माँगे गये शुल्क के 7.5% का, अथवा केवल शास्ति के संबंध में विवाद होने पर शास्ति का भुगतान करेगा।

**ORDER-IN-ORIGINAL**

1. This copy is granted free of charge for the use of the person to whom it is issued.
2. An appeal against this order lies with the Commissioner of Customs (Appeal), Jawaharlal Nehru Custom House, Nhava Sheva, Tal : Uran, Dist : Raigad, Maharashtra – 400707 under section 128(1) of the Customs Act, 1962 within sixty days from the date of communication of this order. The appeal should be in duplicate and should be filed in Form CA-1 Annexure on the Customs (Appeal) Rules, 1982. The Appeal should bear a Court Fee stamp of Rs.2.00 only and should be accompanied by this order or a copy thereof. If a copy of this order is enclosed, it should also bear a Court Fee Stamp of Rs. 2.00 only as prescribed under Schedule 1, items 6 of the Court Fee Act, 1970.
3. Any person desirous of appealing against this decision or order shall, pending the appeal, make payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

**BRIEF FACTS OF THE CASE**

1. During the course of post clearance audit, it is observed that M/s. STUDIO NEXT TECHNOLOGY PRIVATE LIMITED (IEC No. 0311026010) having address at 508, 5th Floor, K. P. Aurum, Marol Maroshi Road, Near Zakaria Industrial Estate, Andheri (East), Mumbai, Maharashtra – 400059, has imported “Inkjet Plotters” of different Models claiming classification under CTH 84716025 paying 0% BCD + 0% SWS + 18% IGST by claiming Notification No. 24/2005-Cus Sl. No. 8 and by classification itself.
2. The catalogue of various models of Inkjet Plotters imported i.e. RPGPMJ2/ 2-180, RPPG-MJ2/4-180, RPPG-MJ2-220, RPPG-MJ/4-180 etc. was checked from open sources and it was noticed that these Plotters are not for the working of Automatic Data Processing Machines for processing data but are for designing/Plotting in Textile / Garment Industries.
3. The chapter / explanatory Notes to Chapter 8471 specifically excludes machines which are used for purpose other than data processing are to be classified at respective CTH of such use. The relevant Chapter/Explanatory Notes are reproduced below :

6.- (A) *For the purposes of heading 84 71, the expression "automatic data processing machines" means machines capable of:*

- (i) *Storing the processing program or programs and at least the data immediately necessary for the execution of the program;*
- (ii) *Being freely programmed in accordance with the requirements of the user;*
- (iii) *Performing arithmetical computations specified by the user; and*
- (iv) *Executing, without human intervention, a processing program which requires them to modify their execution, by logical decision during the processing run.*

*(B) Automatic data processing machines may be in the form of systems consisting of a variable number of separate units.*

*(C) Subject to paragraphs (D) and (E) below, a unit is to be regarded as being part of an automatic data processing system if it meets all of the following conditions :*

- (i) It is of a kind solely or principally used in an automatic data processing system;*
- (ii) It is connectable to the central processing unit either directly or through one or more other units; and (iii) It is able to accept or deliver data in a form (codes or signals) which can be used by the system. Separately presented units of an automatic data processing machine are to be classified in heading 84.71.*

However, keyboards, X-Y co-ordinate input devices and disk storage units which satisfy the conditions of paragraphs (C) (ii) and (C) (iii) above, are in all cases to be classified as units of heading 84.71.

(D) Heading 8471 does not cover the following when presented separately, even if they meet all of the conditions set forth in Note 6 (C) above :

(i) Printers, copying machines, facsimile machines, whether or not combined;

(ii) Apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network);

(iii) Loudspeakers and microphones;

(iv) Television cameras, digital cameras and video camera recorders;

(v) Monitors and projectors, not incorporating television reception apparatus.

E) Machines incorporating or working in conjunction with an automatic data processing machine and performing a specific function other than data processing are to be classified in the headings appropriate to their respective functions or, failing that, in residual headings.

8.- A machine which is used for more than one purpose is, for the purposes of classification, to be treated as if its principal purpose were its sole purpose.

Explanatory Notes to chapter 84 71 reads as under :

(I) AUTOMATIC DATA PROCESSING MACHINES AND UNITS THEREOF Data processing is the handling of information of all kinds, in pre established logical sequences and for a specific purpose or purposes. Automatic data processing machines are machines which, by logically interrelated operations performed in accordance with pre-established instructions (program), furnish data which can be used as such or, in some cases, serve in turn as data for other data processing operations. This heading covers data processing machines in which the logical sequences of the operations can be changed from one job to another, and in which the operation can be automatic, that is to say with no manual intervention for the duration of the task. These machines mostly use electronic signals but may also use other technologies. They may be self-contained, all the elements required for data processing being combined in the same housing, or they may be in the form of

systems consisting of a variable number of separate units. This heading also covers separately presented constituent units of automatic data processing systems described above.

However, **the heading excludes machines, instruments or apparatus incorporating or working in conjunction with an automatic data processing machine and performing a specific function. Such machines, instruments or apparatus are classified in the headings appropriate to their respective functions or, failing that, in residual headings (See Part (E) of the General Explanatory Note to this Chapter).**

