

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.



प्रधान सीमाशुल्क आयुक्त (आयात) का कार्यालय
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS (IMPORT)
हवाई माल परिसर, सहार, अंधेरी (पूर्व), मुंबई - ४०००९९
AIR CARGO COMPLEX, SAHAR ANDHERI (EAST) MUMBAI -99
फोन नं. २६८२८९४७, फैक्स नं. २६८२८१८७
PHONE NO. 2682 8947/8149, FAX NO. 26828187

F. No. GEN/ADJ/COMM/351/2025-Adjn
DIN No.: 202603790A0000000F08

Date of Order : 30.03.2026
Date of Issue : 30.03.2026

Party's Name : M/s Cisco Commerce India Pvt. Ltd. (IEC No. 0711019673)
(SCN No.100/2025-26 dated 03.06.2025)

Passed by : Shri Manish Chandra,
Principal Commissioner of Customs (Import), ACC, Mumbai Zone-III

CAO NO : CC-MC/89/2025-26 Adj (I) ACC

मूल आदेश /ORDER-IN-ORIGINAL

- यह प्रति उस व्यक्ति के प्रयोग में लाये जाने के लिए निशुल्क दी जाएगी, जिसके लिए इसे जारी किया गया है।
This copy is granted free of charge for the use of the persons to whom it is issued.
- यदि कोई व्यक्ति इस आदेश से असन्तुष्ट हो तो वह मांगे गये शुल्क, जहां शुल्क या शुल्क और जुर्माना विवादित हों अथवा जुर्माना जहां सिर्फ जुर्माना विवादित हो, के 7.5 प्रतिशत भुगतान के बाद सीमाशुल्क अधिनियम 1962 की धारा 129A के तहत उक्त न्यायाधिकरण के सहायक रजिस्ट्रार को संबोधित करते हुए, सीमाशुल्क, उत्पादशुल्क, सेवा कर न्यायाधिकरण, मुंबई (सी ई एस टी ए टी), पश्चिम क्षेत्रीय शाखा, 34 पी डिमेलो मार्ग, मस्जिद (पूर्व), मुंबई ४००००९, के समक्ष अपील दाखिल कर सकता है।
Any person aggrieved by this order can file an appeal against this order to Customs, Excise, Service Tax Tribunal, Mumbai (CESTAT), Western Zonal Bench, 34, P.D'Mello Road, Masjid Bunder (East), Mumbai 400009, addressed to the Assistant Registrar of the said Tribunal under Section 129A of the Customs Act, 1962 on 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.
- अपील जैसा कि सीमाशुल्क (अपील) नियम, 1982 के नियम 6 में बताया गया है, इन नियमों से संलग्न फॉर्म सी. ए. 3 में की जानी चाहिए। अपील चार प्रतियों में निम्नलिखित के साथ होनी चाहिए:-
The appeal is required to be filed as provided in Rule 6 of the Customs (Appeal) Rules, 1982 in form C.A. 3 appended to these rules. The Appeal should be in quadruplicate and shall be in quadruplicate and shall be accompanied by:-
(i) विरुद्ध अपील आदेशों की चार प्रतियां (कम से कम एक प्रति प्रमाणित होनी चाहिए)
Four copies of the order appealed against (at least one of which should be a certified copy)
(ii) न्यायाधिकरण शाखा के सहायक रजिस्ट्रार अथवा शाखा से नजदीक स्थित किसी राष्ट्रीय कृत बैंक के पक्ष में उपयुक्त राशि का एक रेखांकित बैंक ड्राफ्ट
A crossed Bank Draft of an applicable amount as mentioned below in favour of the Assistant Registrar, CESTAT, Mumbai.
अ) रु. १,०००/- जहां शुल्क राशि एवं मांगा गया ब्याज और उगाहा गया जुर्माना रु. ५ लाख या कम हो
Where the amount of duty and interest demanded and penalty imposed is five lakh rupees or less, one thousand rupees.
आ) रु. ५,०००/- जहां शुल्क राशि एवं मांगा गया ब्याज और उगाहा गया जुर्माना रु. ५ लाख से अधिक पर रु. ५० लाख से ज्यादा न हो
Where the amount of duty and interest demanded and penalty imposed is more than five lakh rupees but not exceeding fifty lakh rupees, five thousand rupees.
इ) रु. १०,०००/- जहां शुल्क राशि एवं मांगा गया ब्याज और उगाहा गया जुर्माना रु. ५० लाख से अधिक हो
Where the amount of duty and interest demanded and penalty imposed is more than fifty lakh rupees, ten thousand rupees.
- अपील, इस आदेश की संसूचना की तिथि से 3 माह के भीतर दाखिल की जा सकती है।
Appeal can be filed within 3 months from date of communication of this order.
- विधि के उपबंधों के लिए तथा ऊपर यथा संदर्भित एवं अन्य संबंधित मामलों के लिए, सीमाशुल्क (अपील) नियम 1982, सीमाशुल्क, उत्पादशुल्क एवं सेवा कर अपील अधिकरण (प्रक्रिया) नियम 1982 का संदर्भ लिया जाए।
For the provisions of Law and Form as referred above and other related matters. Customs Act, Customs (Appeals) Rules, 1982, Customs, Excise, Service Tax Tribunal (Procedure) Rules, 1982 may be referred.

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

BRIEF FACTS OF THE CASE

M/s. Cisco Commerce India Pvt. Ltd. (IEC No. 0711019673) (hereinafter referred to as “Importer/Noticee”) having address at Prestige Solitaire, Level-II, No. 6 Brunton Road, Bangalore, Karnataka-560001 involved in trading business, have imported Routers, Switches, Transceivers, Servers and accessories, Power Supplies, Parts of Networking Equipment, IP Phones, Memory Cards and SSD from various suppliers and exported only either cancelled orders or defective products by declaring Re-export.

1.2 The Premises Based Audit (PBA) of the Importer was conducted from 26.11.2024 to 29.11.2024 and the Exit Conference dated 29.11.2024 was held with Ms. Parul Vivek (Senior Manager, Customs), Shri Amit Ghadage (Customs Manager) and Shri Arunkumar S (Customs Manager) for the Importer. During the Exit Conference, nine Audit observations were raised in respect of the Importer. The Importer vide letter dated 15.01.2025 has submitted their reply. Accordingly, Final Audit Report No. 183/B1/Chennai/2024-25 was forwarded to the Importer on 18.02.2025. Further, Show Cause Notice No. 100/2025-26 dated 03.06.2025 (hereinafter referred as “SCN/Notice”) was issued to M/s. Cisco Commerce India Pvt. Ltd. The imported goods covered in the subject SCN are for the time period June, 2020 to September, 2024.

1.3 Details of the Audit Objection raised in the subject SCN are as below:

Para No.	Description of goods	Audit Observations	Importer Reply	Department View
01	N9K C9504-FM-E= FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) & N9K-C9508-FM-E2= FABRIC MODULE FOR N9508 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) etc.	Goods classified by importer under CTI 85177090/ 85177990 and wrongly availed the duty benefit under Sr. No. 5 of the Notn. No. 057/2017-Cus dated 30.06.2017. However, rightly classifiable under CTI 85177910 without Notification benefits. Resultant short levy duty of Rs.12,30,307/-.	Importer vide letter dated 15.01.2025 submitted that they are agreed with the audit observation and willing to pay differential duty of normal time period i.e. 2 years as per Sec. 28(1) of CA, 1962. And stated that there is no collusion, wilful misstatement or suppression of facts, hence extended period cannot be applicable.	As the goods are Populated, Loaded or Stuffed Printed Circuit Boards and classifiable under CTI 85177910. Also, notification benefits not eligible. After acceptance of the observation importer failed to pay the differential duty voluntarily. Details of the differential duty is mentioned in Annexure-A to the SCN.
02	AIR ACC1530-KJT1= SPARE ACCESSORY KJT FOR AP1530 SERIES etc.	Goods classified by importer under CTI 85369090/ 85177990. However, correct classification of goods under CTI 39269099. Resultant short levy duty of Rs.9,990/-.	Importer vide letter dated 15.01.2025 submitted that they are agreed with the audit observation and willing to pay differential duty of normal time period i.e. 2 years as per Sec. 28(1) of CA, 1962. And stated that there is no collusion, wilful misstatement or suppression of facts,	As the goods are Generic Plastic Items and classifiable under CTI 39269099. After acceptance of the observation importer failed to pay the differential duty voluntarily. Details of the differential duty is mentioned in Annexure-B to the SCN.

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

			hence extended period cannot be applicable.	
03	AIR ACCI560-CVR==COVER AND SOLAR SHIELD FOR AP1560 SERIES etc.	Goods classified by importer under CTI 85177090. However, correct classification of goods under CTI 39269099. Resultant short levy duty of Rs.7,722/-.	Importer vide letter dated 15.01.2025 submitted that they are agreed with the audit observation and willing to pay differential duty of normal time period i.e. 2 years as per Sec. 28(1) of CA, 1962. And stated that there is no collusion, wilful misstatement or suppression of facts, hence extended period cannot be applicable.	Imported goods are Plastic Items and classifiable under CTI 39269099. After acceptance of the observation importer failed to pay the differential duty voluntarily. Details of the differential duty is mentioned in Annexure-C to the SCN.
04	CI000- 24TOP-PLATE=TOP PLATE FOR COVERING PERFORATIONS ON CI000 FANLESS MODELS & C1110-TOP-PLATE= CISCO 1100 ROUTER TOP COVER FOR CONTAMINATION PROTECTION (PART OF NETWORKING EQUIPMENT) & C1120-TOP-PLATE= CISCO 1120 SERIES TOP COVER FOR CONTAMINATION PROTECTION & 2960L-24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON C2960L FANLESS MODELS etc.	Goods classified by importer under CTI 85177090/ 85177990. However, goods rightly classifiable under CTI 73269099. Resultant short levy duty of Rs.42,32,007/-.	Importer vide letter dated 15.01.2025 submitted that they are agreed with the audit observation and willing to pay differential duty of normal time period i.e. 2 years as per Sec. 28(1) of CA, 1962. And stated that there is no collusion, wilful misstatement or suppression of facts, hence extended period cannot be applicable. Remarks: Importer paid the differential duty of Rs.1,50,382/- and interest of Rs.24,226/- vide e-Challan no. 1856700166 dated 12.02.2025 for Bills of Entry after 26.02.2023.	Imported goods are Iron Metal and classifiable under CTI 73269099. After acceptance of the observation importer failed to pay the differential duty voluntarily. Details of the differential duty is mentioned in Annexure-D to the SCN. Remaining duty is Rs.40,81,625/- to be recoverable from the importer along with applicable interest and penalty.
05	15216-MD- 48-ODDE=ONS 15216 48CH MUX/DEMUX PATCH PANEL ODD EXTENDED BANDWIDTH (MULTIPLEXER) & 15216-MD-48-EVENE=ONS 15216 48CH MUX/DEMUX PATCH PANEL EVENEXTENDED BANDWIDTH & NCS1K-MD-64-C= NCS 1000 64 CHS ODD MUX/DEMUX PATCH PANEL - C-BAND & NCSIK-MD-32O C= NCS 1000 32 CHS ODD MUXIDEMUX PATCH PANEL -150GHZ - C-BAND etc.'	Goods classified by importer under CTI 85176270. However, goods rightly classifiable under CTI 85176290. Resultant short levy duty of Rs.27,63,430/-.	Importer vide letter dated 15.01.2025 stated that the devices are passive in nature and solely work to combine and split optical signals. The devices have no active components which are involved in conversion or regeneration of signal data which is an essential prerequisite of CTH 851762. The classification of such devices under CTH 901380 has also been upheld in various rulings globally. The optical signal in this device is not actively converted electronically in any way, it is only passively divided or merged It is designed for use in a Dense Wavelength Division Multiplexing (DWDM) network to split or	As per Explanatory Notes 'Communication Apparatus' covered under the Chapter Heading 8517. Other communication apparatus for transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network', are covered under CTH 851762. As per clause (b) and (d) of Annexure-I of Circular No. 08/2023 dated 13.03.2023, OTN equipment, Dense Wavelength Division Multiplexer (DWDM), Coarse Wavelength Division Multiplexer (CWDM); are part of OTN. The imported goods are Dense Wavelength Division Multiplexers (DWDM) and are used to transmit multiple optical signals simultaneously over a single optical fiber, greatly increasing the capacity and efficiency of the network. Further,

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

			combine optical signals transmitted through it via fiber optic cables.	the Finance Act 2023 clarified that the Heading 85176270 covers Multiplexers, statistical multiplexers for PDH based wireline Telephony only. Therefore, it is clear that the Dense Wavelength Division Multiplexers (DWDM) for optical networks are to be classified in the CTI 85176290. Details of the differential duty is mentioned in Annexure-E to the SCN.
06	15216-MD48-CME2=ONS 15216 MUX/DEMUX PLUGIN COUPLER/ SPLITTER MODULE DUAL O/P etc.	Goods classified by importer under CTI 90138090/90138000. However, goods rightly classifiable under CTI 85176290. Resultant short levy duty of Rs.2,85,934/-.	The Importer in their reply letter dated 15.01.2025 submitted that the devices are passive in nature and solely work to combine and split optical signals. The devices have no active components which are involved in conversion or regeneration of signal data which is an essential pre-requisite of CTH 851762. The classification of such devices under CTH 901380 has also been upheld in various rulings globally. Since this type of device is not specifically mentioned anywhere in the tariff, and it is a device that operates on an optical signal, it is properly classified as "other optical appliances and instruments" under Heading 9013 and therefore under heading 90138000 Other devices, appliances and instrument.	OTN comprises several key components and architectural element that work together to facilitate efficient data transmission. Optical Splitter is a major component of OTN and is a passive device that splits an incoming optical signal into multiple output signals, enabling the distribution of optical signals to multiple users or network paths. It is commonly used in PONs to connect multiple subscribers to a single optical fibre. Therefore, the imported goods are optical splitter-coupler. Splitter-coupler is a device used for transmission and reception of voice, image and other data. The CTH 851762 covered machines for transmission and reception of voice, image or other data, such as modems, multiplexers, etc. As per explanatory notes to HSN, the communication apparatus of sub heading 851762 included apparatus covered under multiplexer and related line equipment (e.g. transmitters, receivers or electro-optical converters). Therefore, it is clear that the Optical splitter-coupler are OTN products for Optical Networks and are to be classified in the CTI 85176290. Details of the differential duty is mentioned in Annexure-F to the SCN.
07	C9200L STACK-KIT= CISCO CATALYST 9200L STACK MODULE & C9300L-STACK-KIT= CISCO CATALYST 9300L STACKING KIT & C9200- STACK-KIT= CISCO CATALYST 9200 STACK MODULE & C3650-STACK-KIT= CISCO CATALYST 3650 STACK MODULE SPARE & C9200-STACK-KIT= CISCO	Goods classified by importer under CTI 85177090/ 85177990. However, goods rightly classifiable under CTI 85444292. Resultant short levy duty of Rs.2,23,87,402/-.	Importer vide letter dated 15.01.2025 submitted that they are agreed with the audit observation and willing to pay differential duty of normal time period i.e. 2 years as per Sec. 28(1) of CA, 1962. And stated that there is no collusion, wilful misstatement or suppression of facts, hence extended period cannot be applicable.	The imported goods are Insulated Wire Cable Kits and are classifiable in the CTI 85444292 . After acceptance of the observation importer failed to pay the differential duty voluntarily. Details of the differential duty is mentioned in Annexure-G to the SCN. Remaining duty is Rs.1,99,09,656/- to be recoverable from the importer along with interest and penalty.

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

	CATALYST 9200 STACK MODULE etc.		Remarks: Importer paid the differential duty of Rs.24,77,746/- and interest of Rs.7,43,096/- vide e-Challan no. 1856700166 dated 12.02.2025 for BEs after 04.01.2023.	
08	NXA-PDC-930W-PE= NEXUS 9K DC PS, PORT-SIDE EXHAUST & NXA-PAC- 350W-PE= NEXUS AC 350W PSU - PORT SIDE EXHAUST & NXA-PDC 1100W-PE= NEXUS 1100W PLATINUM DC PS, PORT SIDE EXHAUST SPARE etc.	Goods classified by importer under CTI 85044029/85044090 and wrongly availed the duty benefit under Sr. No. 13 of the Notn. No. 057/2017-Cus dated 30.06.2017. However, notification benefits are not eligible for the same. Resultant short levy duty of Rs.579/-.	Importer vide letter dated 15.01.2025 submitted that they are agreed with the audit observation and willing to pay differential duty of normal time period i.e. 2 years as per Sec. 28(1) of CA, 1962. And stated that there is no collusion, wilful misstatement or suppression of facts, hence extended period cannot be applicable.	The imported goods are not eligible for the benefits of the Sr. No. 13 of the Notn. No. 057/2017-Cus dated 30.06.2017. Importer submitted that there was an inadvertent error in claiming notification benefit due to manual entry. After acceptance of the observation importer failed to pay the differential duty voluntarily. Details of the differential duty is mentioned in Annexure-H to the SCN.
09	Printed Circuit Board Assembly for all categories-of Switches.	Goods classified by importer under CTI 85177910 and wrongly availed the duty benefit under Sr. No. 22 of the Notn. No. 057/2017-Cus dated 30.06.2017. However, notification benefits are not eligible for the PCB Assembly of Non-Carrier Ethernet Switches. Resultant short levy duty of Rs.8,26,10,694/-.	The Importer in their reply letter dated 15.01.2025 submitted that clarify that Printed Circuit Board Assembly (PCBAs) under tariff entry 85177910 are primarily imported for use in routers. In the infrequent cases where such PCBAs are imported for use in Ethernet Switches, the notification benefit on import of the Switch is sub-judice and therefore they request that the issue is kept in abeyance till the matter attains finality	Importer imports PCB Assembly for all categories of Switches by classifying the same in the CTI 85177910 and claiming the benefit of Notification 57/2017-Customs dated 30.06.2017 (Sr. No. 22). Further, the Importer failed to submit details regarding the segregation of the PCBAs which are used in Routers and Non-Carrier Ethernet Switches. As per the description of the imported goods it appeared that the goods are to be used in Ethernet Switches. Therefore, Notification benefit under Notification 57/2017-Customs dated 30.06.2017 (Sr. No. 22) is not applicable for the PCB Assembly of Non-Carrier Ethernet Switches. Details of the differential duty is mentioned in Annexure-I to the SCN.