4. From the above Notes i.e. Note 6(E), Note 8 to chapter 84 and Explanatory Note (I) to chapter 8471, it is amply clear that the machines which are designed to perform functions in industry other than Data Processing needs to be classified in their respective heading and not in Chapter 8471.
5. The importer during the period between 01.06.2020 to 22.04.2025 has imported inkjet plotters under CTH 84716025 by paying 0% BCD + 0% SWS + 18% IGST. **(List attached as Annexure - A)**
6. As the imported machines are Inkjet Plotters used in Textile / Garment industry, these needs to be classified under CTH 84518090 and charged as per duty structure of BCD @7.5% + SWS @10% of BCD + IGST @18%. Therefore, it appears that the differential duty of Rs. **45,94,417/- (Rupees Forty Five Lakh Ninety Four Thousand Four Hundred Seventeen Only)** is recoverable from the Importer along with applicable interest and penalty.
7. A Consultative Letter No. 72 dated 25.04.2025 vide F. No. CADT/CIR/ADT/TBA/456/2025-TBA-CIR-A1 - O/o COMMR-CUS-CMCNHAVA SHEVA-IV was issued to the importer for payment of short levied duty along with applicable interest and penalty. Vide the aforementioned Consultative letter, the Importer was advised to pay the Differential Duty along with interest and penalty in terms of Section 28(4) of the Customs Act 1962. The importer was further advised to avail the benefit of lower penalty in terms of Section 28(5) of the Customs Act, 1962, by early payment of short paid duty and interest along with penalty @ 15%.
8. The importer sought personal hearing which was granted on 28.05.2025. The personal hearing was attended by Shri Vishal Sher, Managing Director of M/s. Studio Next Technology Pvt. Ltd. The reply submitted as follows :

*"a) The imported goods i.e. Inkjet Plotter is a large format digital output device primarily designed for printing technical drawings, Computer-Aided Design (CAD) outputs, Geographic Information System (GIS) maps, signage, posters and fine art prints.*

*b) Its core function is to print digital data onto ordinary paper using inkjet technology.*

*c) Key Components include a Print Head, Paper Feeding System, Control Unit (Mother Board) and Connectivity Ports (USB, Ethernet).*

*d) These inkjet plotters feature automatic paper feeding and collecting, automatic printing and automatic stopping where there is no paper.*

*e) The machines take digital design files from CAD software as input.*

*f) Its internal system interprets and translates this digital design data into precise movements for printing.*

*g) It produces a physical output (printed patterns) based on the processed data.*

*h) The core function is to output data, which perfectly aligns with the subheading 847160.*

*i) The inkjet plotter explicitly covered by Tariff Item 84716025 – Plotters. j) These Inkjet Plotter performs none of the specified functions listed in Heading 8451, such as washing, dyeing, finishing, coating/impregnating textile yarns/fabrics, or cutting textile fabrics. Fundamentally, it is not a "textile processing machine". Their inkjet plotter facilitates the printing of digital data from Automatic Data Processing Machines onto ordinary paper. It is specifically used in the Garment Industry but the use of their inkjet plotter is not limited to the garment or textile industries."*

**9.** On going through the submissions of the importer it is observed that :

a) The primary function of these machines is printing and, in some cases, i.e. Model No. RP-MJ/2-180-KC, cutting the patterns for garment production. These plotters perform this specific function in conjunction with but are not part of an Automatic Data Processing System. These machines are special purpose mechanical devices. Hence, they must be classified according to their function and not under a general heading like 8471.

- b) Plotters under CTH 84716025 focus on data output, typically lack cutting abilities and are not tailored for specific industrial process like garment pattern making. Plotters with such functions are align with 84518090. The classification depends on the plotter's essential function/character as per HSN explanatory notes and General Rules of Interpretation (GRI).
- c) These plotters are integral to the garment & textile industry, producing paper patterns or markers used directly in the cutting and assembly of textile fabrics. This preparatory step is a critical part of textile processing as patterns guide the cutting of fabrics into garment components. These plotter's output is used in downstream textile processes such as fabric cutting, sewing and finishing which are covered under Heading 8451.
- d) The Models like RP-MJ/2-180-KC feature integrated cutting capabilities, allowing precise cutting of paper patterns alongside printing. The automatic switching between printing and cutting tools aligns with advanced textile processing machinery.
- e) These plotters are connectable to a CPU, accepts or delivers data in usable form but their principal function is printing / cutting, not data output.
- f) The CBEC Circular No. 11/2008-Cus., dated 01.07.2008, focused on large format printers clarifies that classification should be based on function, even if the device is connected to a computer. This applies to these plotters as well. Their main function is printing / cutting.
- g) Tribunal Decisions :

Collector of Customs Vs. Apsom Computers Ltd. (2001)(130)ELT660TriDel  
*"The Cutting plotters work in conjunction with automatic data processing machines for drafting/marketing out of paper or vinyl. The function is to produce drawings or mark out vinyl according to data transferred to them from a computer aided design system and the machines convert the digital data from the CAD into graphical plotting. The catalogue of the product highlights the fact that sign makers alternately allow use of plotter pens after removing the cutting blades. The machines are designed to print signs, etc. with computer aided design programme and cut the printed design/signs in required sizes as programmed. Hence, the machines are to be treated as performing the complementary functions of printing and cutting and the principal function is that of cutting, while printing function is subsidiary to the cutting function.*

*Therefore, applying Note 3 of Section XVI, the machines in question are to be classified as being that machine which performs the principal function which is cutting.”*

10. After the introduction of self-assessment vide Finance Act, 2011, it is the responsibility of the importer to make true and correct declaration in all aspects like classification, valuation, including calculation of duty and claim of benefit, however in the instant case the duty amount has not been paid correctly, resulting in loss to the Govt. exchequer to the tune of Rs. **45,94,417/-** (Rupees Forty Five Lakh Ninety Four Thousand Four Hundred Seventeen Only).

11. Relevant Legal Provisions in the instant matter is as follows:

**11.1 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.*

**11.2 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*
- (b) *any wilful 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 shortlevied or short paid or the interest has not been charged or has been partpaid or the duty or interest has been erroneously refunded by reason of collusion or any wilful 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).

### **11.3 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.

### **11.4 SECTION 46- Entry of goods on importation & sub section 46(4) declaration:**

(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.

**11.5 Section 111- 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 trans-shipment, with the declaration for trans-shipment referred to in the proviso to sub-section (1) of section 54.

**11.6 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 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.....”

**11.7 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 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.*

## **12. Acts of omission and commission by the Importer:**

**12.1** 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 appears to have short paid duty due to wrong classification of the imported goods. 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. As the importer got monetary benefit due to said act, it is apparent that the same was done deliberately by the importer with an intention to avail undue benefit of Notification on the said goods in the Bills of Entry during self-

assessment. Therefore, differential duty amount 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.

**12.2** It appears 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 duty on the imported goods was not paid by the Importer at the time of clearance of goods. It also appears 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 section 111(m), it appears 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. The Importer also appears liable to penal action under Section 112 (a) and /or 114A of the Customs Act, 1962.

**13.** In view of the above, the importer, **M/s. STUDIO NEXT TECHNOLOGY PRIVATE LIMITED (IEC No. 0311026010)** was called to show cause as to why:

- (i) The impugned goods imported vide Bills of Entry as detailed in Annexure-A should not be classified under CTH 84518090 with BCD @7.5% + SWS @10% of BCD + IGST @18%.
- (ii) Differential/short paid Duty amounting to **₹45,94,417/-(Rupees Forty Five Lakh Ninety Four Thousand Four Hundred and Seventeen)** for the subject goods imported vide Bills of Entry as detailed in Annexure-A should not be demanded under Section 28(4) of the Custom Act, 1962.
- (iii) In addition to the duty short paid, interest on delayed payment of Custom Duty should not be recovered from the Importer under section 28AA of the Customs Act, 1962.
- (iii) The said subject goods imported vide Bills of Entry as detailed in Annexure-'A' having assessable value of **₹4,71,94,833/-(Rupees Four Crore Seventy One Lakh Ninety four Thousand Eight Hundred and Thirty Three)** should not be held liable for confiscation under Section 111(m) and/or 111(o) of the Customs Act, 1962.
- (iv) Penalty should not be imposed on them under Section 112(a) of the Customs Act, 1962 for their acts of omission and commission, in rendering the goods liable for confiscation, as stated above.
- (v) Penalty should not be imposed under Section 114A of Customs Act, 1962 for short levy of duty.

**RECORDS OF PERSONAL HEARING**

14. In order to comply the principle of natural justice, opportunity of personal hearing in the matter was provided to the noticee vide letter F.No. S/10-546/2025-26/JC/Gr.V/NS-V/CAC/JNCH dated 05.03.2026 to appear before the adjudicating authority on 11.03.2026 on virtual mode, for their oral/written submission against the subject show cause notice. The said personal hearing on 11.03.2026 was attended by Shri Vishal Sher, Director and Shri Huzaifa Hamdani, Operational Manager authorized representatives of the importer. They submitted copy of written submission dated 08.01.2026 & reiterated same. They further denied the allegation of said SCN & demonstrated how the impugned goods work.

**WRITTEN SUBMISSIONS OF THE IMPORTER**

15. In response to the said SCN, the importer submitted the reply of Show Cause Notice dated 08.01.2026, in which they inter-alia stated that: -

**1. Preliminary Submissions**

1.1 The Noticee, **M/s Studio Next Technology Private Limited**, submits this reply without prejudice to any other rights and contentions available in law

1.2 At the outset, it is respectfully submitted that the impugned Show Cause Notice ("SCN") proceeds on incorrect appreciation of facts, misapplication of HSN Explanatory Notes, and erroneous invocation of extended period, interest and penalty provisions.

1.3 The entire demand arises solely from a **classification dispute**, with no allegation of undervaluation, mis-description of goods, concealment of quantity, or violation of any prohibition.

**2. Facts of the Case (Brief)**

2.1 The Noticee imported **Inkjet Plotters** of various models during the period 01-06-2020 to 22-04-2025.

2.2 The goods were declared as **Inkjet Plotters** and classified under **CTH 84716025-Plotters**, a tariff entry that expressly covers plotters.

2.3 Duties were paid under self-assessment at the applicable rate of **0% BCD + applicable IGST**, in accordance with Notification No. 24/2005-Cus and the Customs Tariff.

**3. Correct Classification under CTH 84716025**

3.1 Heading **8471** covers **Automatic Data Processing Machines and units thereof**, including output units such as printers and plotters.

3.2 The imported Inkjet Plotters:- Accept digital data from Automatic Data Processing Machines (CAD software) - Process such data through internal

electronic control systems - Produce printed output on ordinary paper using inkjet technology

3.3 The **principal and essential function** of the subject goods is **data output**, squarely covered under sub-heading **84716025-Plotters**.

3.4 Merely because a plotter is used by customers in the garment or textile industry does not alter its classification, as classification depends on the nature and function of the machine, not its end-use.

3.5 Case Study:

### **Commissioner of Customs vs Modicom Network Pvt. Ltd. (Supreme Court/CESTAT)**

**Facts:** The importer brought in populated printed circuit boards (PPCBs) and classified them under a tariff heading for communication apparatus. The Department challenged this, seeking a different classification.

**Holding:** Both the tribunal (2005 (185) ELT 333 (Tri-Bang)) and the Supreme Court dismissed the Department's appeal, affirming the classification based on the factual matrix of what the goods were at import rather than their end-industry use. The SC upheld the CESTAT's decision and refused to interfere just because Revenue disagreed on classification

**Principle:** Classification was upheld after evaluating the actual nature of the imported modules not because they were used in a particular industry or system.

### **4. Heading 8451 is Not Applicable**

4.1 Heading **8451** applies to **machines which directly process textile yarns or fabrics**, such as washing, bleaching, dyeing, finishing, coating, impregnating or cutting textile materials.

4.2. The imported Inkjet Plotters: Do **not** act upon textile yarn or fabric - Do **not** wash, dye, finish, coat or impregnate textiles - Print only on **paper** and not on textile material

4.3 Preparation of paper patterns or markers is at best a **pre-production aid** and cannot be equated with textile processing machinery under Heading 8451

4.4 The Hon'ble Courts and Tribunals have consistently held that **machines indirectly assisting an industry do not become machines of that industry for classification purposes.**

### **5. Misapplication of HSN Notes and Explanatory Notes**

5.1 The reliance placed on Note 6(E) and Note 8 to Chapter 84 is misplaced.

5.2 The subject machines do not perform any independent industrial function other than printing digital data received from ADP machines.