1.4 Summary of dispute in the subject SCN is as below:

Audit Para No.	Declared CTI in BEs	Proposed CTI in SCN	Remarks
1.	85177090 / 85177990 (Sr. No. 05 of Notification No. 057/2017-Cus dated 30.06.2017 benefits availed)	CTI 85177910 without benefits	Classification and Notification benefits issue
2.	85369090 / 85177990	39269099	Classification
3.	85177090	39269099	Classification
4.	85177990	73269099	Classification
5.	85176270 / 90138000	85176290	Classification
6.	90138000	85176290	Classification
7.	85177090	85444292	Classification

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

8.	85044029 / 85044090 (Sr. No. 13 of Notification No. 057/2017-Cus dated 30.06.2017 benefits availed)	85044090 (Notification benefits not eligible)	Notification benefits issue
9.	85177910 (Sr. No. 22 of Notification No. 57/2017-Cus dated 30.06.2017 benefits availed)	85177910 (Notification benefits not eligible)	Notification benefits issue

1.5 The Importer in their reply letter dated 15.01.2025 submitted that in certain cases, further to internal review, the classification of goods had been changed by the Company during the period of review. The importer submitted that the department has sought payment of differential duty along with interest and penalty for imports made by the Company prior to the said change. Upon further review, the proposed classification was validated and agreed by the Importer for Audit Para No. 01, 02, 03, 04, 07 and 08. The Importer submitted that they agree with the Audit observations and stated their willingness to make duty payment to the extent of differential duty and interest within the normal period of limitation, i.e. 2 years preceding the present date, as per Section 28(1) read with Section 28(2) of the Customs Act, 1962. The Importer submitted that as such, they believe that it cannot be said at any point that the Company has committed collusion, willful misstatement or suppression of facts to necessitate invocation of extended period of limitation under Section 28(4) of the Customs Act, 1962 and penalty applicable. Further, Importer has not agreed to Audit Observation No. 05, and 06. For Audit Para No. 09, Importer stated that they clarify that Printed Circuit Board Assembly (PCBAs) under Tariff entry 85177910 are primarily imported for use in Routers. In the infrequent cases where such PCBAs are imported for use in Ethernet Switches, the notification benefit on import of the Switch is sub-judice and therefore they request that the issue is kept in abeyance till the matter attains finality. However, Importer failed to submit details regarding the segregation of the PCBAs which are used in Routers and Non-Carrier Ethernet Switches. As per the description of the imported goods it appeared that the goods are to be used in Ethernet Switches.

1.6 The total differential duty for the goods mentioned in the subject SCN works out to **Rs.11,35,28,065/- (Rupees Eleven Crore Thirty Five Lakhs Twenty Eight Thousand Sixty-Five only)** and liable to be recoverable from the Importer M/s. Cisco Commerce India Pvt. Ltd. The total declared assessable value of the goods is Rs.84,00,65,111/- (Rupees Eighty Four Crore Sixty Five Thousand One Hundred Eleven only).

1.7 Further, it appeared that the Importer has deliberately mis-classified the imported goods and availed wrong Customs notification benefit for the imported goods as mentioned in Para 1.3 above. All the facts as discussed above, wherein the Importer has claimed wrong CTI and availed undue BCD exemption benefit came to light at the time of conducting Premises Based

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

Audit, only after analysis of the subject CTIs and description of the goods covered under the subject Bills of Entry filed by the Customs Brokers on behalf of the Importer. In view of the same, it appeared that in spite of having knowledge, the Importer has wilfully mis-stated and suppressed these facts from the department and claimed wrong CTI and availed undue BCD exemption benefit which was not admissible to them. Therefore, the extended period of 5 years as provided under Section 28(4) of the Customs Act, 1962, is applicable for recovery of the short-paid Customs duty along with applicable interest under Section 28AA of the said Act.

1.8 The intention of the Importer to evade appropriate duty on the subject goods appeared to have contravened the provisions of Section 46(4) and 46(4A) of the Customs Act, 1962, which in turn appeared to render the goods liable to confiscation in terms of provisions of Section 111(m) of the Customs Act, 1962 and also appeared to have rendered the Importer themselves liable for penal action in terms of provisions of Section 112(a)(ii)/114A of the Customs Act, 1962.

1.9 The Importer has paid an amount of Rs. 36,41,361/- (Rupees Thirty-Six Lakh Forty-One Thousand Three Hundred Sixty-One) vide E-Challan No. 1856700166 dated 12.02.2025 towards the Bills of Entry covered under Audit Paras No. 04 and 07, as per Section 28(1) of the Customs Act, 1962. The details of the said payment are provided in Annexure-J to the subject SCN.

2. Accordingly, a Show Cause Notice No. 100/2025-26 dated 03.06.2025 was issued to M/s. Cisco Commerce India Pvt. Ltd. (IEC No. 0711019673) asking them to show cause to the Pr. Commissioner / Commissioner of Customs (Import), ACC, Sahar, Mumbai as to why:

- (i) The classification of impugned goods - "N9K C9504-FM-E= FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) & N9K-C9508-FM-E2= FABRIC MODULE FOR N9508 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) etc." covered under Bills of Entry as mentioned in **Annexure-A** to the SCN, under CTI 85177090 & 85177990 of the Customs Tariff Act, 1975 should not be rejected and impugned goods should not be re-classified under CTI 85177910 and the BCD exemption availed by the Importer under Sr. No. 05 of Notification No. 057/2017- Customs dated 30.06.2017, (as amended) for the impugned goods should not be denied.
- (ii) The classification of impugned goods - "AIR ACC1530-KIT1= SPARE ACCESSORY KJT FOR AP1530 SERIES etc." covered under Bills of Entry as mentioned in **Annexure-B** to the SCN, under CTI 85369090 &

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

- 85177990 of the Customs Tariff Act, 1975 should not be rejected and impugned goods should not be re-classified under CTI 39269099.
- (iii) The classification of impugned goods “AIR ACCI560-CVR== COVER AND SOLAR SHIELD FOR AP1560 SERIES etc.” covered under Bills of Entry as mentioned in **Annexure-C** to the SCN, under CTI 851779090 of the Customs Tariff Act, 1975 should not be rejected and impugned goods should not be re-classified under CTI 39269099.
- (iv) The classification of impugned goods “CI000- 24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON C1000 FANLESS MODELS & C1110-TOP-PLATE= CISCO 1100 ROUTER TOP COVER FOR CONTAMINATION PROTECTION (PART OF NETWORKING EQUIPMENT) & C1120- TOP-PLATE= CISCO 1120 SERIES TOP COVER FOR CONTAMINATION PROTECTION & 2960L-24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON C2960L FANLESS MODELS etc.” covered under Bills of Entry as mentioned in **Annexure-D** to the SCN, under CTI 85177090 & 85177990 of the Customs Tariff Act, 1975 should not be rejected and impugned goods should not be re-classified under CTI 73269099.
- (v) The classification of impugned goods “15216-MD- 48-ODDE= ONS 15216 48CH MUX/DEMUX PATCH PANEL ODD EXTENDED BANDWIDTH (MULTIPLEXER) & 15216-MD-48-EVENE= ONS 15216 48CH MUX/DEMUX PATCH PANEL EVENEXTENDED BANDWIDTH & NCS1K-MD-64-C= NCS 1000 64 CHS ODD MUX/DEMUX PATCH PANEL - C-BAND & NCSIK-MD- 320 C= NCS 1000 32 CHS ODD MUXIDEMUX PATCH PANEL -150GHZ - C-BAND etc.” covered under Bills of Entry as mentioned in **Annexure-E** to the SCN, under CTI 85176270 of the Customs Tariff Act, 1975 should not be rejected and impugned goods should not be re-classified under CTI 85176290.
- (vi) The classification of impugned goods “15216-MD48-CME2= ONS 15216 MUX/DEMUX PLUGIN COUPLER/SPLITTERMODULE DUAL O/P etc.” covered under Bills of Entry as mentioned in **Annexure-F** to the SCN, under CTI 90138090 & 90138000 of the Customs Tariff Act, 1975 should not be rejected and impugned goods should not be re-classified under CTI 85176290.
- (vii) The classification of impugned goods “C9200L STACK-KIT= CISCO CATALYST 9200L STACK MODULE & C9300L-STACK-KIT= CISCO CATALYST 9300L STACKING KIT & C9200-STACK-KIT= CISCO CATALYST 9200 STACK MODULE & C3650-STACK-KIT= CISCO CATALYST 3650 STACK MODULE SPARE & C9200-STACK-KIT= CISCO CATALYST 9200 STACK MODULE etc.” covered under Bills of Entry as mentioned in **Annexure-G** to the SCN, under CTI 85177090 & 85177990 of the Customs Tariff Act, 1975 should not be rejected and impugned goods should not be re-classified under CTI 85444292.

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

- (viii) The BCD exemption availed by the Importer under Sr. No. 13 of Notification No. 057/2017-Customs dated 30.06.2017 for the impugned goods i.e. “NXA-PDC-930W-PE= NEXUS 9K DC PS, PORT-SIDE EXHAUST & NXA-PAC- 350W-PE= NEXUS AC 350W PSU - PORT SIDE EXHAUST & NXA-PDC 1100W-PE= NEXUS 1100W PLATINUM DC PS, PORT SIDE EXHAUST SPARE etc.” under Bills of Entry as mentioned in **Annexure-H** to the SCN should not be denied.
- (ix) The BCD exemption availed by the Importer under Sr. No. 22 of Notification No. 057/2017-Customs dated 30.06.2017 for the impugned goods i.e. “Printed Circuit Board Assembly etc.” under Bills of Entry as mentioned in **Annexure-I** to the SCN should not be denied.
- (x) The total differential duty amounting to **Rs. 11,35,28,065/- (Rupees Eleven Crore Thirty-Five Lakhs Twenty-Eight Thousand Sixty-Five Only)**, arising from the misclassification and the undue benefit availed under the BCD exemption Notification on the imported goods in respect of Bills of Entry as detailed in **Annexures A, B, C, D, E, F, G, H, and I** to the SCN, should not be recovered under Section 28(4) of the Customs Act, 1962, along with the applicable interest as per the provisions of Section 28AA of the Customs Act, 1962.
- (xi) The impugned goods having total declared Assessable Value of **Rs 84,00,65,111/- (Rupees Eighty-Four Crore Sixty Five Thousand One Hundred Eleven only)** imported vide Bills of Entry as detailed in **Annexure- A, B, C, D, E, F, G, H, and I** to the SCN should be held liable for confiscation under Section 111 (m) of the Customs Act, 1962.
- (xii) Penalty should not be imposed on **M/s. Cisco Commerce India Pvt. Ltd. (IEC: 0711019673)** under Section 112(a)(ii) or/and 114A of the Customs Act, 1962.
- (xiii) The amount of **Rs. 33,95,450/- (Rupees Thirty Three Lakh Ninety Five Thousand Four Hundred and Fifty Only)** paid by M/s. Cisco Commerce India Pvt. Ltd. vide E-Challan No. 1856700166 dated 12.02.2025 as per Audit Objection Para 4 & 7 against Bills of Entry as detailed in **Annexure-J** to this Show Cause Notice should not be appropriated against the recovery of aforesaid liabilities.

3. WRITTEN SUBMISSIONS:

M/s. Cisco Commerce India Pvt. Ltd., the Importer / Noticee responded to the Show Cause Notice (SCN) vide their letter dated 03.11.2025. The main details are as under:

3.1 The Noticee submitted that they are engaged in the trading business of Cisco products in India. It imports routers, switches, transceivers, servers and accessories, power supplies, parts of networking equipment, IP phones,

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

memory cards, and SSDs from various suppliers for its further sale. They are regular importer of the networking equipments.

3.2 The Premises-Based Audit (PBA) were carried out from 26.11.2025 to 29.11.2025 by the Audit Commissionerate, Chennai, where 09 Audit Para were raised by the Auditors. Out of 09 Audit Para's, 06 Audit Para's in the subject case were already accepted by the Importer. Details are as mentioned below:

Audit Para no.	Description of the Imported Goods	CTI adopted/ declared by Noticee	CTI Proposed by department	Importer/ Noticee Accepted or Not	Date from which CTI modified by Noticee
1.	N9K C9504-FM-E= FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) & N9K-C9508-FM-E2= FABRIC MODULE FOR N9508 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) etc.	85177090 and 85177990	85177910	Accepted	23.03.2023
2.	AIR ACC1530-KJT1= SPARE ACCESSORY KJT FOR AP1530 SERIES etc.	85369090 and 85177990	39269099	Accepted	12.06.2022
3.	AIR ACCI560-CVR== COVER AND SOLAR SHIELD FOR AP1560 SERIES etc.	85177090	39269099	Accepted	12.06.2022
4.	CI000- 24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON CI000 FANLESS MODELS & C1110-TOP-PLATE= CISCO 1100 ROUTER TOP COVER FOR CONTAMINATION PROTECTION (PART OF NETWORKING EQUIPMENT) & C1120- TOP-PLATE= CISCO 1120 SERIES TOP COVER FOR CONTAMINATION PROTECTION & 2960L-24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON C2960L FANLESS MODELS etc.	85177990	73269099	Accepted	06.02.2025
5.	15216-MD- 48-ODDE= ONS 15216 48CH MUX/DEMUX PATCH PANEL ODD EXTENDED BANDWIDTH (MULTIPLEXER) & 15216-MD-48-EVENE= ONS 15216 48CH MUX/DEMUX PATCH PANEL EVENEXTENDED BANDWIDTH & NCS1K-MD-64-C= NCS 1000 64 CHS ODD MUX/DEMUX PATCH PANEL - C-BAND & NCSIK-MD-320 C= NCS 1000 32 CHS ODD MUXIDEMUX PATCH PANEL -150GHZ - C-BAND etc.'	85176270	85176290	Not-Accepted	01.01.2024 (Change CTI 90138000)
6.	15216-MD48-CME2=ONS 15216 MUX/DEMUX PLUGIN COUPLER/ SPLITTER MODULE DUAL O/P etc.	90138000	85176290	Not-Accepted	

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

7.	C9200L STACK-KIT= CISCO CATALYST 9200L STACK MODULE & C9300L-STACK-KIT= CISCO CATALYST 9300L STACKING KIT & C9200- STACK-KIT= CISCO CATALYST 9200 STACK MODULE & C3650-STACK-KIT= CISCO CATALYST 3650 STACK MODULE SPARE & C9200-STACK-KIT= CISCO CATALYST 9200 STACK MODULE etc.	85177090	85444292	Accepted	29.03.2023
8.	NXA-PDC-930W-PE= NEXUS 9K DC PS, PORT-SIDE EXHAUST & NXA-PAC-350W-PE= NEXUS AC 350W PSU - PORT SIDE EXHAUST & NXA-PDC 1100W-PE= NEXUS 1100W PLATINUM DC PS, PORT SIDE EXHAUST SPARE etc.	85044029 and 85044090	85044090 (Sr. No. 13 of Notn. No. 57/2017 dt. 30.06.2017, wrongly claimed)	Accepted	10.12.2021
9.	Printed Circuit Board Assembly for all categories-of Switches.	85177910	85177910	Not- Accepted	

3.3 The SCN is vague is as much it does not provide any reasons for the rejection of the classification and exemptions availed by the Noticee in respect of the subject goods. The SCN was issued without being given opportunity to defend and their submission was also not considered. The subject SCN was issued on the basis of presumptions and assumptions, hence liable to be dropped. They rely on following decisions:

- *Commissioner of Central Excise, Bangalore vs. Brindavan Beverages (P) Ltd. 2007 (213) E.L.T. 487 (S.C.);*
- *V. Xpress vs Commissioner of Service Tax-1, Mumbai, 2020 (43) G.S.T.L 179 (Tri.- Mumbai) affirmed by Hon'ble SC vide 2022 (61) GSTL 155 (SC);*
- *The Commissioner of Central Excise vs. M/s Indian Oil Corporation, Customs, Excise and Service Tax Appellate Tribunal, 2017 (6) TMI 573 - Madras High Court;*
- *CCE vs. Ballarpur Industries Ltd., 2007 (215) E.L.T. 489 (S.C.);*
- *CCE vs. Champdany Industries, 2009 (241) E.L.T. 481 (S.C.);*
- *CC vs. Toyo Engineering Lid., 2006 (201) E.L.T. 513 (S.C.);*
- *CCE vs. Shital International 2010 (259) E.L.T. 165 (S.C.);*
- *Shubham Electricals vs. CCE and Service Tax, Rohtak, 2015 (40) STR 1034 (Tri-Del.) affirmed by the Hon'ble High Court in Principal Commissioner v. Shubham Electricals - 2016 (42) S.T.R. J312 (Del.);*
- *J.A. Motor Sport vs. State of Tamil Nadu [2016-VIL-601-Mad];*
- *Commissioner of Central Excise, Bangalore-II vs. ITC Limited - 2010 (257) ELT 514 (Kar.); maintained by Hon'ble Supreme Court vide 2013 (295) ELT A64 (S.C.).*

3.4 Bills of Entry Nos 8723839 dated 10.11.2023 and 3187077 dated 24.04.2024 of the subject SCN were provisionally assessed due to pendency of Special Valuation Branch (SVB) investigation in respect of the related party transaction (Valuation), hence, the subject SCN is pre-mature. They rely on following decisions:

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

- *ITC Ltd. v. CCE, 2004 (170) ELT 33 (Tri. - LB), affirmed by the Hon'ble Supreme Court in 2006 (203) ELT 532 (SC);*
- *Hindustan Aegis LPG Bottling Co. Ltd. v, CC, 2003 (156) ELT 350 (Tri. - Mumbai);*
- *Supermax Personal Care Pvt Ltd., v. UOI, 2019 (368) ELT 251 (Bom);*
- *Commissioner, Central Excise & Customs, Mumbai v. I.T.C. Ltd., 2006 (203) E.L.T. 532 (S.C.);*
- *Saharsh Distributors Pvt. Lid. v. Commissioner of Customs, 2017 (354) E.L.T. 671 (Tri.-Del.);*
- *Electroparts India Pvt. Ltd. v. Commissioner of Central Excise, 2018 (364) E.L. T. 834 (Tri.-All.);*
- *Thermax Ltd. v. Commissioner of Central Excise, 2015 (317) E.L.T. 100 (Tri.-Mumbai).*

3.5 'MULTIPLEXER/ DEMULTIPLEXER' and 'COUPLER/ SPLITTER' are rightly classifiable under the CTI 90138000. In this regard the Noticee submitted following reasoning:

3.5.1 The Multiplexer/Demultiplexer and Coupler/Splitter are passive optical devices used in DWDM networks, operating solely on the physical behaviour of light—including refraction and wavelength separation—without converting optical signals into electrical form. These products are designed to direct, combine, or separate multiple wavelengths travelling through a single optical fiber, thereby enabling efficient wavelength management in high-capacity communication systems.