5.3 Printing of CAD drawings or patterns is not a textile processing function but a **data output activity**, which remains covered under Heading 8471.

## 6. Allegation regarding Cutting Function

6.1 Without prejudice, it is submitted that: Cutting, where present, is limited to paper patterns, not textile fabrics - Cutting is **ancillary and incidental** to the primary function of printing

6.2 The SCN fails to examine classification **model-wise** and wrongly seeks to reclassify all imports based on selective features of certain models.

6.3 In absence of evidence that cutting is the **principal function**, reclassification under Heading 8451 is unsustainable.

## 7 Extended Period Not Invocable

7.1 The invocation of Section 28(4) is wholly unsustainable as: All facts were fully disclosed in Bills of Entry - Classification was made openly under a specific tariff entry -No willful mis-statement, suppression or collusion is alleged or established

7.2 It is settled law that **mere difference of opinion on classification cannot amount to suppression of facts.**

## 8. Penalty and Interest Not Sustainable

8.1 In absence of suppression or intent to evade duty:- Penalty under Sections 112 and 114A is not imposable - Interest under Section 28AA is consequential and cannot survive independently

## 9. Relief Sought

In view of the above, the Noticee respectfully prays that the Hon'ble Commissioner may be pleased to:

- (a) Drop the Show Cause Notice in entirety:
- (b) Hold that Inkjet Plotters are correctly classifiable under **CTH 84716025**,
- (c) Set aside the demand of differential duty, interest and penalty.

## DISCUSSION AND FINDINGS

16. I have carefully examined the Show Cause Notice, submissions of the noticee, records of personal hearing, and relevant statutory provisions. It is alleged in the Show Cause Notice that the importer has imported the impugned goods i.e. **Various model of RICHPEACE MAGIC INKJET PLOTTER, i.e. RP-MJ/2-180-KC, RPGPMJ2/ 2-180, RPGP-MJ2/4-180, RPGP-MJ2-220, RPGP-MJ/4-180 etc**

under CTH 84716025 by paying 0% Basic Customs Duty (BCD), 0% Social Welfare Surcharge (SWS), and 18% Integrated Goods and Services Tax (IGST) by availing Notification No. 24/2005-Cus, Sl. No. 8, whereas the correct classification appears to be under CTH 84518090 and charged as per duty structure of BCD – 7.5% + SWS – 10% of BCD + IGST – 18%.

17. The Show Cause Notice proposes:

- Reclassification of the imported goods from **CTH 84716025 to CTH 84518090**,
- Demand of differential duty amounting to ₹45,94,417/- under Section 28(4) of the Customs Act, 1962,
- Recovery of interest under Section 28AA,
- Confiscation under Sections 111(m) and/or 111(o), and
- Imposition of penalty under Sections 112(a) and 114A.

18. Accordingly, the following issues arise for determination:

- a) Whether the impugned goods are classifiable under **CTH 84716025 (Plotters)** as claimed by the importer or under **CTH 84518090** as proposed in the SCN;
- b) Whether the extended period under Section 28(4) is invocable;
- c) Whether confiscation and penalties are imposable.

19. I find that the description of the impugned goods mentioned in the in Annexure-A of the instant Show Cause Notice is “**Various model of RICHPEACE MAGIC INKJET PLOTTER, i.e. RP-MJ/2-180-KC, RPGPMJ/ 2-180, RPGP-MJ2/4-180, RPGP-MJ/2-220, RPGP-MJ/4-180 etc**”

20. I observe that the importer had cleared the goods under CTH 84716025. For ease of reference, relevant parts of CTH 8471 is reproduced below-

**8471 AUTOMATIC DATA PROCESSING MACHINES AND UNITS THEREOF; MAGNETIC OR OPTICAL READERS, MACHINES FOR TRANSCRIBING DATA ON TO DATA MEDIA IN CODED FORM AND MACHINES FOR PROCESSING SUCH DATA, NOT ELSEWHERE SPECIFIED OR INCLUDED**

8471 60 - Input or output units, whether or not containing storage units in the same housing :

8471 60 25-- Plotter

21. I find that industrial plotter machines are large scale printers used in garment industry for drawing patterns, art work etc. on garments i.e. they are basically used

for designing on garments by way of printing.

22. I find that a printer is used with an Automatic Data Processing (ADP) machine to provide physical output, typically on a paper. Explanatory Notes to chapter 8471 define Automatic Data Processing Machines as under:

*(I) AUTOMATIC DATA PROCESSING MACHINES AND UNITS THEREOF*

*Data processing is the handling of information of all kinds, in pre-established logical sequences and for a specific purpose or purposes. Automatic data processing machines are machines which, by logically interrelated operations performed in accordance with pre-established instructions (program), furnish data which can be used as such or, in some cases, serve in turn as data for other data processing operations. This heading covers data processing machines in which the logical sequences of the operations can be changed from one job to another, and in which the operation can be automatic, that is to say with no manual intervention for the duration of the task. These machines mostly use electronic signals but may also use other technologies. They may be self-contained, all the elements required for data processing being combined in the same housing, or they may be in the form of systems consisting of a variable number of separate units. This heading also covers separately presented constituent units of automatic data processing systems described above.*

***However, the heading excludes machines, instruments or apparatus incorporating or working in conjunction with an automatic data processing machine and performing a specific function. Such machines, instruments or apparatus are classified in the headings appropriate to their respective functions or, failing that, in residual headings (See Part (E) of the General Explanatory Note to this Chapter).***

23. The relevant Chapter / Explanatory Notes of chapter 84 are reproduced below:

6.-

(A) For the purposes of heading 84.71, the expression "automatic data processing machines" means machines capable of:

- (i) Storing the processing program or programs and at least the data immediately necessary for the execution of the program;
- (ii) Being freely programmed in accordance with the requirements of the user;
- (iii) Performing arithmetical computations specified by the user; and
- (iv) Executing, without human intervention, a processing program which requires them to modify their execution, by logical decision during the processing run.

*(B) Automatic data processing machines may be in the form of systems consisting of a variable number of separate units.*

*(C) Subject to paragraphs (D) and (E) below, a unit is to be regarded as being part of an automatic data processing system if it meets all of the following conditions :*

*(i) It is of a kind solely or principally used in an automatic data processing system;*

*(ii) It is connectable to the central processing unit either directly or through one or more other units; and*

*(iii) It is able to accept or deliver data in a form (codes or signals) which can be used by the system. Separately presented units of an automatic data processing machine are to be classified in heading 84.71.*

*However, keyboards, X-Y co-ordinate input devices and disk storage units which satisfy the conditions of paragraphs (C) (ii) and (C) (iii) above, are in all cases to be classified as units of heading 84.71.*

*(D) Heading 84.71 does not cover the following when presented separately, even if they meet all of the conditions set forth in Note 6 (C) above :*

*(i) Printers, copying machines, facsimile machines, whether or not combined;*

*(ii) Apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network);*

*(iii) Loudspeakers and microphones;*

*(iv) Television cameras, digital cameras and video camera recorders;*

*(v) Monitors and projectors, not incorporating television reception apparatus.*

*E) Machines incorporating or working in conjunction with an automatic data processing machine and performing a specific function other than data processing are to be classified in the headings appropriate to their respective functions or, failing that, in residual headings.*

**24.** I find that the importer in their submission dated 08.01.2026 has submitted that the impugned goods rightly classifiable under the CTH 84716025 as there is specific entry for 'Plotter'.

**25.** The impugned goods are described as "Inkjet Plotters" of various models. It is undisputed fact that these machines receive digital input from computer systems

(CAD software) and produce printed output on paper using inkjet technology.

26. Heading **8471** covers "Automatic Data Processing Machines and units thereof", including input and output units such as plotters. Sub-heading **84716025** specifically covers '**Plotters**'.
27. However, as per **Note 6(E) to Chapter 84**, machines working in conjunction with ADP machines and performing a **specific function other than data processing** are to be classified according to their principal function.
28. From the technical literature and submissions on record, it is observed that:
  - The machines are **large-format industrial plotters**,
  - They are primarily used in **garment/textile industry for pattern making**,
  - Certain models also incorporate **cutting functionality**, and
  - Their output is directly used in downstream textile manufacturing processes.
29. Thus, the machines are not merely general-purpose output devices but are **specialized machines designed for a specific industrial application**, namely preparation of patterns used in textile production.
30. Applying **Note 6(E)** and **GRI 3(a)**, classification is to be determined based on the **principal function** of the machine. In the present case, the principal function is not merely data output, but **industrial pattern generation (and in some models, cutting)** forming an integral part of garment manufacturing.
31. Accordingly, the impugned goods merit classification under **CTH 84518090**, being machinery used in relation to textile processing.
32. As discussed in para supra, the impugned goods are heavy-duty printers used in garment industry. I rely on rule 3(a) of the general rules for the interpretation of the harmonized system which states that *(a) The heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set put up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods.* In the instant case, the more precise function of the impugned goods is a printer in garment industry. As the machinery related to garment industry is classified under tariff head 8451, the correct classification of these goods should be under the same. Relevant parts of the tariff head 8451 is reproduced below:

8451 MACHINERY (OTHER THAN MACHINES OF HEADING 8450) FOR WASHING, CLEANING, WRINGING, DRYING, IRONING, PRESSING (INCLUDING FUSING PRESSES), BLEACHING, DYEING, DRESSING, **FINISHING, COATING OR IMPREGNATING TEXTILE YARNS, FABRICS OR MADE UP TEXTILE ARTICLES** AND MACHINES FOR APPLYING THE PASTE TO THE BASE FABRIC OR OTHER SUPPORT USED IN THE MANUFACTURE OF FLOOR COVERINGS SUCH AS LINOLEUM; MACHINES FOR REELING, UNREELING, FOLDING, CUTTING OR PINKING TEXTILE FABRICS

8451 80 -Other machinery :

8451 80 90 --- Other

As there is no specific heading for the machinery of **FINISHING, COATING OR IMPREGNATING TEXTILE YARNS, FABRICS OR MADE UP TEXTILE ARTICLES**, the appropriate heading is 84518090.

33. From the discussion held in foregoing paras, I am of the considered view that the impugned goods do not merit classification under CTH 84716025 and should be correctly classified under CTH 84518090 as industrial plotter for use in garment industry.

34. I further find that the exemption benefits of Notification No. 24/2005-Cus is not available to the goods falling under tariff head 8451. Therefore, the standard rate of duty structure of BCD – 7.5% + SWS – 10% of BCD + IGST – 18% is applicable to the impugned goods as detailed in Annexure-A. Thus, the department's contention is justified and I hold the same.

35. I find that the importer had declared the goods as "Inkjet Plotters" and classified them under a specific tariff entry. However, the classification adopted resulted in non-payment of applicable Basic Customs Duty by availing exemption.

While classification disputes per se do not automatically justify invocation of extended period, in the present case, considering:

- the specialized nature of the machines,
- their specific industrial application, and
- the incorrect availment of exemption,

I hold that the importer failed to exercise due diligence expected under the self-assessment regime. Therefore, the extended period under Section 28(4) is held to be invocable.

36. Further, since the demand of duty is sustainable in the instant case, the interest being accessory to the principal, the same is liable to be paid in accordance with Section 28AA of the Customs Act, 1962.