3.5.2 A Multiplexer/Demultiplexer can combine or separate hundreds of closely spaced wavelengths, while the Coupler/Splitter performs similar optical functions by combining multiple signals into one fiber or splitting a composite signal into multiple outputs. In pluggable configurations, the device incorporates separate MUX and DEMUX sections, where the DEMUX divides wavelength groups (e.g., even and odd channels) and the MUX recombines them. Both devices are compact, passive, and widely used for broadband multiplexing, signal tapping, and optical power management.

3.5.3 As these devices operate exclusively through optical manipulation—bending, combining, and separating light within fiber optic systems—without any electronic signal processing, they are considered passive optical components. Hence, as per GRI 1 and WCO HSN Explanatory Notes the subject goods are appropriately classified under CTH 9013, more specifically under CTI 90138000. Further, Noticee also submitted that as per U.S. Customs and Border Protection CROSS Ruling No. 967549 dated 14.10.2005 and BTI ruling C/2024/5163 dated 23.07.2024, Optical Coupler/Splitter are classifiable under Heading 901380.

3.5.4 The Noticee also stated the subject goods are not classifiable under CTI 85176290 as proposed by the department, as the CTI 85176290 covers the Machines for the reception, conversion and transmission or reception of voice, images or other data, including apparatus for communication including switching and routing apparatus, and the subject goods 'MULTIPLEXER/ DEMULTIPLEXER' and 'COUPLER/ SPLITTER' do not carry out any form of conversion of the data.

3.5.5 Further Noticee stated that General Rules of Interpretation (GRI) and HSN Explanatory Notes are a safe guide to interpret the Customs Tariff. They rely of following judgements:

- *Commissioner of Central Excise vs. Simplex Mills Co. Ltd, 2005(181) E.L.T. 345 (S.C);*
- *Saurashtra Chemical, Porbandar vs. Collector of Customs, 1986 (23) ELT 283 (Tri-LB);*
- *Saurashtra Chemicals vs. Collector of Customs, 1997 (95) ELT 455 (SC) and also upheld in CC ICD, TKD, New Delhi vs. Industrial Importers, 2014 (300) E.L.T. 584 (Tri. - Del.);*
- *CCE vs. Wood Craft Products Ltd., (1995) 77 ELT 23 (SC);*
- *CC vs. Business Forms, 2002 (142) ELT 18;*
- *Thermax Ltd. vs. Commissioner of Central Excise, Pune, 2022 (382) ELT 442 (S.C.);*
- *O.K. Play (India) vs. CCE, AIR 2005 SC 1023, (2005) 180 ELT 300;*
- *CC vs. Gujarat Perstorp Electronics Lid., (2005) 7 SCC 118;*
- *CCE vs. Phil. Corporation Ltd, (2008) 223 ELT 9 (SC);*
- *Hindustan Unilever vs. CCE, (2008) 228 ELT 374 (CESTAT-Mad).*

3.6 When the department propose a change in the classification of goods, the burden of proof rests upon the department to substantiate the alternate classification with evidence. If the department fails to discharge this obligation or cannot justify the proposed reclassification, the classification originally adopted by the assessee should prevail. They rely of following judgements:

- *Warner Hindustan Ltd. v. CCE, 1999 (113) E.L.T. 24 (SC);*
- *Pepsico Holdings Pvt. Ltd. v. CCE, 2019 (25) G.S.T.L. 271 (Tri-Mumbai);*
- *M/s. Sunrise Traders v. CC Mundra, 2022 (1) TMI 468 – CESTAT AHMEDABAD upheld by the Hon'ble Supreme Court in Commissioner of Customs, Mundra v. Sunrise Traders, 2023 (2) TMI 217 – SC;*
- *Hyundai Motors India Ltd. v. Commissioner of Customs, 2025 (6) TMI 608 - CESTAT CHENNAI;*
- *Hindustan Ferrodo Lid. v. CCE, Bombay, 1997 (89) E.L.T. 16 (S.C.);*

- *Commissioner of C. Ex., Calcutta-I v. Bata India Limited, 1998 (100) E.L.T, 179 (Tribunal);*
- *CC v. D.L. Steels, 2022 (381) E.L.T. 289 (S.C.);*
- *Hero Motocorp Lid. v. CC, 2022 (379) E.L.T. 214 (Tri. - Mumbai);*
- *Indo Australian Humigrow System v. CCE Delhi, 2018 (7) TMI 162;*
- *Commissioner of Central Excise, Chennai-IV v. Hindustan Lever Ltd., 2015 (323) E.L. T. 209 (S.C.);*
- *H.P.L Chemicals v. CCE 2006 (197) E.L.T. 324 (S.C.);*
- *Collector of Customs, Calcutta vs. Hindalco Industries Ltd., 2007(217) E.L.T 343 (Cal.);*
- *Puma Ayurvedic Herbal (P) Ltd. vs. Commissioner of Central Excise, Nagpur, 2006 (196) E.L.T. 3 (S.C.);*
- *Wrigley India Pvt. Ltd. vs. Commissioner of Customs, 2024-VIL-333-CESTAT-CHE-CU.*

3.7 The subject imported goods Printed Circuit Board Assembly (PCBA) are the high-speed internal switching component used in modular network chassis systems. Serving as a crossbar fabric switch, it interconnects supervisor modules and line cards to enable efficient data transfer within the chassis. These PCBAs and used in different telecommunication network equipment. The list is provided in the Table below:

PCBA PIDs'	Category
8808-FC0=	Fabric card used in ASR routers
A99-SFC3=	Fabric card used in ASR routers
ASR1000-ESP100-X=	Processors used in ASR routers
ASR1000-ESP100=	Processors used in ASR routers
DS-X9710-FAB3=	Switching module used in DS switches
N9K-C9504-FM-E=	Fabric module for Nexus switches
N9K-SC-A=	System controller for Nexus switches
NC55-5508-FC2=	Fabric card for NCS router
NIM-PVDM-32=	Network interface module for Catalyst 8000 / ISR routers
NIM-PVDM-64=	Network interface module for Catalyst 8000 / ISR routers
PVDM3-256=	Voice Digital Signal Processor for ISR routers
PVDM4-128=	Voice Digital Signal Processor for ISR routers
PVDM4-256++=	Voice Digital Signal Processor for ISR routers
PVDM4-256=	Voice Digital Signal Processor for ISR routers
PVDM4-32=	Voice Digital Signal Processor for ISR routers
PVDM4-64=	Voice Digital Signal Processor for ISR routers
PWR-GE-POE-4400=	Power conversion module for ISR routers
SM-X-NIM-ADPTR=	Network interface module for ISR routers

The majority of PCBAs imported by Noticee are used in Routers and few PCBAs are used in the Ethernet Switches. Demanded duty of PCBAs is bifurcated as below:

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

Sl. No.	Product Category	Differential Duty Demanded (in Rs.)
1.	PCBAs used in Ethernet Switches	5,98,578.99
2.	PCBAs used in Routers	8,20,12,114.56
3.	Total Demand in respect of PCBAs	8,26,10,693.55

PCBAs can be plugged directly into a single slot on the Router motherboard into a Network Interface Module (NIM), with the connector located on the motherboard. When integrated in this manner, the PCBA module delivers IP-based voice services such as conferencing, media optimization, and transcoding only, thereby enhancing the performance and functionality of the host equipment.

In addition to these applications, certain PCBAs function as high speed switching components within modular network chassis systems. Known as PCBA fabric modules, these operate as crossbar fabric switches interconnecting supervisor modules and line cards to enable efficient, low-latency data transfer at full systems bandwidth. Installed in dedicated slots within the chassis and aligned with its cooling and airflow design, the fabric module relies on the chassis for power, cooling, and management, and its operational status is indicated by onboard LEDs for real time monitoring and fault detection. As a passive or semi passive assembly, the PCBA fabric module is essential for achieving non-blocking data paths and supporting the scalability of enterprises and data center network infrastructures.

Noticee submitted that the SCN does not rely on any technical write-up, data, documents, evidence, statements, opinion, etc. to allege that the PCBAs imported by the Noticee are meant for sole use with non-carrier ethernet switches and are consequently excluded from Sl. No. 22 of the Notification No. 57/2017-Customs dated 30.06.2017. Noticee submitted that without substantive evidence in SCN, recovery of duty is liable to be discarded and in this regard Noticee rely on decision in *Commissioner of Central Excise, Vapi vs. Hindustan Rubbers, 2011 (269) E.L.T. 376 (Tri-Ahmd.)*.

3.8 The Noticee submitted that in the SCN No. 73/2025-26 dated 15.05.2025 (Investigation carried out by DRI, Pune) issued to them, department has proposed to deny the benefits of Sl. No. 20 of the Notification No. 57/2017-Customs dated 30.06.2017, as it is available for Non-Carrier Ethernet Switches only. In the said SCN department has alleged that the M/s. Cisco Commerce India Pvt. Ltd. had imported the Carrier Ethernet Switches instead of declaring them as Non-Carrier Ethernet Switches. As the goods covered under the said SCN are Carrier Ethernet Switches, hence, Sr. No. 20 of the Notification No. 57/2017-Customs dated 30.06.2017, is not eligible to them. However, in the subject case SCN dated 03.06.2025, it is alleged that

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

the PCBAs imported by the Noticee are not used in Carrier Ethernet Switches, hence, not eligible for benefits of Sl. No. 22 of the Notification No. 57/2017-Customs dated 30.06.2017. Therefore, they submitted that since the issue of the nature of Ethernet Switches is sub judice and has not attained finality, in such a scenario the present dispute of eligibility of exemptions to PCBAs cannot be determined and submitted that the subject SCN is premature and requested to kept the SCN in Call Book. They rely on the following judgements:

- *Opal Exports vs. CC, 1992 (60) ELT 232;*
- *Sandip Agarwal vs. CC, 1992 (62) ELT 528;*
- *Mahle Anand Thermal Systems vs. Union of India, 2023 (383) ELT 32 (Bom).*

3.9 The Noticee has no dispute regarding the classification of the imported goods i.e. PCBAs. They accepted the classification of the subject goods under CTI 85177910 is correct. Further, they stated that the they have correctly classified the goods under CTI 85177910, hence, they are eligible for the benefits of the concessional rate of BCD under Sl. No. 22 of the Notification No. 57/2017 -Customs dated 30.06.2017.

3.10 Noticee stated that there is computation error of calculation of differential duty in the subject SCN as shown below: -

Sr. No.	BE No. and Date	Error	Duty
1	4934865 dated 07.08.2024	Warehouse BoE (Duty Rs. 438.65) (Annx-D)	Total Incorrect duty demanded on account of computational errors is Rs. 20,636/-
2.	6375597 dated 23.11.2021	Assessable Value has been mentioned Rs. 46,840.5/- instead of Rs. 26,766/- (Annx-D)	
3.	5268434 dated 27.09.2024	BoE pertains to Free Trade and Warehousing Zones (Annx-I)	

In case of *R. Ramadas v. Joint Commr. of C. Ex., Puducherry, 2021 (44) G.S.T.L. 258 (Mad.)*, *Arcelormittal Nippon Steel India Ltd. v. Assistant Commissioner, 2021-VIL-840-GUJ* and *Vageesh Umesh Jaiswal v. State of Gujarat, 2022-TIOL-95-HC-AHM-VAT*, it is held that inept quantification of demand in the subject SCN hinders the Noticee from establishing a fit case of defense which would be in contravention to the principles of natural justice.

Therefore, demand vide the subject SCN in respect to the above-mentioned BoE, amounting to Rs. 20,636/-, is liable to be set aside.

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

3.11 The subject SCN issued under Section 28(4) of the Customs Act, 1962, alleged wilful misstatement of classification of goods. The mere claim of classification under particular Tariff Heading on the bona fide belief would not amount to wilful misstatement in the BoEs. There is no suppression and mis-declaration that can be alleged against them, Hence, extended time period under Section 28(4) of the Customs Act, 1962 cannot be invoked. All the relevant information and appropriate description of imported goods in all import documents, were provided by the Noticee at the time of import. They rely on following judgements:

- *M/s. Faiveley Transport Rail technologies v. PCC, New Delhi, 2025-TIOL-1475-CESTAT-DEL;*
- *M/s. Ismartu India Pvt Ltd. vs. UOI, 2025-TIOL-414-HC-DEL-CUS;*
- *D and M Building Product Private Limited v. CC, Bangalore, 2019 (370) ELT 1183 (Tri-Bang.);*
- *Commissioner v. Vodafone Essar Gujrat, 2020 (373) ELT 421 (Tri.-Bom);*
- *Commissioner v. Charak Pharma P. Lid, 2012 (278) ELT 319 (Guj.);*
- *Commissioner v. N.R. Agarwal Industries, 2014 (300) ELT 213 (Guj.);*
- *Thermax Lid. v. Commissioner, 2018 (12) TMI 241 - CESTAT MUMBAI;*
- *Densons Pultretaknik v. Commissioner of Central Excise reported in 2003 (155) ELT 211 (S.C.);*
- *Commr. of. Cus. (Imports), Chennai-I v. G.M.Pens International reported in 2009 (247) ELT 159 (Mad.);*
- *Sirthai Supreware India Ltd. v. Commr of Customs, Nhava Sheva-III reported in 2020 (371) ELT 324 (Tri Mumbai);*
- *Sachidev Overseas v. Commr of Cus., C.Ex. and ST., Hyderabad reported in 2018 (364) ELT 1061 (Tri Hyd);*
- *Centaur Pharmaceuticals Pvi. Lid. v. Commissioner of Customs, 2023 (6) TMI 74 - CESTAT MUMBAI;*
- *Commissioner of Custom v. I. Kumar Gems Inc., 20156323) E.L.T 142 (Guj);*
- *M/s Indian Acrylics Lid and Others v. Commissioner of Customs, Kandla ,2015 (9) TMI 1316 - CESTAT AHMEDABAD;*
- *Suture India Pvi. Ltd., v. Commissioner of Customs, Bangalore reported in 2009 (245) ELT 586 (Tri Bang);*
- *Commissioner v. Sutures India Pvt. Ltd. - 2010 (255) E.L.T. A85 (S.C.).*

The Noticee also submits that the extended period cannot be invoked as the present issue involves an interpretation of the law. They rely on following judgements:

- *National Engineering Industries Ltd. v. Commissioner of CGST & Central Excise, Jaipur, 2025 (8) TMI 1552 - CESTAT NEW DELHI;*

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

- *Coastal Energy Pvi. Ltd. v. Commr. of Cus., C. Ex. and S.T., Guntur, 2014 (310) E.L.T. 97 (Tri. - Bang.) maintained in 2016 (338) ELT A159 (Supreme Court) affirmed in 2016 (340) ELT A204 (Supreme Court);*
- *K.K. Appachan vs. Commissioner of Central Excise, Palakkad, 2007 (7) STR 230 (Tribunal-Bangalore);*
- *Sah Petroleums Lid. vs. Commr. of Cus. (Import) JNCH vs. Nhava Sheva, 2017 (358) E.L.T. 483 (Tri. - Mumbai) affirmed in 2018 (360) ELT A177 (Supreme Court);*
- *The Noticee stated that the extended period cannot be invoked when the subject goods had been examined. They rely on following judgements;*
- *KMS Medisurgi Put. Lid. vs. Commissioner of Cus. (Import), Mumbai, 2022 (382) E.L.T. 394 (Tri.-Mumbai);*
- *M India Ltd. vs. Commissioner of Customs, Bangalore-I, 2020 (373) E.L.T. 385 (Tri.-Bang.), affirmed in 2021 (376) E.L.T. A106 (Supreme Court);*
- *Pr. Commr. Of Cus. (Import), Mumbai vs. Signet Chemicals Pvt. Ltd., 2022 (382) E.L.T. 602 (Bom);*
- *K-Link Healthcare (India) Pvt. Lid. v. Comm. Of Cus., Chennai, 2018 (364) E.L.T. 476 (Tri. - Chennai);*
- *BMW India Pvt. Ltd. vs. Commissioner, 2019 (366) E.L.T. A28 (Tri. - Chennai) affirmed by the Hon'ble High court in 2019 (367) E.L.T. 391 (Mad.);*
- *Commissioner of Central Excise, Mumbai-III v. Essel Propack Lid., 2015 (323) E.L.T. 248 (S.C.);*
- *Commr. of C. Ex., Bangalore v. Pragathi Concrete Ltd, 2015 (322) E.L.T. 819 (S.C.);*
- *CCE v. MTR Foods, 2012 (282) E.L.T. 196 (Kar.);*
- *Rajasthan State Warehousing v. CCE Jaipur, 2011 (23) S.T.R. 385 (Tri. - Del.).*