37. As the importer, intentionally by suppressing the facts and wilfully mis-statement, had mis-classified the impugned goods and wrongly availed the benefits of duty exemption of Notification No. 24/2005-Cus dated 01.03.2005, amended time-to-time, for the impugned goods and evaded legitimate Customs Duty, resulting in short levy and short payment of duty, I find that the confiscation of the imported goods invoking Section 111(m) is justified & sustainable. However, I find the goods imported vide bills of entry, as detailed in Annexure-B of the SCN, are not available for confiscation and hence 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 regularized, 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 authorized by this Act....", brings out the point clearly. The power to impose redemption fine springs from the authorization of confiscation of goods provided for under Section 111 of the Act. When once power of authorization for confiscation of goods gets traced to the said Section 111 of the Act, 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 the payment of the 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. (i)."*

38. 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.) and the same have not been challenged by any of the parties in operation. Hence, I find that any goods improperly imported as provided in any sub-section of Section 111 of the Customs

Annexure A

STUDIO NEXT TECHNOLOGY PRIVATE LIMITED (311026010)

| S.No. | BE No   | BE Date    | Item Desc  | Assess Val | Duty Paid | BCD<br>7.5%<br>Payable | SCD<br>10% of<br>BCD<br>Payable | IGST<br>18%<br>Payable | Total Payable | Diff.<br>Payable |
|-------|---------|------------|--|------------|-----------|------------------------|---------------------------------|------------------------|---------------|------------------|
| 1     | 9218835 | 17-10-2020 | RICHPEACE MAGIC INKJET PLOTTER, RP-MJ/2-180-KC           | 1692900    | 304722    | 126968                 | 12697                           | 329862                 | 469526        | 164804           |
| 2     | 9218835 | 17-10-2020 | RICHPEACE MAGIC INKJET PLOTTER, RPPG-MJ2/2-180           | 668250     | 120285    | 50119                  | 5012                            | 130209                 | 185339        | 65054            |
| 3     | 9218835 | 17-10-2020 | RICHPEACE MAGIC INKJET PLOTTER, RPPG-MJ2/4-180           | 155925     | 28067     | 11694                  | 1169                            | 30382                  | 43246         | 15179            |
| 4     | 2067621 | 22-12-2020 | RICHPEACE MAGIC INKJET PLOTTER, RP-MJ/2-180-KC (QTY: 06) | 848730     | 152771    | 63655                  | 6365                            | 165375                 | 235395        | 82624            |
| 5     | 2067621 | 22-12-2020 | RICHPEACE MAGIC INKJET PLOTTER, RPPG-MJ2/2-180 (QTY: 02) | 268020     | 48244     | 20102                  | 2010                            | 52224                  | 74335         | 26092            |
| 6     | 2067621 | 22-12-2020 | RICHPEACE MAGIC INKJET PLOTTER, RPPG-MJ2/4-180 (QTY: 05) | 781725     | 140711    | 58629                  | 5863                            | 152319                 | 216811        | 76101            |
| 7     | 2976302 | 02-03-2021 | RICHPEACE MAGIC INKJET PLOTTER, RP-MJ/2-180-KC (QTY: 22) | 3080660    | 554519    | 231050                 | 23105                           | 600267                 | 854421        | 299902           |
| 8     | 2976302 | 02-03-2021 | RICHPEACE MAGIC INKJET PLOTTER, RPPG-MJ2/2-180 (QTY: 07) | 928620     | 167152    | 69647                  | 6965                            | 180942                 | 257553        | 90401            |
| 9     | 3665959 | 22-04-2021 | RICHPEACE MAGIC INKJET PLOTTER, RP-MJ/2-180-KC (QTY: 12) | 1736220    | 312520    | 130217                 | 13022                           | 338302                 | 481541        | 169021           |
| 10    | 3665959 | 22-04-2021 | RICHPEACE MAGIC INKJET PLOTTER, RPPG-MJ2/2-180 (QTY: 04) | 548280     | 98690     | 41121                  | 4112                            | 106832                 | 152065        | 53375            |
| 11    | 3665959 | 22-04-2021 | RICHPEACE MAGIC INKJET PLOTTER, RPPG-MJ2/4-180 (QTY: 05) | 799575     | 143924    | 59968                  | 5997                            | 155797                 | 221762        | 77839            |
| 12    | 4770531 | 22-07-2021 | RICHPEACE MAGIC INKJET PLOTTER, RP-MJ/2-180-KC (QTY: 32) | 4584320    | 825178    | 343824                 | 34382                           | 893255                 | 1271461       | 446284           |

|    |         |            |   |         |        |        |       |        |        |        |
|----|---------|------------|---|---------|--------|--------|-------|--------|--------|--------|
| 13 | 4770531 | 22-07-2021 | RICHPEACE MAGIC INKJET PLOTTER, RPGP-MJ2/2-180 (QTY: 07)                              | 950040  | 171007 | 71253  | 7125  | 185115 | 263494 | 92486  |
| 14 | 4770531 | 22-07-2021 | RICHPEACE MAGIC INKJET PLOTTER, RPGP-MJ2 - 220 (QTY: 02)                              | 369460  | 66503  | 27710  | 2771  | 71989  | 102470 | 35967  |
| 15 | 5494810 | 18-09-2021 | RICHPEACE MAGIC INKJET PLOTTER, RP-MJ2/180-KC (QTY: 11)                               | 1554960 | 279893 | 116622 | 11662 | 302984 | 431268 | 151375 |
| 16 | 5494810 | 18-09-2021 | RICHPEACE MAGIC INKJET PLOTTER, RPGP-MJ2/2-180 (QTY: 03)                              | 401760  | 72317  | 30132  | 3013  | 78283  | 111428 | 39111  |
| 17 | 5494810 | 18-09-2021 | RICHPEACE MAGIC INKJET PLOTTER, RPGP-MJ2/4-180 (QTY: 03)                              | 468720  | 84370  | 35154  | 3515  | 91330  | 129999 | 45630  |
| 18 | 6607112 | 09-12-2021 | RICHPEACE MAGIC INKJET PLOTTER, RP-MJ2/180-KC (QTY: 11)                               | 1669800 | 300564 | 125235 | 12524 | 325361 | 463119 | 162555 |
| 19 | 6607112 | 09-12-2021 | RICHPEACE MAGIC INKJET PLOTTER, RPGP-MJ2/2-180 (QTY: 11)                              | 1586310 | 285536 | 118973 | 11897 | 309093 | 439963 | 154427 |
| 20 | 7230484 | 25-01-2022 | RICHPEACE MAGIC INKJET PLOTTER, RP-MJ2/180-KC (QTY: 11)                               | 1920149 | 345627 | 144011 | 14401 | 374141 | 532553 | 186926 |
| 21 | 7230484 | 25-01-2022 | RICHPEACE MAGIC INKJET PLOTTER, RPGP-MJ2/2-180 (QTY: 11)                              | 1581299 | 284634 | 118597 | 11860 | 308116 | 438573 | 153939 |
| 22 | 7904998 | 17-03-2022 | RICHPEACE RPGP-MJ/4-180 MAGIC INKJET PLOTTER (5 QTY) (INVOICE NO : SCRPP220114INA001) | 1041084 | 187395 | 78081  | 7808  | 202855 | 288745 | 101350 |
| 23 | 8331056 | 19-04-2022 | RICHPEACE MAGIC INKJET PLOTTER MODEL RPGP-MJ2/4-180 (QTY: 06)                         | 1144654 | 206038 | 85849  | 8585  | 223036 | 317470 | 111432 |
| 24 | 8331056 | 19-04-2022 | RICHPEACE MAGIC INKJET PLOTTER MODEL RPGP-MJ2/2-180 (QTY: 03)                         | 437447  | 78741  | 32809  | 3281  | 85237  | 121326 | 42586  |
| 25 | 9294742 | 27-06-2022 | RICHPEACE MAGIC INKJET PLOTTER MODEL RPGP-MJ/2-180 (QTY: 12)                          | 1722131 | 309984 | 129160 | 12916 | 335557 | 477633 | 167649 |
| 26 | 9294742 | 27-06-2022 | RICHPEACE MAGIC INKJET PLOTTER MODEL RPGP-MJ/4-180 (QTY: 5)                           | 1025078 | 184514 | 76881  | 7688  | 199736 | 284305 | 99791  |
| 27 | 9294742 | 27-06-2022 | RICHPEACE MAGIC INKJET PLOTTER MODEL RPGP-MJ/2-220 (QTY: 1)                           | 192715  | 34689  | 14454  | 1445  | 37550  | 53449  | 18761  |

|    |         |            |   |         |        |        |       |        |        |        |
|----|---------|------------|---|---------|--------|--------|-------|--------|--------|--------|
| 28 | 2738890 | 04-10-2022 | RICHPEACE MAGIC INKJET PLOTTER MODEL: RPPG-MJ/2-180 (QTY: 11)                         | 1808881 | 325599 | 135666 | 13567 | 352461 | 501693 | 176095 |
| 29 | 2738890 | 04-10-2022 | RICHPEACE MAGIC INKJET PLOTTER MODEL: RPPG-MJ/2-220 (QTY: 02)                         | 369998  | 66600  | 27750  | 2775  | 72094  | 102619 | 36019  |
| 30 | 4264845 | 20-01-2023 | RICHPEACE MAGIC INKJET PLOTTER MODEL: RPPG-MJ/2-180 (QTY: 11)                         | 1844879 | 332078 | 138366 | 13837 | 359475 | 511677 | 179599 |
| 31 | 5393035 | 06-04-2023 | RICHPEACE MAGIC INKJET PLOTTER DOUBLE FEEDER MODEL: RPPG-MJ/4-180 (QTY: 05 SETS)      | 1043375 | 187807 | 78253  | 7825  | 203302 | 289380 | 101573 |
| 32 | 5393035 | 06-04-2023 | RICHPEACE MAGIC INKJET PLOTTER MODEL: RPPG-MJ/2-180 (QTY: 01 SET)                     | 170347  | 30662  | 12776  | 1278  | 33192  | 47246  | 16583  |
| 33 | 5393035 | 06-04-2023 | RICHPEACE MAGIC INKJET PLOTTER DOUBLE FEEDER MODEL: RPPG-MJ/2-180 (QTY: 05 SETS)      | 936908  | 168643 | 70268  | 7027  | 182556 | 259851 | 91208  |
| 34 | 5393035 | 06-04-2023 | RICHPEACE MAGIC INKJET PLOTTER MODEL: RPPG-MJ/2-180 (QTY: 01 SET)                     | 229968  | 41394  | 17248  | 1725  | 44809  | 63782  | 22387  |
| 35 | 6626405 | 28-06-2023 | RICHPEACE MAGIC INKJET PLOTTER MODEL: RPPG-MJ/2-180 (QTY: 01 SET)                     | 169279  | 30470  | 12696  | 1270  | 32984  | 46949  | 16479  |
| 36 | 6626405 | 28-06-2023 | RICHPEACE MAGIC INKJET PLOTTER DOUBLE FEEDER MODEL: RPPG-MJ/2-180 (QTY: 05 SET)       | 931033  | 167586 | 69827  | 6983  | 181412 | 258222 | 90636  |
| 37 | 6626405 | 28-06-2023 | RICHPEACE MAGIC INKJET PLOTTER DOUBLE FEEDER MODEL: RPPG-MJ/4-180 (QTY: 05 SETS)      | 1036832 | 186630 | 77762  | 7776  | 202027 | 287565 | 100936 |
| 38 | 8805122 | 17-11-2023 | RICHPEACE MAGIC INKJET PLOTTER MODEL: RPPG-MJ/2-180 (QTY: 01 SET)                     | 171155  | 30808  | 12837  | 1284  | 33350  | 47470  | 16662  |
| 39 | 8805122 | 17-11-2023 | RICHPEACE MAGIC INKJET PLOTTER DOUBLE FEEDER MODEL: RPPG-MJ/2-180 (QTY: 05 SET)       | 941354  | 169444 | 70602  | 7060  | 183423 | 261085 | 91641  |
| 40 | 8805122 | 17-11-2023 | RICHPEACE MAGIC INKJET PLOTTER DOUBLE FEEDER MODEL: RPPG-MJ/4-180 (QTY: 05 SETS)      | 1048326 | 188699 | 78624  | 7862  | 204266 | 290753 | 102055 |
| 41 | 2232854 | 21-02-2024 | RICHPEACE MAGIC INKJET PLOTTER MODEL: PRSP-NM-ID-1-2200-I-WC2-RF-1P220 (QTY - 2 SETS) | 418986  | 75418  | 31424  | 3142  | 81639  | 116206 | 40788  |
| 42 | 5576741 | 13-09-2024 | INKJET PLOTTER MODEL: H185-4 COMPLETE SET WITH ACCESSORIES (5SET)                     | 320968  | 57774  | 24073  | 2407  | 62541  | 89020  | 31246  |