3.12 In a case where the duty itself is not liable to be paid, then in those cases levy of interest by the Department cannot be sustained in the eyes of law. They rely on following judgements: -

- *Prathibha Processors vs. Union of India, 1996 (88) E.L.T. 12 (S.C.);*
- *Commissioner of Customs, Chennai vs. Jayathi Krishna & Co., 2000 119 E.L.T. 4 (S.C.).*

3.13 Section 111(m) of the Customs Act, 1962 has been erroneously invoked in the present case as the Noticee has not mis-declared any material particular in the disputed BEs, as the Noticee correctly described the subject goods. It is also submitted that even if the allegation against the Noticee in respect of classification is held to be correct, as there is a clear distinction between mis-classification and mis-declaration Section 111(m) can not be

invoked. Also, where goods were already cleared after import provisions of the Section 111(m) of the Customs Act, 1962 is not applicable. They rely on following judgements: -

- *Lotus Beauty Care Products Put Lid vs. Commissioner of Customs, 2020-TIOL- 1664-CESTAT-MUM;*
- *Superware India Ltd. v. Commr. Of Customs, Nhava Sheva - II, 2020 (317) E.L. T. 324 (Tri.-Mumbai);*
- *Cheran Spinners Ltd. v. Commissioner of Customs, Tuticorin - 2018 (364) E.L.T. 597 (Tri.-Chennai);*
- *Northern Plastic Lid. v. Collector of Customs and Central Excise, 1998 (101) E.L.T. 549 (S.C.);*
- *Lewek Altair Shipping Private Limited v. CC, 2019 (366) E.L.T. 318 (Tri. - Hyd.) affirmed by the Hon'ble Supreme Court 2019 (367) E.L.T. A328 (S.C.);*
- *M/s. Priyanka Enterprises v. Commissioner of Customs, 2024 (1) TMI 1127;*
- *Commr. of Cus. (Imports), Chennai-I v. G.M. Pens International reported at 2009 (247) ELT 159 (Mad.);*
- *Sandan Vikas (India) Ltd. vs. Commr. Of Cus. (ICD, TKD), New Delhi, 2017 (357) E.L.T. 893 (Tri.-Del.);*
- *Commi. of Cus. (Import), Mumbai v. Vidhi Dyestuff Manufacturing Lid., 2015 (327) E.L.T 500 (Tri-Mumbai);*
- *Surbhit Impex P. Ltd. Vs. Commr. Of Customs (EP), Mumbai, 2012 (283) E.L.T. 556 (Tri-Mumbai) Affirmed in 2012 (286) E.L.T 500 (Bombay High Court);*
- *M/s. Ratnagiri Impex Pvt. Ltd. v. Commissioner of Customs, 2024 (3) TMI 194;*
- *Commissioner of Customs v. Finesse Creation INC, 2009 (248) ELT 122 (Bom.);*
- *Shiv Kripa Ispat Pvt. Ltd. v. Commissioner of Customs, 2009 (235) E.L.T. 623 (Tri.-LB);*
- *CC, Amritsar v. Raja Impex (P) Ltd., 2008 (229) E.L.T. 185 (P and H);*
- *Bussa Overseas and Properties P. Ltd. v. C.L. Mahar, Assistant Commissioner of Customs, Bombay, 2004 (163) E.L.T. 304 (Bom.);*
- *Assistant Commissioner of Customs, Bombay v. Bussa Overseas and Properties Pvt. Ltd., 2004 (163) E.L.T. A160 (S.C.).*

3.14 The Noticee submitted that as the demand for differential duty is not sustainable, hence, no penalty is imposable on the Noticee under Section 112(a) of the Act. Penalty is not imposable in cases involving interpretation of law. There is no intention to evade duty, and goods are not liable of confiscation. Also, penalty cannot be imposed under Section 112(a) of the

Customs Act, 1962 in the absence of *mens rea* or *mala fide* intention. They rely on the following judgements: -

- *Collector of Central Excise vs. H.M.M. Limited*, 1995 (76) ELT 497 (SC),
- *Commissioner of Central Excise and Customs vs. Nakoda Textile Industries Ltd.*, 2009 (240) E.L.T. 199 (Bom.);
- *Commissioner of Central Excise, Aurangabad vs. Balakrishna Industries*, 2006 (201) ELT 325 (SC);
- *Hindustan Steel Ltd. vs. State of Orissa*, 1978 (2) E.L.T (J159);
- *Akbar Badruddin Jiwani vs. Collector of Customs*, 1990 (47) E.L.T 161,
- *West Coast Paper Mills Lid. vs. Commissioner of Customs, Chennai*, 2001 (130) E.L.T. 259 (Tri-Chennai);
- *Deeplalit Enterprise P. Lid and Ors v. CC - Ahemdabad - 2024 (2) TMI 682 - CESTAT AHMEDABAD;*
- *Sij Electronics Comp Tech Vs. CC*, 2001 (129) ELT 528 (T);
- *Hindustan Steel Lid. v. State of Orissa - 1978 (2) ELT (J159) (SC);*
- *Bahar Agrochem and Feeds Pvt. Lid vis. Commissioner of C.Ex., Pune*, 2012 (277) E.L.T. 382 (Tri-Mum);
- *Vadilal Industries Ltd. vs. Commissioner of C. Ex., Ahmedabad 2007 (213) E.L.T. 157 (Tri. - Ahmd.) (Affirmed in 2016 (338) E.L. T A153 (Supreme Court));*
- *Digital Systems vs. Commissioner of Customs*, 2003 (154) E.L.T 71;
- *Auro Textile vs. CCEX, Chandigarh*, 2010 (253) E.L.T. 35 (Tri-Del.) [Affirmed in 2016 (343) E.L.T 47 (Punjab and Haryana High Court)] [Maintained in 2012 (276) E.L.T A96 (Punjab and Haryana High Court)];
- *Delphi Automotive Systems vs. CCEX, Noida*, 2004 (163) E.L. T. 47 (Tri-Del.) [Affirmed in 2013 (292) E.L. T 189 (Allahabad High Court)];
- *Gujarat Borosil Ltd. vs. Commr. Of C. Ex. and S.T., Surat-II*, 2018 (364) E.L.T. 281 (Tri. - Ahmd.) subsequently maintained by Hon'ble Supreme Court in 2019 (368) E.L.T A337 (SC);
- *P & B Pharmaceuticals (P) Ltd. vs. Collector of Central Excise 2003 (153) E.L.T. 14 (SC);*
- *Commr. Of Cus. (ACC & Import), Mumbai vs. Reliance Communications Ltd.*, 2014 (301) E.L.T. 571 (Tri.-Mumbai);
- *Lark Chemicals Pvt. Ltd. Vs. Commr. Of Cus., CSI Airport, Mumbai*, 2014 (301) E.L.T. 138 (Tri.-Mumbai);
- *Tata Oil Mills Company Ltd. and Another v. Union of India and Another*, 1986 (26) ELT 931 (Bom.);
- *Harbhajan Kaur v.s. Collector of Customs*, 1991 (56) E.L.T. 273 (Tribunal);
- *Commissioner of Customs (EP) v. P.D. Manjrekar*, 2009 (244) E.L.T. 51 (Bom.).

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

3.15 In the subject case extended period of limitation under Section 28(4) of the Customs Act, 1962, is not invocable, hence, penalty under Section 114A of the Customs Act, 1962 is also not liable to be imposed. Also, in the absence of any willful mis-statement or suppression of facts on the part of Noticee, and where department is aware about all the facts, provisions of Section 28(4) of the Customs Act, 1962 are not invocable. They rely on the following judgements:

- *CC v. Videomax Electronics, 2011 (264) E.L.T 0466 (Tri.- Bom.), maintained in 2011 (270) E.L.T A90 (Supreme Court);*
- *Wind World (I) Ltd. v. Commissioner of Cus., (I) Nhava Sheva, 2016 (340) E.L.T. 540 (Tri.-Mumbai.);*
- *Union of India v. Rajasthan Spinning and Weaving Mills, 2009, (238) E.L.T. 3 (S.C.);*
- *D and M Building Product Pvt. Ltd. v. Commr. of Customs, Bangalore, 2019 (370) E.L.T. 1183 (Tri-Bang.);*
- *Thyssenkrupp Industries India P. Ltd. v. C.C. (Import), Mumbai, 2016 (343) E.L.T. 533 (Tri.-Mumbai);*
- *Reliance Industries Lid. v. Commissioner of Customs, Rajkot, 2013 (287) E.L.T. 433 (Tri-Ahmd.);*

3.16 Noticee submitted that the interest and penalty on differential IGST amount cannot be demanded prior to 16th August, 2024. They rely on the following judgements:

- *India Carbon Ltd. vs. State of Assam, (1997) 6 SCC 479;*
- *V.V.S. Sugars v. Govt, of A.P. and Ors., (1999) 4 SCC 192;*
- *M/s. Jayaswal Neco Ltd. v. Commissioner of Customs, Visakhapatnam, 2015 (8) TMT 243 - SUPREME COURT;*
- *Bajaj Health and Nutrition Pvt. Ltd. vs. CC, Chennai, 2004 (166) E.L.T. 189;*
- *Union of India v. Mahindra and Makindra Ltd. 2023 (386) E.L.T. 11 (S.C.).*
- *Chiripal Poly Films Ltd. v. Commissioner of Customs, 2024 (9) TMI 940-CESTAT AHMEDABAD;*
- *A.R. Sulphonates v. Union of India & Ors, 2025 (4) TMI 578- Bombay High Court;*

3.17 Accordingly, Noticee has requested to drop the charges in the subject Show Cause Notice dated 03.06.2025.

4. Further, Importer vide letter dated 21.11.2025 submitted compilation of the case laws referred in earlier submission dated 03.11.2025. Importer vide email dated 27.11.2025 also submitted the summary of the case and details regarding the Audit Para No. 09 as below: -

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

SI N o.	PCBA PIDs'	Category	TECHNICAL CATALOGUE/ WEBLINK to prove PID is used in Routers
1.	8808-FC0=	Fabric card used in ASR routers	https://www.cisco.com/c/en/us/products/collateral/routers/8000-series-routers/8800-series-modular-routers-ds.html
2.	A99-SFC3=	Fabric card used in ASR routers	https://www.cisco.com/c/en/us/products/collateral/routers/asr-9000-series-aggregation-services-routers/datasheet-c78-741129.html
3.	ASR1000-ESP100-X=	Processors used in ASR routers	https://www.cisco.com/c/en/us/products/collateral/routers/asr-1000-series-aggregation-services-routers/datasheet-c78-731632.pdf
4.	ASR1000-ESP100=	Processors used in ASR routers	https://www.cisco.com/c/en/us/products/collateral/routers/asr-1000-series-aggregation-services-routers/datasheet-c78-731632.pdf
5.	DS-X9710-FAB3=	Switching module used in DS switches	Technical information is already annexed at Annexure 5 (Pg. 979 to 983) of the reply to SCN.
6.	N9K-C9504-FM-E=	Fabric module for Nexus switches	Technical information is already annexed at Annexure 5 (Pg. 979 to 983) of the reply to SCN.
7.	NC55-5508-FC2=	Fabric card for NCS router	https://www.cisco.com/c/en/us/products/collateral/routers/network-convergence-system-5500-series/datasheet-c78-742015.pdf https://www.cisco.com/c/en/us/products/collateral/routers/network-convergence-system-5500-series/datasheet-c78-736270.pdf
8.	NIM-PVDM-32=	Network interface module for Catalyst 8000 / ISR routers	https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-728307.pdf https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-732542.pdf
9.	PVDM3-256=	Voice Digital Signal Processor for ISR routers	https://www.cisco.com/c/en/us/products/collateral/interfaces-modules/voice-modules-interface-cards/data_sheet_c78-553971.pdf https://www.cisco.com/c/en/in/products/collateral/routers/2900-series-integrated-services-routers-isr/data_sheet_c78_553896.pdf
10.	PVDM4-128=	Voice Digital Signal Processor for ISR routers	https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-728307.pdf https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-732542.pdf
11.	PVDM4-256++=	Voice Digital Signal Processor for ISR routers	https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-728307.pdf https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-732542.pdf
12.	PVDM4-256=	Voice Digital Signal Processor for ISR routers	https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-728307.pdf https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-732542.pdf
13.	PVDM4-32=	Voice Digital Signal Processor for ISR routers	https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-728307.pdf https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-732542.pdf
14.	PVDM4-64=	Voice Digital Signal Processor for ISR routers	https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-728307.pdf https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-732542.pdf
15.	PWR-GE-POE-4400=	Power conversion module for ISR routers	https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-732542.pdf
16.	SM-X-NIM-ADPTR=	Network interface module for ISR routers	https://www.cisco.com/c/en/us/td/docs/routers/access/interfaces/NIM/hardware/NIM_ADPTR/nim_adptr.pdf https://www.cisco.com/c/en/us/products/collateral/routers/4000-series-integrated-services-routers-isr/data_sheet_c78-732542.html#_ftref3
17.	PVDM3-64=	64-channel, high-density packet voice and video digital signal processor module for Cisco 2900 and 3900 series routers	https://www.cisco.com/c/en/us/products/collateral/interfaces-modules/voice-modules-interface-cards/data_sheet_c78-553971.pdf https://www.cisco.com/c/en/in/products/collateral/routers/2900-series-integrated-services-routers-isr/data_sheet_c78_553896.pdf

These details above are regarding the Routers/Switches imported and their possible verification through CISCO website links and technical information.

5. RECORDS OF PERSONAL HEARING:

The hearing was held on 21.11.2025 in Office attended by Shri Rachit Jain, Advocate and Shri Amit Ghadage, Manager, as per request of the Importer.

Shri Rachit explained his case in detail referring the SCN, reply of the Importer, case laws and cross rulings. He said that the importer has accepted the Audit's classification in respect of 6 imported items and paid the differential duty for the normal 2-year period. However, for 3 other imported items covered in Audit Paras 5, 6 (Multiplexer/Coupler/Splitter) and 9 (Switches/PCBA), Importer contests Audit findings. In case of Multiplexers they have been classified under specific Tariff entry. These Multiplexers/Splitters have passive optical properties. There is no conversion of signal. They are said to be optical goods and global classification practice has been followed. In case of PCBAs imported, Shri Rachit states that they

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

are used for Routers mainly and some for a few Switches. The Bill of Entry description codes can be matched with the said Routers and Switches for identification. Importer has also given information about the Routers/Switches in their reply. This information can also be verified from Importer/Cisco website.

Shri Rachit says that 2 BEs are provisionally assessed in the case. Further, he says that this being a case involving classification dispute, extended period under Section 28(4) does not apply.

6. DISCUSSION AND FINDINGS:

6.1 I have gone through the Show Cause Notice (SCN) No. 100/2025-26 dated 03.06.2025 issued under Section 28(4) of the Customs Act, 1962, submissions made by the Noticee in writing as well as during personal hearing and documents on record.

6.2 M/s. Cisco Commerce India Private Limited has presented multiple Bills of Entry for the clearance of goods during the time period from June, 2020 to September, 2024. The declared description, classification of the goods and the Importer's decision regarding the Audit observations are as below:

Audit Para No.	Description of the Imported Goods	Declared CTI in BEs	Proposed CTI in SCN	Importer's change of CTI w.e.f. & (Audit objection Accepted or Not)
1.	N9K C9504-FM-E= FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) & N9K-C9508-FM-E2= FABRIC MODULE FOR N9508 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) etc.	85177090 and 85177990	85177910	23.03.2023 (Accepted)
2.	AIR ACC1530-KJT1= SPARE ACCESSORY KJT FOR AP1530 SERIES etc.	85369090 and 85177990	39269099	12.06.2022 (Accepted)
3.	AIR ACCI560-CVR== COVER AND SOLAR SHIELD FOR AP1560 SERIES etc.	85177090	39269099	12.06.2022 (Accepted)
4.	CI000- 24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON CI000 FANLESS MODELS & C1110-TOP-PLATE= CISCO 1100 ROUTER TOP COVER FOR CONTAMINATION PROTECTION (PART OF NETWORKING EQUIPMENT) & C1120- TOP-PLATE= CISCO 1120 SERIES TOP COVER FOR CONTAMINATION PROTECTION & 2960L-24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON C2960L FANLESS MODELS etc.	85177990	73269099	06.02.2025 (Accepted)

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

5.	15216-MD- 48-ODDE= ONS 15216 48CH MUX/DEMUX PATCH PANEL ODD EXTENDED BANDWIDTH (MULTIPLEXER) & 15216-MD-48-EVENE= ONS 15216 48CH MUX/DEMUX PATCH PANEL EVENEXTENDED BANDWIDTH & NCS1K-MD-64-C= NCS 1000 64 CHS ODD MUX/DEMUX PATCH PANEL - C-BAND & NCSIK-MD-32O C= NCS 1000 32 CHS ODD MUXIDEMUX PATCH PANEL -150GHZ - C-BAND etc.'	85176270 (Importer change CTI from 85176270 to 90138000 w.e.f. 01.01.2024)	85176290	(Not Accepted)
6.	15216-MD48-CME2=ONS 15216 MUX/DEMUX PLUGIN COUPLER/ SPLITTER MODULE DUAL O/P etc.	90138000	85176290	(Not Accepted)
7.	C9200L STACK-KIT= CISCO CATALYST 9200L STACK MODULE & C9300L-STACK-KIT= CISCO CATALYST 9300L STACKING KIT & C9200- STACK-KIT= CISCO CATALYST 9200 STACK MODULE & C3650-STACK-KIT= CISCO CATALYST 3650 STACK MODULE SPARE & C9200-STACK-KIT= CISCO CATALYST 9200 STACK MODULE etc.	85177090	85444292	29.03.2023 (Accepted)
8.	NXA-PDC-930W-PE= NEXUS 9K DC PS, PORT-SIDE EXHAUST & NXA-PAC-350W-PE= NEXUS AC 350W PSU - PORT SIDE EXHAUST & NXA-PDC 1100W-PE= NEXUS 1100W PLATINUM DC PS, PORT SIDE EXHAUST SPARE etc.	85044029 and 85044090	85044090	10.12.2021 (Accepted)
9.	Printed Circuit Board Assembly for all categories-of Switches.	85177910 (benefits of Sr. No. 22 of Notn. No. 57/2017 availed)	85177910 (Notn. benefits not applicable)	(Not Accepted)

6.3 During Premises Based Audit (PBA) conducted from 26.11.2024 to 29.11.2024 by the Auditors of Customs (Audit), Chennai, 09 Audit Paras were raised, where 06 Audit Paras (Audit Para Nos. 01, 02, 03, 04, 07 and 08) were accepted by the Importer and 03 Audit Paras (Audit Para Nos 05, 06 and 09) were not accepted.

6.4 Details of Audit Paras accepted by the Importer are as below:

AUDIT PARA NO. 1: -

6.4.1 Audit Para No. 1 (N9K C9504-FM-E= FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) & N9K-C9508-FM-E2= FABRIC MODULE FOR N9508 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) etc.)

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

I note that the Importer, M/s. Cisco Commerce India Pvt. Ltd. vide the subject Bills of Entry as detailed in Annexure-A to the subject SCN, had imported goods having description 'FABRIC MODULE FOR N9504/N9508 (Parts of Network equipment)' under CTI 85177090 / 85177990 and availed the duty benefits under Sr. No. 5 of the Notification No. 57/2017-Customs dated 30.06.2017. As per Importer's submission, the N9K-C9504-FM-E / N9K-C9508-FM-G are PCBA (Printed Circuit Board Assembly) Fabric Modules, designed to be inserted into the Cisco Nexus 9500 Switch chassis. However, as per the SCN, the subject goods are more appropriately classifiable under CTI 85177910.

The relevant entry of the CTH 8517 are reproduced below:

8517 TELEPHONE SETS, SM ARTPHONES AND OTHER TELEPHONES FOR CELLULAR NETWORKS OR FOR OTHER WIRELESS NETWORKS: OTHER 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), OTHER THAN TRANSMISSION OR RECEPTION APPARATUS OF HEADING 8443, 8525, 8527 OR 8528

.....

*8517 70 - Parts:
8517 70 10 -- Populated, loaded or stuffed printed circuit boards
8517 70 90 -- (a) All goods other than the parts of cellular mobile phones
(b) Inputs or sub-parts for use in manufacture of parts mentioned at (a) above*

w.e.f. 01.01.2022

*- Parts:
8517 71 00 -- Aerials and aerial reflectors of all kinds; parts suitable for use therewith
8517 79 -- Other:
8517 79 10 ---- Populated, loaded or stuffed printed circuit boards
8517 79 90 ---- Other*

In cases of classification disputes, the General Rules for the Interpretation (GRI) are applied sequentially, beginning with Rule 1, which provides that classification shall be determined as per the terms of the Headings and relevant Section or Chapter Notes. Where classification cannot be determined under Rule 1, the subsequent rules apply. In the subject case, Rules 2(a) and 2(b) are not applicable as the goods are neither incomplete/unfinished nor composite. Accordingly, the matter falls for

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

consideration under Rule 3, which deals with goods that are prima facie classifiable under more than one heading, and as per Rule 3(a), the heading providing the most specific description is to be preferred over a more general one; therefore, the heading offering the most precise and specific description shall be adopted for classification purposes.

Accordingly, I find that as the subject goods covered under Annexure-A to the SCN, are PCBA (Printed Circuit Board Assembly) fabric modules for Cisco Nexus 9500 Switch Series. For the Printed Circuit Boards specific Heading is given under CTI 85177910. Therefore, as per GRI 3(a), the subject imported goods covered under Annexure-A to the SCN are appropriately classifiable under CTI 85177910. Consequently, the benefit of exemption claimed by the importer under Sr. No. 5 of Notification No. 57/2017-Customs dated 30.06.2017 is not admissible under this Tariff classification. I also note that the Importer accepted the proposed classification during Audit and they have already changed their classification in the Bills of Entry filed from 23.03.2023.

AUDIT PARA NO. 2 AND 3: -

6.4.2 Audit Para No. 2 (AIR ACC1530-KJT1= SPARE ACCESSORY KJT FOR AP1530 SERIES etc.) and [Audit Para No. 3 (AIR ACCI560-CVR== COVER AND SOLAR SHIELD FOR AP1560 SERIES etc.)]:

I note that the Importer, M/s. Cisco Commerce India Pvt. Ltd. vide the subject Bills of Entry as detailed in Annexure-B to the subject SCN, had imported goods having description 'AIR ACC1530-KJT1= SPARE ACCESSORY KJT FOR AP1530 SERIES etc.' under CTI 85369090 / 85177990. As per submission of the Importer these goods are cable glands, console port cover, ethernet/power port covers, DC Power connector, ground lug with screws. All these goods are made of plastics. Further, the imported goods covered under Annexure-C to the SCN, having description 'AIR ACCI560-CVR== COVER AND SOLAR SHIELD FOR AP1560 SERIES etc.' under CTI 85177090 are used to cover the device (AP 1560 Series) from direct solar heat and made of plastic. As per the SCN, the subject goods are more appropriately classifiable under CTI 39269099.

As per Rule 1 of General Rules of Interpretation (GRI) of the First Schedule to the Customs Tariff Act, 1975:

"The titles of Sections, Chapters and sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Section or

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

Chapter Notes and, provided such headings or Notes do not otherwise require, according to the following provisions."

This Rule establishes supremacy of Section Notes and Chapter Notes for resolving classification disputes.

As per Note 1(g) of Section XVI of Customs Tariff Act, 1975, parts of general use, as defined in Note 2 to Section XV, of base metal (Section XV), or similar goods of Chapter 39 are excluded from Section XVI i.e. Chapters 84 and 85 of Tariff. Note 2 of Section XV definition for parts of general use is reproduced below:

"2. Throughout this Schedule, the expression "parts of general use" means:

(a) articles of heading 7307, 7312, 7315, 7317 or 7318 and similar articles of other base metal, other than articles specially designed for use exclusively in implants in medical, surgical, dental or veterinary sciences (heading 9021);

(b) springs and leaves for springs, of base metal, other than clock or watch springs (heading 9114); and

(c) articles of headings 8301, 8302, 8308, 8310 and frames and mirrors, of base metal, of heading 8306.

In Chapters 73 to 76 and 78 to 82 (but not in heading 7315) references to parts of goods do not include references to parts of general use as defined above.

Subject to the preceding paragraph and to Note 1 to Chapter 83, the articles of Chapter 82 or 83 are excluded from Chapters 72 to 76 and 78 to 81."

Accordingly, in accordance with the definition of 'parts of general use' provided in Note 2 to Section XV of the Customs Tariff Act, 1975, articles falling under Heading 7318 are specifically recognized as parts of general use. Such articles are therefore excluded from classification under Sections XVI, including Chapters 84 and 85, as clarified by Note 1(g) to Section XVI. The relevant tariff entry for CTH 7318, which provides the detailed description of these parts, is reproduced below for reference:

7318 SCREWS, BOLTS, NUTS, COACH-SCREWS, SCREW HOOKS, RIVETS, COTTERS, COTTER-PINS, WASHERS INCLUDING SPRING WASHERS) AND SIMILAR ARTICLES, OF IRON OR STEEL

It is evident that Washers are considered as parts of general use as per Note 2 to Section XV and hence are excluded from Section XVI as per Note 2 to Section XVI. Further, Note 2 to Section XVI also states that similar goods

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

of Chapter 39 are also excluded from Section XVI. In this instance, even if the article may be committed by design and for use solely or principally for the goods included in Section XVI, if it is identified as a "part of general use", the article is excluded from classification in Section XVI. For example, an iron or steel article having essential character of bolt but committed by design to function as a fastening or holding device in a particular mining machine, is classified in Heading 7318 and not as machine part since Heading 7318 falls within a scope of the expression "parts of general use".

Heading 3926 covers "other articles of plastics". This Heading includes items not elsewhere specified or included, of plastics (as defined in Note 1 to the Chapter) or of other materials of Heading 39.01 to 39.14. Relevant Entry of CTH 3926 is reproduced as below:

3926 OTHER ARTICLES OF PLASTICS AND ARTICLES OF OTHER MATERIALS OF HEADINGS 3901 TO 3914

.....

--- *Other:*

.....

3926 90 91 --- of Polyurethane Foam

3926 90 99 --- Other

As per WCO Explanatory Notes, this Heading specifically covers articles that are similar to parts of general use when made of plastics. I find that as the goods mentioned in Annexure-B and Annexure-C of the subject SCN are a kind of fittings/covers made of plastic and considered as a parts general use hence, the subject goods are excluded from CTI 85077990/ 85369090/ 85177090. Further, in view of WCO HSN Explanatory Notes of CTH 3926 and as per Notes of Section XV and XVI of the Tariff, I find that the correct classification of the subject goods covered under Annexure-B and Annexure-C to the subject SCN is under CTI 39269099 which is more appropriate when they are general use goods made of plastic. This CTI covers 'Other articles of plastics and articles of other materials of headings 3901 to 3914'. I also note that the Importer accepted the proposed classification during Audit and they have already changed their classification in the Bills of Entry filed from 12.06.2022.

AUDIT PARA NO. 4: -

6.4.3 Audit Para No. 4 (CI000- 24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON CI000 FANLESS MODELS & C1110-TOP-PLATE= CISCO 1100 ROUTER TOP COVER FOR CONTAMINATION PROTECTION (PART OF NETWORKING EQUIPMENT) & C1120- TOP-PLATE= CISCO 1120 SERIES TOP COVER FOR CONTAMINATION PROTECTION & 2960L-24TOP-PLATE=

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

TOP PLATE FOR COVERING PERFORATIONS ON C2960L FANLESS MODELS
etc.)

I note that the Importer, M/s. Cisco Commerce India Pvt. Ltd. vide the subject Bills of Entry as details in Annexure-D to the subject SCN, had imported goods having description 'TOP PLATE FOR COVERING PERFORATIONS ON C1000/ TOP PLATE FOR COVERING PERFORATIONS ON C1000 of different models' under CTI 85177090/85177990. As per submission of the Importer these goods are made of Iron metal plate and used to cover the perforations and maintain the internal cleanliness and support of the Switches. However, as per the SCN, the subject goods are more appropriately classifiable under CTI 73269099.

As per Rule 1 of General Rules of Interpretation (GRI) of the First Schedule to the Customs Tariff Act, 1975:

"The titles of Sections, Chapters and sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes and, provided such headings or Notes do not otherwise require, according to the following provisions."

This Rule establishes supremacy of Section Notes and Chapter Notes for resolving classification disputes.

As per Note 1(g) of Section XVI of Customs Tariff Act, 1975, parts of general use, as defined in Note 2 to Section XV, of base metal (Section XV), or similar goods of Chapter 39 are excluded from Section XVI viz. Chapters 84 and 85 of Tariff.

Heading 7326 covers "other articles of iron or steel", 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, welding, turning, milling or perforating. Relevant Entry of CTH 7326 is reproduced as below:

7326 OTHER ARTICLES OF IRON OR STEEL

.....

--- Other:

.....

7326 90 91 ---- Shanks

7326 90 99 ---- Other

As per WCO Explanatory Notes, this Heading specifically covers articles that are similar to parts of general use when made of iron or steel. I find that as the goods mentioned in Annexure-D of the subject SCN are a kind of

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

general use plate and used to cover the Switches. They are considered as parts general use and hence, the subject goods are excluded from CTI 85077990. Further, in view of WCO HSN Explanatory Notes of CTH 7326 and as per Notes of Section XV and XVI of the Tariff, I find that the classification of the subject goods covered under Annexure-D to the subject SCN is under CTI 73269099 which is more appropriate when they are made of iron. This CTI covers 'Other articles of Iron or Steel'. I also note that the Importer accepted the proposed classification during Audit and they have already changed their classification in the Bills of Entry filed from 06.02.2025.

AUDIT PARA NO. 7: -

6.4.4 Audit Para No. 7 (C9200L-STACK-KIT= CISCO CATLYST 9200L STACK MODULE):

I note that the Importer, M/s. Cisco Commerce India Pvt. Ltd. in the Bills of Entry as detailed in Annexure-G to the subject SCN, had imported goods having description 'C9200L-STACK-KIT= CISCO CATLYST 9200L STACK MODULE' under CTI 85177090/85177990. As per submission of the Importer these goods are plug-in stack module, and used to enabling seamless physical and logical interconnection of multiple Switches into a single stack. It includes two data stack adapters and one data stack cable – providing all the necessary hardware components for constructing a Stack Wise-80 or Stack Wise-160 ring topology. However, as per the SCN, the subject goods are more appropriately classifiable under CTI 85444292. Illustrative example of the said products are given below:



I find that the Heading 8517 covers apparatus for the transmission or reception of speech or other sounds, images or other data between two points by variation of an electric current or optical wave flowing in a wired network or by electro-magnetic waves in a wireless network. The networks, which may be interconnected, include telephony, telegraphy, radio-telephony, radio-telegraphy, local and wide area networks. In the subject case, I find that the imported goods are not apparatus for the transmission and reception of speech, sounds, images or other data and hence, not classifiable under CTH 8517.

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

In cases of classification disputes, the General Rules for the Interpretation (GRI) are applied sequentially, beginning with Rule 1, which provides that classification shall be determined as per the terms of the Headings and relevant Section or Chapter Notes. Where classification cannot be determined under Rule 1, the subsequent rules apply. In the subject case, Rules 2(a) and 2(b) are not applicable as the goods are neither incomplete nor composite. Accordingly, the matter falls for consideration under Rule 3, which deals with goods that are prima facie classifiable under more than one heading, and as per Rule 3(a), the heading providing the most specific description is to be preferred over a more general one; therefore, the heading offering the most precise and specific description shall be adopted for classification purposes.

The relevant entry of the CTH 8544 are reproduced below:

8544 INSULATED (INCLUDING ENAMELLED OR ANODISED) WIRE, CABLE (INCLUDING CO-AXIAL CABLE) AND OTHER INSULATED ELECTRIC CONDUCTORS, WHETHER OR NOT FITTED WITH CONNECTORS; OPTICAL FIBRE CABLES, MADE UP OF INDIVIDUALLY SHEATHED FIBRES, WHETHER OR NOT ASSEMBLED WITH ELECTRIC CONDUCTORS OR FITTED WITH CONNECTORS

.....

	--	<i>Other electric conductors, for a voltage not exceeding 1,000V:</i>
8544 42	--	<i>Fitted with connectors:</i>
8544 42 10	---	<i>Paper insulated</i>
8544 42 20	---	<i>Rubber insulated</i>
8544 42 20	---	<i>Rubber insulated</i>
8544 42 90	---	<i>Other</i>
	---	<i>Other:</i>
8544 42 91	----	<i>Paper insulated, of a kind used in telecommunication</i>
8544 42 92	----	<i>Plastic insulated, of a kind used in telecommunication</i>
8544 42 93	----	<i>Rubber insulated, of a kind used in telecommunication</i>
8544 42 99	----	<i>Other</i>

The Heading 8544 covers electric wire, cable and other conductors (e.g., braids, strip, bars) used as conductors in electrical machinery, apparatus or installations. If the Wire, cable, etc., are cut to length or fitted with connectors (e.g., plugs, sockets, lugs, jacks, sleeves or terminals) at one or both ends, they remain classified under this Heading.

I find that the imported goods mentioned in Annexure-G to the SCN pertain to the Cisco Catalyst C9200L STACK Kit, which serves as an

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

expansion module enabling the interconnection of multiple compatible switches into a single logical unit, thereby facilitating network management and enhancing redundancy. The kit comprises insulated wire and cable components fitted with connectors, used to establish electrical connections between terminals. Accordingly, in view of Rule 3(a) of the General Rules of Interpretation and the WCO Explanatory Notes to CTH 8544, the subject goods are correctly classifiable under CTI 8544 42 92. It is further noted that the Importer accepted the proposed classification during the Audit and has amended the classification in the relevant Bills of Entry filed from 29.03.2023.

AUDIT PARA NO. 8: -

6.4.5 Audit Para No. 8 (NXA-PDC-930W-PE= NEXUS 9K DC PS, PORT-SIDE EXHAUST & NXA-PAC- 350W-PE= NEXUS AC 350W PSU - PORT SIDE EXHAUST & NXA-PDC 1100W-PE= NEXUS 1100W PLATINUM DC PS, PORT SIDE EXHAUST SPARE etc.)

I note that the Importer, M/s. Cisco Commerce India Pvt. Ltd. vide the subject Bills of Entry as detailed in Annexure-H to the subject SCN, had imported goods having description 'NXA-PDC-930W-PE= NEXUS 9K DC PS, NXA-PAC- 350W-PE= NEXUS AC 350W PSU, & NXA-PDC 1100W-PE= NEXUS 1100W PLATINUM DC -PORT SIDE EXHAUST' under CTI 85044029/ 85044090. As per submission of the Importer these goods are hot-swappable AC Power supply module designed for Cisco Nexus 9000 Series Switches. These different type models are used to deliver DC output power as per requirements. These units support an AC input range of 100-240 V AC at 50-60 Hz. These are port-side exhaust systems which help to maintain optimum operating temperatures, especially in high-density deployments where thermal management are critical. In the subject case, Importer wrongly availed the benefits under Sr. No. 13 of the Notification No. 57/2017-Cus dated 30.06.2017.

Relevant entry of Sr. No. 13 of the Notification No. 57/2017-Customs dated 30.06.2017, reads as below: -

Sr. No.	Chapter or Heading or sub-heading or tariff item	Description of goods	Standard rate (Basic Customs Duty)	Condition No.
13	8504 40	All goods other than the following goods, namely: - (a) charger or power adapter; (b) solar inverter	10%	-

I note that these imported goods mentioned in Annexure-H of the subject SCN are power adapter and used to convert power from AC to DC as

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

per requirement. I find that the Importer correctly classified the goods under CTH 850440. However, I note that the benefits of concessional rate of duty under Sr. No. 13 of the Notification No. 57/2017-Customs dated 30.06.2017 is not available for the charger or power adapter and solar inverter. As the imported goods under Annexure-H of the SCN are a type of power adapter, therefore, I find that these goods are not eligible for benefits of the Sr. No. 13 of the Notification No. 057/2017-Customs dated 30.06.2017. The Importer has also accepted this and ready to pay differential duty.

6.4.6 I observe that during course of the Audit, Importer accepted six Audit objections, namely Objection Nos. 01, 02, 03, 04, 07, and 08, pertaining to incorrect classification of the imported goods covered under the aforesaid Audit Paras, and ready to pay differential duty for normal time period from date of the subject SCN. It is further noted that the Importer had already changed the classification of the subject goods covered under aforesaid Audit Paras, prior to commencement of the Audit; however, despite such correction, the Importer failed to voluntarily discharge the differential duty for the past period during which the earlier incorrect classification was applied, and revenue remained short-paid.

In the regime of self-assessment, the statutory responsibility lies entirely on the Importer to comply with applicable laws, correctly determine duty liability, and ensure accurate declaration of all particulars including description, valuation, classification, and applicable notification benefits, if any. The Importer is also obligated to correctly determine and discharge the applicable duty. Where an incorrect classification—whether due to deliberate action or oversight—results in loss of revenue, and the Importer subsequently realizes the error and amends the classification, the Importer is obligated to voluntarily pay the differential duty for the normal period. In the subject case, despite realisation of the incorrect classification and subsequent correction of the same, the Importer failed to take any steps to pay the differential duty pertaining to the earlier period. Such failure cannot be treated as a mere procedural oversight, but rather constitutes a deliberate withholding of duty that was admittedly due and payable. Also, the Importer was aware of the misclassification and resultant short payment of duty; however, no voluntary compliance or disclosure was made to the Department prior to initiation of Audit. The suppression of the correct duty liability and failure to pay the duty even after realization of the error constitute clear evidence of wilful misstatement and intention to evade payment of duty.

In view of the above, I find that the Importer did not discharge the duty liability after identifying and correcting the classification. This conduct indicates intentional suppression, wilful misstatement with intention to evade

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

payment of duty. Accordingly, the differential duty is recoverable under Section 28(4) of the Customs Act, 1962 for the aforesaid Audit Paras.

As per Section 28(1)(b) of the Customs Act, 1962, the Importer has the option to voluntarily pay the duty along with interest based on their own ascertainment or as determined by the proper officer, prior to the issuance of a show cause notice. This provision facilitates voluntary compliance and early settlement of duty liabilities.

In the subject case, although the Importer accepted the dispute and subsequently classified the goods under the correct Tariff entry, they failed to pay the duty and interest applicable to the earlier period, as mandated under Section 28(1)(b) of the Customs Act, 1962. Mere acceptance of the correct classification does not absolve the Importer from the liability for duties and interest already accrued on the previously misclassified goods. Therefore, issuance of the SCN under Section 28(4) of the Customs Act, 1962 is justified, as the Importer has neither made voluntary payment of the duty and interest nor complied with the statutory requirement, despite acknowledgment of the correct classification. Such conduct of the Importer indicates suppression of material facts with intention to evade the Customs duty. Therefore, Section 28(4) of the Customs Act, 1962 is appropriately applicable in this case for Audit Para Nos. 01, 02, 03, 04, 07, and 08.

6.5 Audit Paras Nos 05, 06 and 09 were not accepted by the importer. The details of these Paras/Observations are as below:

AUDIT PARA NO. 5 AND 6: -

6.6 Audit Para No. 5 (15216-MD- 48-ODDE= ONS 15216 48CH MUX/DEMUX PATCH PANEL ODD EXTENDED BANDWIDTH (MULTIPLEXER) & 15216-MD-48-EVENE= ONS 15216 48CH MUX/DEMUX PATCH PANEL EVENEXTENDED BANDWIDTH & NCS1K-MD-64-C= NCS 1000 64 CHS ODD MUX/DEMUX PATCH PANEL - C-BAND & NCS1K-MD-320 C= NCS 1000 32 CHS ODD MUXIDEMUX PATCH PANEL -150GHZ - C-BAND etc.) [**Audit Para No. 6** (15216-MD48-CME2=ONS 15216 MUX/DEMUX PLUGIN COUPLER/ SPLITTER MODULE DUAL O/P etc)]

6.6.1 The Importer, M/s. Cisco Commerce India Pvt. Ltd. for the subject Bills of Entry as detailed in Annexure-E to the subject SCN, had imported goods having description '15216-MD- 48-ODDE= ONS 15216 48CH MUX/DEMUX PATCH PANEL ODD EXTENDED BANDWIDTH (MULTIPLEXER)' under CTI 85176270 and in Annexure-F to the subject SCN, had imported goods having description '15216-MD48-CME2=ONS 15216 MUX/DEMUX PLUGIN COUPLER/ SPLITTER MODULE' under CTI 90138000. It is also observed that

the Importer changed the classification of the imported goods covered under Annexure-E (Audit Para No.-5) to the subject SCN from CTI 85176270 to CTI 90138000 w.e.f. 01.01.2024. However, as per the SCN, the subject goods are more appropriately classifiable under CTI 85176290.

6.6.2 Multiplexer/Demultiplexer (MUX/DEMUX): A **Multiplexer (MUX)** is a networking device that enables one or more analog or digital input signals to be transmitted simultaneously over a single communication line. The fundamental purpose of multiplexing is to optimize the utilization of available transmission media by combining multiple signals into one shared link, thereby improving efficiency and reducing overall communication costs. In essence, multiplexing (or muxing) allows multiple independent data streams to travel concurrently in the form of a single composite signal. A **Demultiplexer (DEMUX)** performs the opposite function. It receives a multiplexed signal and separates it back into individual data streams, directing each signal to its appropriate output path. This ensures that the receiving end of the communication system can accurately identify, interpret, and process each transmitted signal independently.

MUX/DEMUX Plugin Coupler/Splitter: This is a passive optical module, generally in a pluggable form factor, that utilizes Wavelength Division Multiplexing (WDM) to combine and separate multiple optical signals over a single fiber. This technology enhances fiber network capacity without requiring additional fiber installation. The terms *coupler* and *splitter* often describe the same device or its functional mode within the MUX/DEMUX system. In WDM applications, optical filters are used to merge (multiplex) or divide (demultiplex) light at different wavelengths. As a passive component, the device operates without electrical power and relies solely on optical principles such as bending, reflecting, and filtering of light.

6.6.3 As per the Importer's submissions dated 15.01.2025 and 03.11.2025 the Multiplexer/Demultiplexer and plugin coupler/splitter are passive optical devices because they operate exclusively by manipulating light wavelengths, without performing any electrical conversion, processing, or regeneration of the signal. The Importer further contends that such passive optical function is covered under CTH 9013, specifically under CTI 90138000. Further, Importer argued that CTH 8517 covers machines used for reception, conversion, transmission, or regeneration of voice, images, or other data, including switching and routing equipment. Since optical splitting or combining does not involve conversion or regeneration of data and is performed purely through passive light manipulation, the Importer claims that the goods do not fall under Heading 8517.

6.6.4 The Importer has asserted classification under CTH 9013. The relevant entry of the CTH 9013 are reproduced below:

9013		<i>LASERS, OTHER THAN LASER DIODES; OTHER OPTICAL APPLIANCES AND INSTRUMENTS, NOT SPECIFIED OR INCLUDED ELSEWHERE IN THIS CHAPTER:</i>
9013 10	-	<i>Telescopic sights for fitting to arms; periscopes; telescopes designed to form parts of machines, appliances, instruments or apparatus of this Chapter or Section XVI:</i>
9013 10 10	---	<i>Telescopic sights for fitting to arms</i>
9013 10 20	---	<i>Periscopes</i>
9013 10 90	---	<i>Other</i>
9013 20 00	-	<i>Lasers, other than laser diodes</i>
9013 80 00	-	<i>Other devices, appliances and instrument</i>
9013 90 00	-	<i>Parts and accessories</i>

The WCO Explanatory Notes clarify that Chapter 90 covers a wide range of instruments and apparatus primarily used for scientific purposes (laboratory research work, analysis, astronomy, etc.), for specialised technical or industrial purposes (measuring or checking, observation, etc.) or for medical purposes.

Further examination of Heading 9013 shows that it mainly covers items such as Lasers (other than diodes), Hand magnifying glasses and magnifiers, Telescopic sights for weapons, refracting or reflecting, presented separately, Fiberscopes, Stereoscopes, Kaleidoscopes, Magnifying periscopes, Mounted glass mirrors, optically worked, Optical light beam signalling apparatus (Example in Morse Code), and other similar optical appliances or devices.

It is evident that the subject goods, namely the MUX/DEMUX and plugin Coupler/Splitter modules, do not fall within the description or intended scope of Heading 9013, which primarily covers optical appliances and instruments used for scientific, analytical, medical, observation, or precision-based applications such as Telescopic devices, Magnifiers, Lasers (other than diodes), fiberscope-type instruments, and similar specialised optical apparatus. The subject goods do not perform any optical measurement, magnification, observation, or analytical function; rather, their sole function is to passively combine, route, or separate optical wavelengths for the purpose of data transmission within telecommunication networks. Although these products operate on optical principles, their essential character and primary use lie in the field of communication infrastructure rather than in scientific or optical instrumentation. Therefore, the subject

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

goods do not meet the technical or functional criteria for classification under CTH 9013 and cannot be considered as 'other optical appliances or instruments' of that heading, and consequently, do not merit classification under CTH 9013.

6.6.5 Further for the classification of the subject goods under CTH 8517, the relevant entry of the CTH are reproduced below:

8517	<i>TELEPHONE SETS, SM ARTPHONES AND OTHER TELEPHONES FOR CELLULAR NETWORKS OR FOR OTHER WIRELESS NETWORKS: OTHER 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), OTHER THAN TRANSMISSION OR RECEPTION APPARATUS OF HEADING 8443, 8525, 8527 OR 8528</i>
.....	
	- <i>Other apparatus for 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)</i>
8517 61 00	-- <i>Base stations</i>
8517 62	-- <i>Machines for the reception, conversion and transmission or regeneration of voice images or other data, including switching and routing apparatus:</i>
8517 62 10	--- <i>PLCC equipment</i>
8517 62 20	--- <i>Voice frequency telegraphy</i>
8517 62 30	--- <i>Modems (modulators-demodulators) for xDSL based Wireline Telephony</i>
8517 62 50	--- <i>Digital loop carrier system (DLC)</i>
8517 62 60	--- <i>Synchronous digital hierarchy system (SDH)</i>
8517 62 70	--- <i>Multiplexers, statistical multiplexers for PDH based Wireline Telephony</i>
8517 62 90	--- Other

The Heading 8517 covers apparatus for the transmission or reception of speech or other sounds, image or other data between two points by variation of an electric current or optical wave flowing in a wired network or by electro-magnetic waves in a wireless network. The signal may be analogue or digital in nature. As per the WCO Explanatory Notes, the expression "other apparatus for transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network" refers to equipment that either connects to a communication network or participates in transmitting or receiving data through such networks. Communication networks include, *inter alia*, carrier-current line systems, digital-line systems and combinations thereof. They may be configured, for example, as Public Switched Telephone Networks (PSTN), Local Area Networks (LAN),

Metropolitan Area Networks (MAN) and Wide Area Networks (WAN), whether proprietary or open architecture.

This group includes:

- (i) Network interface cards (e.g., Ethernet cards)
- (ii) Modems (combined modulators–demodulators)
- (iii) Routers, bridges, hubs, repeaters, and channel-to-channel adapters
- (iv) Multiplexers and related line equipment (including transmitters, receivers, and electro-optical converters)
- (v) Codecs capable of transmitting and receiving digital information
- (vi) Pulse-to-tone signal converters

It is evident that apparatus such as Modems, Multiplexers and related line equipment (e.g. transmitters, receivers or electro-optical converters), Routers, Transmitters, Receivers, Electro-optical Converters, and similar communication equipment fall under sub-heading 8517 62, which covers machines for the reception, conversion, transmission, or regeneration of data, including switching and routing apparatus.

Upon detailed examination, it is observed that the subject goods described in Annexure-E and Annexure-F of the Show Cause Notice comprise MUX/DEMUX and pluggable Coupler/Splitter modules, which function to enable the simultaneous transmission of multiple analog or digital signals over a single communication channel. The core function of multiplexing is to optimize the utilization of transmission media by combining multiple independent signals into a single composite stream, thereby enhancing network efficiency and reducing infrastructure requirements. A Demultiplexer separates this composite signal back into its original individual data streams at the receiving end, ensuring accurate routing and interpretation of each signal. The MUX/DEMUX and plugin Coupler/Splitter modules operate as passive optical components employing Wavelength Division Multiplexing (WDM) technology to combine and separate multiple optical wavelengths over a single fiber. This capability significantly enhances network capacity without necessitating additional fiber installations, and the same module may function as a coupler or splitter depending on operational configuration.

Accordingly, based on their functional characteristics, technical capabilities, and usage within telecommunication network architecture, the subject goods fall within the scope of equipment described under Heading 8517, specifically within the category of apparatus used for transmission, reception, conversion, or regeneration of data in a wired communication network. In line with the structure of the Tariff and the guidance of the WCO Explanatory Notes—particularly the inclusion of Multiplexers, Optical converters, and related communication hardware under this heading—the

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

subject goods are more appropriately classifiable under CTI 8517 62 90 as “Other machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus.”

6.6.6 Further, for effective identification of products/equipments covered under CTI 85176290/85176990 under Notification No. 57/2017-Customs dated 30.07.2017, the CBIC issued Circular No. 08/2023 dated 13.03.2023. The identification of products/equipment covered under Sr. No. 20 of the said notification, is illustrated in Annexure-I of the said Circular as reproduced below: -

Annexure-I of CBIC Circular No. 08/2023 dated 13.03.2023

NOTIFICATION ITEM	NOTIFICATION DESCRIPTION	IDENTIFICATION OF PRODUCTS/EQUIPMENT COVERED
(b) and (d)	Optical transport equipment and Optical Transport Network products	Machines and apparatus covered include- i. OTN equipment; ii. Dense Wavelength Division Multiplexer (DWDM); iii. Coarse Wavelength Division Multiplexer (CWDM); iv. Elements of (i), (ii) or (iii)above: ROADM, Booster Amplifiers, Pre-Amplifiers, Inline Amplifiers, Raman Amplifiers, Mux-Demux , Transponders, Mux-ponders, OADM and Regenerators, Optical Power Monitoring and Optical Line Protection equipment.
(c)	Combination of one or more of Packet Optical Transport Product or Switch (POTP or POTS)	The Machines /apparatus covered under this category include- i. Optical Line Terminal (OLT) for FTTX (GPON/ EPON/ XGSPON/10 GEAPON/ NG-PON 2/25 GPON/ 50 GPON etc.); ii. Optical Network Terminal (ONT) for FTTX (GPON/ EPON/ XGS PON/10 GEAPON/NG- PON 2/ 25 GPON/50 GPON etc.).
(e)	Internet Protocol (IP) Radios	The Machines /apparatus covered under this category include- i. Wi-Fi Access Point Equipment and Wi-Fi Controller; ii. Repeaters (RF/RF-over-Optical) & In-Building Solution (IBS)- Indoor/Outdoor including active and passive Accessories (2G/3G/ 4G/5G and onwards); iii. Wireless Radio Link-(IP/Hybrid) equipment.
(f)	Soft switches and Voice over Internet Protocol	Card/module or sub-systems converting analog voice signal into digital packets that

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

	(VoIP)equipment, namely, VoIP phones, Media gateways, Gateway controllers and Session border controllers	are carried over internet protocol use one or more of these products. Some examples are- i. Internet Protocol Private Branch Exchange (IPPBX); ii. IP Multimedia Systems (IMS); iii. Unified communication systems (UCS).
(g)	Carrier Ethernet Switches, Packet Transport Node (PTN) products, Multiprotocol Label Switching Transport Profile (MPLS-TP) products	The Machines /apparatus covered under this category include- i. IP-MPLS Based equipment; ii. MPLS-TP based equipment; iii. SDN Based MPLS equipment; iv. PTN products for Carrier Ethernet Network (CEN) for Access and Aggregation Network Applications
(h)	Multiple Input/Multiple Output (MIMO) and Long-Term Evolution (LTE) products	The Machines/apparatus covered under these categories include- i. 4G(LTE)products and their Elements, namely- e Node B, RRH, CU, DU, RU, BBU, EPC, MME, SGW, PGW, HSS, IMS, Network In a Box (NIB),4GCPE, etc.; ii. 5G products and its Elements, namely-g Node B, RRH, CU, DU, RU, BBU, 5GC, IMS, Network in a Box (NIB), 5G CPE, etc.; iii. 4G and 5G enabled NB IoT devices; iv. Equipment in incorporating technologies beyond 5G.

The imported goods in the subject case are Dense Wavelength Division Multiplexers (DWDM), which facilitate the simultaneous transmission of multiple optical signals over a single optical fiber, thereby significantly enhancing network capacity and efficiency. In view of their technical function, usage, and the illustrative examples provided in Annexure-I of CBIC Circular No. 08/2023 dated 13.03.2023, it is evident that these DWDM units fall squarely within the scope of optical transport equipment under Heading 8517. Consequently, the subject goods are appropriately classifiable under CTI 8517 62 90 as ‘Other machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus’.

In view of the forgoing, I conclude that the imported goods, as detailed in Annexure-E and Annexure-F of the Show Cause Notice (SCN), are correctly classifiable under CTI 85176290.

AUDIT PARA NO. 9: -

6.7 Audit Para No. 9 Printed Circuit Board Assembly (PCBA) for all categories-of Switches:

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

6.7.1 The Importer, M/s. Cisco Commerce India Pvt. Ltd. in the subject Bills of Entry as mentioned in Annexure-I to the subject SCN, imported goods having description 'Printed Circuit Board Assembly (PCBA) of various models' under CTI 85177910 and availed the benefits of the Sr. No. 22 of the Notification No. 57/2017-Customs dated 30.06.2017. However, as per the SCN, the said notification benefits are not applicable for the imported goods i.e. 'PCBA of Non-Carrier Ethernet Switches' covered under Annexure-I to the SCN.

6.7.2 As per Importer's submission dated 15.01.2025, it is said that they imported these PCBAs primarily for the use in Routers. However, in some cases they imported the PCBAs for Ethernet Switches, classifying them in CTI 85177910 and availing the benefits of Sr. No. 22 of the Notification No. 57/2017-Customs dated 30.06.2017. However, the Importer failed to submit the details of the segregation of the PCBAs which are used in Routers and Ethernet Switches during Audit before the Audit Officers.

6.7.3 Further, Importer vide their submission dated 03.11.2025, said that the imported PCBAs are a high-speed internal switching component used in modular network chassis systems. Serving as a crossbar fabric switch, it interconnects supervisor modules and line cards to enable efficient data transfer within the chassis. These PCBAs are used in different telecommunication network equipment. Further, Importer submitted that majority of the PCBAs are used in Routers and a few PCBAs are used in Ethernet Switches and accordingly, the bifurcation of demanded differential duty of the PCBAs used in Routers and in Ethernet Switches as calculated by the Importer is said to be as below:

Sl. No.	Product Category	Differential Duty Demanded (in Rs.)
1.	PCBAs used in Ethernet Switches	5,98,579
2.	PCBAs used in Routers	8,20,12,114.56
3.	Total Demand in respect of PCBAs	8,26,10,693.55

Details of Bills of Entry where PCBAs were imported for Ethernet Switches:

Sr. No.	BE No. & BE date	Description	Ass. Value	Diff Duty
1.	7010236 dt. 22.07.2023	N9K-C9504-FM-E = FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PRINTED CIRCUIT BOARD ASSEMBLY) N9K-C9504-FM-E=FABRIC MODULE FOR N9504 WITH 100G SUPPORT, A	1799594	233587.29
2.	7010236 dt. 22.07.2023	N9K-C9504-FM-E = FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PRINTED CIRCUIT BOARD ASSEMBLY) N9K-C9504-FM-E=FABRIC MODULE FOR N9504 WITH 100G SUPPORT, A	1799594	233587.29

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

3.	2820879 dt. 11.10.2022	DS-X9710-FAB3= MDS 9710 CROSSBAR SWITCHING FABRIC-3 MODULE (PRINTED CIRCUIT BOARD ASSEMBLY) DS-X9710-FAB3= MDS 9710 CROSSBAR SWITCHING FABRIC-3 MODULE	597070	77499.64
4.	8285984 dt. 13.10.2023	N9K-C9504-FM-E= FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PRINTED CIRCUIT BOARD ASSEMBLY) N9K-C9504-FM-E= FABRIC MODULE FOR N9504 WITH 100G SUPPORT, A	415291	53904.77
Total				598579

6.7.4 Further, Importer stated that a PCBA can be directly installed into a single slot on the Router motherboard through a Network Interface Module (NIM) connector. When deployed in this manner, the module provides specialized IP-based voice processing capabilities such as conferencing, media optimization, and transcoding, thereby enhancing the functional performance of the host router. Further, certain PCBAs are designed to operate as high-speed switching elements within modular chassis-based network systems. These assemblies, commonly referred to as PCBA fabric modules, function as crossbar switching components that interconnect supervisor engines and line cards to facilitate efficient, low-latency data transfer at full system bandwidth. Such modules are housed in dedicated chassis slots and are integrated with the system's thermal and airflow management design. They draw power and control signaling directly from the chassis, and their operational status is monitored through onboard diagnostic LEDs. Operating as passive or semi-passive assemblies, PCBA fabric modules are critical for enabling non-blocking architecture and support scalability requirements in enterprise and data-center-scale networks.

6.7.5 The Importer has further argued that the Show Cause Notice lacks technical literature, documentation, expert opinions, testing reports, or any other evidence to substantiate the allegation that the imported PCBAs are intended exclusively for use in Non-Carrier Ethernet Switches and are therefore excluded from Serial No. 22 of Notification No. 57/2017-Customs dated 30.06.2017. However, it is observed that the Importer did not furnish the relevant documents to the Audit officers during the Audit, and the Show Cause Notice was issued based on the information available at that time. As per the Customs Audit Regulations, 2018, it is the responsibility of the importer/exporter to furnish all required documents, information, or records, including electronic records, to the Audit Officers. In view of this, the Importer's failure to produce the necessary information during the Audit undermines their contention, and therefore the allegation raised by the Importer is not acceptable.

6.7.6 Classification of Goods:

The relevant entry of the CTH 8517 are reproduced below:

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

8517 TELEPHONE SETS, SM ARTPHONES AND OTHER TELEPHONES FOR CELLULAR NETWORKS OR FOR OTHER WIRELESS NETWORKS: OTHER 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), OTHER THAN TRANSMISSION OR RECEPTION APPARATUS OF HEADING 8443, 8525, 8527 OR 8528

.....

- Parts:

.....

8517 79 -- Other:

.....

8517 79 10 --- Populated, loaded or stuffed printed circuit boards

8517 79 90 --- Other

In cases of classification disputes, the General Rules for the Interpretation (GRI) are applied sequentially, beginning with Rule 1, which provides that classification shall be determined as per the terms of the Headings and relevant Section or Chapter Notes. Where classification cannot be determined under Rule 1, the subsequent rules apply. In the subject case, Rules 2(a) and 2(b) are not applicable as the goods are neither incomplete nor composite. Accordingly, the matter falls for consideration under Rule 3, which deals with goods that are prima facie classifiable under more than one heading, and as per Rule 3(a), the heading providing the most specific description is to be preferred over a more general one; therefore, the heading offering the most precise and specific description shall be adopted for classification purposes.

Based on the declarations in the Bills of Entry and the details provided in Annexure-I to the SCN, the subject goods are Printed Circuit Board Assemblies (PCBAs) for Ethernet Switches and Routers. Since a specific Tariff entry exists for populated or loaded Printed Circuit Boards under CTI 8517 79 10, this Heading provides the most specific description. Therefore, in view of the CTH 8517 entry and applying GRI 3(a), the subject goods are appropriately classifiable under CTI 8517 79 10. Accordingly, I find that the Importer has correctly classified the goods under CTI 8517 79 10 and there is no dispute regarding the classification in the subject case.

6.7.7 Eligibility of Sr. 22 of the Notification No. 57/2017-Customs dated 30.06.2017 (as amended):

6.7.7.1 Sr. No. 22 of Notification No.57/2017-Customs dated 30.06.2017 as amended, reads as below: -

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

Sr. No.	Chapter or Heading or sub-heading or tariff item	Description of goods	Standard rate (Basic Customs Duty)	Condition No.
"22	8517 79 10	<p>Printed Circuit Board Assembly (PCBA) of following goods, namely: -</p> <p>(a) Base station;</p> <p>(b) Optical transport equipment;</p> <p>(c) Combination of one or more of Packet Optical Transport Product or Switch (POTP or POTS);</p> <p>(d) Optical Transport Network (OTN) products;</p> <p>(e) IP Radios;</p> <p>(f) Soft switches and Voice over Internet Protocol (VoIP) equipment, namely, VoIP phones, media gateways, gateway controllers and session border controllers;</p> <p>(g) Carrier Ethernet Switch, Packet Transport Node (PTN) products, Multiprotocol Label Switching Transport Profile (MPLS-TP) products;</p> <p>(h) Multiple Input/Multiple Output (MIMO) products;</p> <p>(i) Long-Term Evolution (LTE) products;</p>	10%	-

6.7.7.2 During the Audit, it was observed that the Importer had imported 'Carrier Ethernet Switches (MPLS-IP Products)' but declared them as 'Non-Carrier Ethernet Switches / Enterprise-class Ethernet Switches' for the purpose of availing the benefit of concessional rate of BCD under Sr. No. 20 of Notification No. 57/2017-Customs dated 30.06.2017. In this regard, Directorate of Revenue Intelligence (DRI), Pune had initiated a separate investigation, where they had drawn the samples of the Switches (C9300-4P-4X-E, C9500-48Y4C-A, N9K-C93180YC-FX3 & C9200L-48PXG-4X-A) and forwarded to M/s. Sunren Telecom Laboratory, Mumbai, an accredited laboratory under the Telecommunication Engineering Centre (TEC), which functions under the Department of Telecommunications (DoT) as the nodal testing and certification authority for telecommunication equipment.

6.7.7.3 The test report issued by the TEC-accredited laboratory establishes that the imported Switches support essential Carrier-grade functionalities, including MPLS-TP, IP-MPLS, traffic engineering capabilities, Operations, Administration and Maintenance (OAM), precision timing in accordance with IEEE standards, Ethernet OAM and Connectivity Fault Management (CFM), as well as support for Carrier Ethernet service

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

frameworks such as E-Line and E-LAN services. In view of these technical specifications and operational capabilities, the laboratory has categorically concluded that the equipment qualifies as Carrier-class Ethernet Switches, suitable for deployment in Carrier Ethernet networks. On the basis of DRI Investigation, SCN No. 73/2025-26 dated 15.05.2025 was issued, wherein Ethernet Switches of various series, namely Nexus 9200, Nexus 9300, Nexus 9500, Catalyst 9200, Catalyst 9300, Catalyst 9400, Catalyst 9500, WS 3850, and Meraki Series Switches, imported by M/s. Cisco Commerce India Pvt. Ltd. were covered. Subsequently, the matter was adjudicated vide CAO No. 88/2025-26 dated 27.03.2026, wherein the Adjudicating Authority held that the Switches imported by M/s. Cisco Commerce India Pvt. Ltd. possess the features of Carrier Ethernet Switches. Accordingly, the Switches covered under the said proceedings were treated as Carrier Ethernet Switches.

6.7.7.4 It is further observed from the submissions dated 03.11.2025 and 27.11.2025 that the Importer has also imported Printed Circuit Board Assemblies (PCBAs) intended for use in Carrier Ethernet Switches. As per the description at Serial No. 22 of Notification No. 57/2017-Customs dated 30.06.2017 (as amended), PCBAs of Carrier Ethernet Switches are specifically covered for a concessional rate of Basic Customs Duty (BCD).

6.7.7.5 I find that Audit has not brought on record any evidence regarding the treatment of the Switches imported in the subject case as to whether Carrier or Non-Carrier Switches. Therefore, the benefit of doubt has to be given to the Importer's declaration that the Switches imported in this case namely N9K-C9504-FM-E=, N9K-C9504-FM-E=, DS-X9710-FAB3= and N9K-C9504-FM-E= are Carrier Ethernet Switches. The PCBAs imported by the Noticee for use in Carrier Grade Ethernet Switches fall within the scope of Serial No. 22 of the said notification and are eligible for the concessional BCD rate. The benefit of Sl. No. 22 of Notification No. 57/2017-Customs dated 30.06.2017 is applicable to these PCBAs intended for use in Carrier Grade Ethernet Switches.

6.7.8 As per Sr. No. 22 of Notification No. 57/2017-Customs dated 30.06.2017 (as amended), it is evident that the concessional rate of Basic Customs Duty is available only to PCBAs used in specific telecom and networking equipment expressly listed therein, including Carrier Ethernet Switches, Packet Transport Nodes, MPLS-TP products, LTE products, and Voice over IP (VoIP) equipment, among others. The said entry does not include or otherwise refer to PCBAs meant for use in Routers. Since eligibility for an exemption notification must be strictly interpreted and cannot be extended by implication or inference, PCBAs intended for use in Routers do not fall within the scope of Sr. No. 22 of the said notification. Accordingly, I hold that the PCBAs imported for use in Routers are not eligible for the concessional

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

rate of duty under Notification No. 57/2017-Customs dated 30.06.2017 and are liable to duty at the applicable Tariff rate.

6.8 Duty Calculation for Audit Para No. 9 (i.e. PCBAs):

6.8.1 Total duty demanded for the imported goods i.e. PCBAs mentioned in Annexure-I to the SCN is Rs. 8,26,10,694/-. The Importer has submitted the demanded duty bifurcation for PCBAs intended to use in Routers and Ethernet Switches, as under:

Sl. No.	Product Category	Differential Duty Demanded (in Rs.)
1.	PCBAs used in Ethernet Switches	5,98,579
2.	PCBAs used in Routers	8,20,12,115
3.	Total Demand in respect of PCBAs	8,26,10,694

6.8.2 Based on the above findings, I observe that the PCBAs imported for use in Carrier Ethernet Switches are eligible for the benefits of Serial No. 22 of Notification No. 57/2017-Customs dated 30.06.2017. In this case, the duty difference for these PCBAs works out to Rs. 5,98,579/-, and therefore, I find that this differential duty amount is not recoverable from the Importer.

6.8.3 However, the Importer also imported PCBAs intended for use in Routers, which are not covered under Serial No. 22 of Notification No. 57/2017-Customs dated 30.06.2017. Consequently, the PCBAs used for Routers are not eligible for the concessional benefits under the said notification, and the differential duty amount of Rs. 8,20,12,115/- is recoverable from the Importer.

6.8.4 Accordingly, the differential duty for Annexure-I of the SCN (Audit Para No. 9) is revised to Rs. 8,20,12,115/- (Rupees Eight Crore Twenty Lakh Twelve Thousand One Hundred Fifteen), instead of the previously stated amount of Rs. 8,26,10,694/- (Rupees Eight Crore Twenty-Six Lakh Ten Thousand Six Hundred Ninety-Four) in the SCN. This revised duty demand of Rs. 8,20,12,115/- (Rupees Eight Crore Twenty Lakh Twelve Thousand One Hundred Fifteen) is therefore recoverable from the Importer for the import of PCBAs used in Routers.

6.9 The Importer has cited U.S Customs / BTI Rulings. However, it is important to emphasize that such Rulings are not binding under the Customs Act, 1962, and cannot take precedence over the applicable domestic legal framework. While International Rulings may have persuasive value in interpreting the Harmonized System Nomenclature, classification under Indian Customs law must be based on statutory provisions, Chapter Notes, and the application of General Rules for Interpretations adopted in India. The

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

Indian Courts and authorities have consistently held that foreign rulings, while useful as reference, cannot supplant the binding statutory provisions under Indian Customs law.

6.10 The Importer contended that Bills of Entry Nos. 8723839 dated 10.11.2023 and 3187077 dated 24.04.2024, mentioned in the subject SCN, were provisionally assessed due to a pending investigation by the Special Valuation Branch (SVB) and continue to remain provisional, arguing that without finalization of assessment, any short-levy cannot be determined, rendering the SCN premature. However, the SVB deals with valuation of goods imported from related suppliers, whereas the subject case pertains to the classification of goods, which is a separate issue. Therefore, the pending SVB investigation cannot be a reason to withhold adjudication, and the Importer's contention in this regard is not tenable or acceptable.

6.11 Importer has stated that there is computation error of calculation in the subject SCN and hence, incorrect duty demanded in the subject SCN. The BE details cited are as below:

Sr. No.	BE No. and Date	Error in SCN	After verification of the details, it is found that:
1.	4934865 dated 07.08.2024	Warehouse BoE (Duty Rs. 438.65) (Annx-D)	I find that the goods covered under the subject Warehouse Bill of Entry No. 4934865 dated 07.08.2024 has already been cleared for home consumption through the filing of the Ex-Bond Bill of Entry No. 5176864 dated 21.08.2024 and for which duty is already demanded in the subject SCN and now recoverable for the corresponding Ex-Bond Bill of Entry.
2.	6375597 dated 23.11.2021	Assessable Value has been mentioned Rs. 46,840.5/- instead of Rs. 26,766/- (Annx-D)	In this BE, during assessment, the assessable value was enhanced from Rs. 26,766/- to Rs. 46,840.50; hence, the duty was correctly demanded in the subject BE.
3.	5268434 dated 27.08.2024	BoE pertains to Free Trade and Warehousing Zones (Annx-I) (Diff Duty – Rs. 13683/-)	This BE pertaining to the SEZ, hence, duty amount of Rs.13683/- was wrongly demanded.

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

In view of the above, I observe that Bills of Entry No. 4934865 dated 07.08.2024 and 5268434 dated 27.08.2024 were filed as a Warehouse BE and an SEZ BE respectively; therefore, the duty demand of Rs. 14,122/- (Rs. 439/- + Rs. 13,683/-) was incorrectly raised in the subject SCN and is not recoverable from the Importer. However, in respect of Bill of Entry No. 6375597 dated 23.11.2021, the declared assessable value of Rs. 26,766/- was enhanced to Rs. 46,841/- at the time of assessment, and accordingly, the duty demanded in the subject SCN for this BE is found to be correct.

6.12 Revised duty calculation: -

The total differential duty in the subject SCN after the foregoing findings is as under:

Audit Para No.	Description of the Imported Goods	Annexure	Duty Demanded in SCN (in Rs.)	Revised Duty Calculated (in Rs.)	Remarks
1.	N9K C9504-FM-E= FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) & N9K-C9508-FM-E2= FABRIC MODULE FOR N9508 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) etc.	Annexure-A	1230307	1230307	-NA-
2.	AIR ACC1530-KJT1= SPARE ACCESSORY KJT FOR AP1530 SERIES etc.	Annexure-B	9990	9990	-NA-
3.	AIR ACCI560-CVR== COVER AND SOLAR SHIELD FOR AP1560 SERIES etc.	Annexure-C	7722	7722	-NA-
4.	CI000- 24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON CI000 FANLESS MODELS & C1110-TOP-PLATE= CISCO 1100 ROUTER TOP COVER FOR CONTAMINATION PROTECTION (PART OF NETWORKING EQUIPMENT) & C1120-TOP-PLATE= CISCO 1120 SERIES TOP COVER FOR	Annexure-D	4232007	4231568	BE No. 4934865 dated 07.08.2024, is Warehouse BE for which duty is already demanded. Ex-Bond BE No. 5176864 dated 21.08.2024 in the subject SCN.

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

	CONTAMINATION PROTECTION & 2960L-24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON C2960L FANLESS MODELS etc.				
5.	15216-MD- 48-ODDE= ONS 15216 48CH MUX/DEMUX PATCH PANEL ODD EXTENDED BANDWIDTH (MULTIPLEXER) & 15216-MD-48-EVENE= ONS 15216 48CH MUX/DEMUX PATCH PANEL EVENEXTENDED BANDWIDTH & NCS1K-MD-64-C= NCS 1000 64 CHS ODD MUX/DEMUX PATCH PANEL - C-BAND & NCSIK-MD-320 C= NCS 1000 32 CHS ODD MUXIDEMUX PATCH PANEL -150GHZ - C-BAND etc.'	Annexure-E	2763430	2763430	-NA-
6.	15216-MD48-CME2=ONS 15216 MUX/DEMUX PLUGIN COUPLER/ SPLITTER MODULE DUAL O/P etc.	Annexure-F	285934	285934	-NA-
7.	C9200L STACK-KIT= CISCO CATALYST 9200L STACK MODULE & C9300L-STACK-KIT= CISCO CATALYST 9300L STACKING KIT & C9200- STACK-KIT= CISCO CATALYST 9200 STACK MODULE & C3650-STACK-KIT= CISCO CATALYST 3650 STACK MODULE SPARE & C9200-STACK-KIT= CISCO CATALYST 9200 STACK MODULE etc.	Annexure-G	22387402	22387402	-NA-
8.	NXA-PDC-930W-PE= NEXUS 9K DC PS, PORT-SIDE EXHAUST & NXA-PAC- 350W-PE= NEXUS AC 350W PSU - PORT SIDE EXHAUST & NXA-PDC 1100W-PE= NEXUS 1100W PLATINUM DC PS, PORT	Annexure-H	579	579	-NA-

F. No. GEN/ADJ/COMM/351/2025-Adjn
 SCN No. 100/2025-26 dated 03.06.2025
 M/s. Cisco Commerce India Pvt. Ltd.

	SIDE EXHAUST SPARE etc.				
9.	Printed Circuit Board Assembly for all categories-of Switches.	Annexure-I	82610694	81998422	BE No. 5268434 dated 27.08.2024 is a SEZ BE; therefore, the differential duty amount of Rs. 13,683/- is not demandable. Further, the amount of Rs. 5,98,579/- is also not recoverable, as it pertains to PCBAs imported for Ethernet Switches, as discussed above.
Total			113528065	112915364	

In view of the above, the differential duty works out to Rs.11,29,15,364/- (Rupees Eleven Crore Twenty-Nine Lakh Fifteen Thousand Three Hundred Sixty-Four Only) instead of the duty amount of Rs. 11,35,28,065/- (Rupees Eleven Crore Thirty-Five Lakh Twenty-Eight Thousand Sixty-Five Only) demanded in the subject SCN. Since Bills of Entry No. 4934865 dated 07.08.2024 and 5268434 dated 27.08.2024 were filed as a Warehouse BE and an SEZ BE respectively, therefore, the duty amounts of Rs. 439/- and Rs. 13,683/- are not recoverable. Additionally, the duty amount of Rs. 5,98,579/- is also not recoverable as it pertains to PCBAs imported for Ethernet Switches, as discussed above.

The revised duty demand amount of **Rs. 11,29,15,364/- (Rupees Eleven Crore Twenty-Nine Lakh Fifteen Thousand Three Hundred Sixty-Four Only)**, therefore, is recoverable from the Importer under Section 28(4) of the Customs Act, 1962.

6.13 As per Section 17 of the Customs Act, 1962, 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. In the subject case, the Importer could have examined the facts carefully before filing the subject Bills of Entry and should have classified/availed the notification benefits on the subject goods correctly. I find that the Importer, despite being fully aware of the nature and composition of the imported goods, deliberately withheld relevant information and wilfully misclassified/availed the notification benefits the said goods. It is clear that they failed in their primary responsibility of declaring the goods appropriately and with due diligence.

6.14 Thus, I find that the Importer wilfully mis-classified and wrongfully availed the benefits of the exemption notification, with intention to evade payment of applicable Customs duties. The mis-classification and suppression of facts attracts invocation of extended period of limitation in

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

terms of Section 28(4) of the Customs Act, 1962. As such, the demand for differential duty in respect of the Bills of Entry listed in Annexure-A, B, C, D, E, F, G, H and I to the Show Cause Notice is justified and recoverable under Section 28(4) of the Customs Act, 1962, along with applicable interest as provided under Section 28AA of the said Act.

6.15 The Importer having deliberately mis-classified and wrongfully availed the benefit of the exemption notification on the goods in question, which resulted into short payment of Customs duty, the differential duty of **Rs. 11,29,15,364/- (Rupees Eleven Crore Twenty-Nine Lakh Fifteen Thousand Three Hundred Sixty-Four Only)** is recoverable under Section 28(4) of the Customs Act, 1962.

6.16 Once differential duty is confirmed under Section 28 of the Customs Act, 1962, interest on the unpaid duty becomes automatically payable. Therefore, the Importer is legally liable to pay the applicable interest under Section 28AA of the Act.

6.17 The Noticee's reliance on Bombay High Court judgment in the case of *Mahindra and Mahindra Vs. UOI – 2022 (10) TMI 2022* and *A.R. Sulphonates vs. Union of India & Ors, 2025 (4) TMI 578* that interest and penalty does not apply to IGST is incorrectly applied in the context of this case. It is important to emphasize that the differential duty demand in these proceedings has arisen mainly due to a change in the classification of the goods. Since IGST is calculated on the assessable value plus BCD, the increase in BCD has correspondingly resulted in an increase in IGST. Thus, although the IGST rate per se has not changed, the IGST quantum has increased directly due to the reassessment of BCD. The BCD liability arises under Section 12 of the Customs Act, 1962, and the levy of interest under Section 28AA and penalties under Sections 114A are fully supported by the Customs Act, regardless of the amendments to the Customs Tariff Act. The corresponding IGST increase is incidental to the BCD reassessment and is not independently levied under Section 3(7) of the Customs Tariff Act, 1975 as a standalone issue. The department's demand is therefore not based on an IGST reassessment under Section 3(7) requiring the application of the amended Section 3(12), but instead flows entirely from reassessed BCD obligations and their cascading impact.

6.18 The SCN proposes confiscation of goods under the provisions of Section 111(m) of the Customs Act, 1962. Section 111(m) provides for confiscation in cases where goods do not correspond in respect of any other particulars in respect of which the entry was made under the Act. This would also cover subject case of wilful mis-classification/wrongful notification benefits of the subject goods by suppressing the fact of their true nature by the Importer. As

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

there is wilful mis-classification to pay lower rate of duty, resulting in short levy and short payment of duty, I find that the confiscation of the imported goods covered under Bills of Entry under Annexure A, B, C, D, E, F, G, H and I to the SCN, invoking Section 111(m) is justified and sustainable. I therefore hold that this intentional mis-declaration and suppression of facts by the Importer with the intent to evade payment of applicable duty have rendered the goods liable for confiscation under Section 111(m) of the Customs Act, 1962 and they have consequently rendered themselves liable to penalty under Section 112(a)(ii) of the Customs Act, 1962. It should be noted however that as per the proviso to Section 114A of the Customs Act, 1962, separate penalty cannot be imposed under Section 112 of the Customs Act when a penalty has been imposed under Section 114A of Customs Act 1962.

6.19 The Importer argues that the imposition of penalty under Section 114A of the Customs Act can only be imposed in cases where duty has not been paid or shot/part paid because of collusion or wilful mis-statement or suppression of facts. They have submitted that they have not committed any offence or made no omissions or commissions in the entire matter and then conduct was bona-fide. However, as established in the preceding paragraphs, the Importer, despite being fully aware of the nature and composition of the imported goods, deliberately withheld relevant information and wilfully misclassified the said goods, as uncovered during the Audit-thereby clearly indicating the existence of *mens rea*. Even otherwise, the Supreme Court in *UOI v. Dharmendra Textile Processors* [2008 (231) E.L.T. 3 (SC)] clarified that *mens rea* is not a prerequisite for civil penalties under tax laws unless specifically stated. Similarly, in *Chairman, SEBI v. Shriram Mutual Fund* [(2006) 5 SCC 361], the Apex Court held that for contraventions under civil statutes, proving intention is unnecessary- mere breach of the statutory obligation attracts penalty. Further support is drawn from *Comex Co. v. Collector of Customs, Madras-I* [1997 (96) E.L.T. 526 (Mad.)], where the Madras High Court held that under Section 112(a), *mens rea* need not be established for imposition of personal penalties in departmental proceedings; proof of contravention suffices. Regarding the Noticee's defense of acting under a bona fide belief, it is well settled that blind reliance cannot substitute for a genuine bona fide belief. In *Winner Systems v. CCE & C, Pune* [2005 (191) E.L.T. 1051 (Tri. - Mumbai)] and *Interscape v. CCE, Mumbai-I* [2006 (198) E.L.T. 275], the Tribunals held that claims based merely on blind or mistaken interpretation do not constitute valid grounds to evade liability, particularly where duty evasion has occurred. I find that the Importer intentionally misclassified the subject goods to reduce the Customs duty payable. Since, the impugned goods have already been held liable to confiscation under Section 111(m) of the Customs Act, 1962 and duty is correctly demanded under Section 28(4) of the Customs Act, 1962 along with applicable interest, the importer has

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

rendered themselves liable to penalty under Section 114A of the Customs Act, 1962 for acts/omissions and the above said deliberate mis-classification and wrong self-assessment of duty.

6.20 As regards applicability of actual confiscation and redemption fine in terms of Section 125 of the Customs Act, 1962, I find that it is a settled position of law that redemption fine under Section 125 of the Customs Act, 1962 can only be imposed where goods are physically available for confiscation and subsequent redemption. This principle has been categorically affirmed by the Bombay High Court in *Commissioner of Customs (Import), Mumbai v. Finesse Creation Inc.*, 2009 (248) E.L.T. 122 (Bom.), wherein the Court held that the concept of redemption fine arises only if the goods are available and can be redeemed. In the absence of the goods, no redemption fine can be imposed. The Bombay High Court distinguished the Supreme Court judgment in *Weston Components Ltd. v. Commissioner of Customs*, 2000 (115) E.L.T. 278 (S.C.), noting that in *Weston*, the goods had been released on bond and were therefore constructively within the control of the Customs authorities. However, in *Finesse Creation Inc.*, the goods had already been cleared and were not available for seizure, nor had they been released on any bond or undertaking. The Bombay High Court further endorsed the reasoning of the Punjab and Haryana High Court in *Commissioner of Customs, Amritsar v. Raja Impex (P) Ltd.*, 2008 (229) E.L.T. 185 (P&H), which held that where goods are neither available nor covered by any bond, no redemption fine can be levied. This order of the High Court in *Finesse Creation Inc.*, stands accepted by the department, as Special Leave Petition (SLP) filed in the Supreme Court (C.A. No. 66/2009) was dismissed by order dated 12.05.2010. [2010 (255) E.L.T. A120 (S.C.)]

Accordingly, I am of the considered view that, since the goods in the present case have already been cleared and are no longer available for confiscation, the invocation of Section 125 of the Customs Act, 1962, lacks jurisdictional basis and is legally unsustainable.

6.21 I find that the Importer has paid an amount of **Rs.36,41,361/- (Rupees Thirty-Six Lakh Forty-One Thousand Three Hundred Sixty-One Only)** vide E-Challan No. 1856700166 dated 12.02.2025 during the Audit. The said amount is required to be appropriated against the demanded duty.

6.22 The Importer has cited various case laws in their submission against the said SCN. I have gone through them and I find that facts and circumstances of this case are not squarely covered by the case laws and judgements as referred by the Importer in their written submissions, and hence, those are not applicable in the subject case. I also place reliance of this finding in view of the following decision of the Apex Court in the matter of M/s

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

Ispat Industries Ltd vs Commissioner of Customs, Mumbai [2006 (202) ELT 561 (SC)], wherein it was held that:

“Each case depends on its own facts and a close similarity between one case and another is not enough because even a single significant detail may alter the entire aspect.”

ORDER

7. In view of the foregoing discussion and findings, I pass the following order:

- (i) I reject the declared classification of subject goods i.e. “N9K C9504-FM-E= FABRIC MODULE FOR N9504 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) & N9K-C9508-FM-E2= FABRIC MODULE FOR N9508 WITH 100G SUPPORT, ACI AND NX-OS (PART OF NETWORKING EQUIPMENT) etc.” covered under Bills of Entry as mentioned in **Annexure-A** to the SCN, under CTI 85177090 and 85177990 of the Customs Tariff Act, 1975 and order to reclassify under CTI 85177910, and to reassess the Bills of Entry accordingly.
- (ii) I reject the declared classification of subject goods i.e. “AIR ACC1530-KIT1= SPARE ACCESSORY KJT FOR AP1530 SERIES etc.” covered under Bills of Entry as mentioned in **Annexure-B** to the SCN, under CTI 85369090 and 85177990 of the Customs Tariff Act, 1975 and order to reclassify under CTI 39269099, and to reassess the Bills of Entry accordingly.
- (iii) I reject the declared classification of subject goods i.e. “AIR ACCI560-CVR== COVER AND SOLAR SHIELD FOR AP1560 SERIES etc.” covered under Bills of Entry as mentioned in **Annexure-C** to the SCN, under CTI 851779090 of the Customs Tariff Act, 1975 and order to reclassify under CTI 39269099, and to reassess the Bills of Entry accordingly.
- (iv) I reject the declared classification of subject goods i.e. “CI000-24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON C1000 FANLESS MODELS & C1110-TOP-PLATE= CISCO 1100 ROUTER TOP COVER FOR CONTAMINATION PROTECTION (PART OF NETWORKING EQUIPMENT) & C1120- TOP-PLATE= CISCO 1120 SERIES TOP COVER FOR CONTAMINATION PROTECTION & 2960L-24TOP-PLATE= TOP PLATE FOR COVERING PERFORATIONS ON C2960L FANLESS MODELS etc.” covered under Bills of Entry as mentioned in **Annexure-D** to the SCN, under CTI 85177090 and 85177990 of the Customs Tariff Act, 1975 and order to reclassify under CTI 73269099, and to reassess the Bills of Entry accordingly.

F. No. GEN/ADJ/COMM/351/2025-Adjn

SCN No. 100/2025-26 dated 03.06.2025

M/s. Cisco Commerce India Pvt. Ltd.

- (v) I reject the declared classification of subject goods i.e. “15216-MD-48-ODDE= ONS 15216 48CH MUX/DEMUX PATCH PANEL ODD EXTENDED BANDWIDTH (MULTIPLEXER) & 15216-MD-48-EVENE= ONS 15216 48CH MUX/DEMUX PATCH PANEL EVENEXTENDED BANDWIDTH & NCS1K-MD-64-C= NCS 1000 64 CHS ODD MUX/DEMUX PATCH PANEL - C-BAND & NCS1K-MD-32O C= NCS 1000 32 CHS ODD MUXIDEMUX PATCH PANEL - 150GHZ - C-BAND etc.” covered under Bills of