F.No. S/10-546/2025-26/JC/Gr.V/NS-V/CAC/JNCH  
 SCN No.: 1153/2025-26/ NS-V /Gr.V/JNCH

| Sl. No. | Particulars | Amount | Sub-Total             | Total               |
|---------|-------------|--------|-----------------------|---------------------|
| 9       | 69679       | 6968   | 181026                | 257672              |
| 5       | 77781       | 7778   | 202075                | 287634              |
| 5       | 12639       | 1264   | 32837                 | 46741               |
| 5       | 46894       | 4689   | 121830                | 173414              |
|         | 62535       | 6254   | 162466                | 231255              |
|         |             |        | <b>1,30,89,486.88</b> | <b>45,94,416.88</b> |

Act, 1962 are liable to confiscation and merely because the importer was not caught at the time of clearance of the imported goods, can't be given differential treatment. In view of the above, I find that the decision of the Hon'ble Madras High Court in the 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 the 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 also merits the imposition of a Redemption Fine.

39. Now coming to the issue of penalties, I find that the impugned notice proposes a penalty under Section 112(a) and 114A of the Customs Act, 1962 on the notice firm. In this regard, I find that the importer has wrongly evaded legitimate customs duty. I find that, in the self-assessment regime, it is the bounden duty of the Importer to correctly assess the duty on the imported goods. In the instant case misclassified the impugned goods and wrongly availed the benefits of notification by the importer of such repute and having access to all legal aid, tantamount to suppression of material facts and willful mis-classification. The "*mens rea*" can be deciphered only from "*actus-reus*". Thus, providing the suppression of fact and claiming undue benefit by the said Importer taking a chance to clear the goods by misclassifying it, amply points towards their "*mens rea*" to evade the payment of duty. Thus, I find the Importer is liable for a penalty under Section 114A of the Customs Act, 1962.

40. In view of the above facts, I pass the following order:

#### ORDER


- (i) I reject the classification of subject goods under CTH 84716025 as detailed in **Annexure "A"** of this notice and order to re-assess the same under CTH 84518090.
- (ii) I order to confirm the demand of differential/short paid duty amounting to **₹45,94,417/- (Rupees Forty Five Lakh Ninety Four Thousand Four Hundred and Seventeen)**, as detailed in Annexure-A of this notice, under Section 28(4) of Customs Act, 1962.
- (iii) I order to recover applicable interest on the differential/short paid duty as confirmed above from the importer **M/s. STUDIO NEXT TECHNOLOGY PRIVATE LIMITED**, under Section 28AA of the Customs Act, 1962.

(iv) I order to confiscate the impugned goods having assessable value of **₹4,71,94,833/- (Rupees Four Crore Seventy One Lakh Ninety four Thousand Eight Hundred and Thirty Three)** under Section 111(m) and 111 (o) of the Customs Act, 1962, but since the same are not available as they have already been cleared. Hence, I impose a redemption fine of **₹20,00,000/- (Rupees Twenty Lakh only)** under Section 125 of the Customs Act, 1962 upon **M/s. STUDIO NEXT TECHNOLOGY PRIVATE LIMITED.**

(v) I order to impose penalty of **₹45,94,417/- (Rupees Forty Five Lakh Ninety Four Thousand Four Hundred and Seventeen) (equivalent to differential duty) plus interest leviable thereon,** on **M/s. STUDIO NEXT TECHNOLOGY PRIVATE LIMITED.,** under Section 114A of Customs Act, 1962. If such 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 25% 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.

(vi) I do not impose any penalty under Section 112 (a) of Customs Act, 1962 for reasons deliberated above.

41. This order is issued without prejudice to any other action that may be taken in respect of the goods in question and/or against the persons concerned or any other person, if found involved under the provisions of the Customs Act, 1962, and/or other law for the time being in force in the Republic of India.



(माजिद खान / MAZID KHAN)

अपर आयुक्त सीमा शुल्क/ **ADDITIONAL COMMISSIONER OF CUSTOMS**  
सीएसी, एनएस-5, जेएनसीएच/ **CAC, NS-V, JNCH**

Encl: Annexure A (page no.24-27)

To,  
**M/s. STUDIO NEXT TECHNOLOGY PRIVATE LIMITED (IEC No. 0311026010)**  
**508, 5th Floor, K. P. Aurum, Marol Maroshi Road,**  
**Near Zakaria Industrial Estate, Andheri (East),**  
**Mumbai, Maharashtra - 400059** EM 7266 067410

Copy to:-

1. The Dy./Asstt Commissioner of Customs, Review Cell, JNCH.
2. The Dy./Asstt Commissioner of Customs, Recovery Cell, JNCH.
3. The Dy./Asstt. Commissioner of Customs, Group V, JNCH.

4. The Dy. /Asstt. Commissioner of Customs, AUDIT, JNCH.
5. The Dy./Astt. Commissioner of Customs, EDI, JNCH..for uploading on website.
6. Notice Board ..... through Superintendent (CHS Section), JNCH.
7. Office Copy.

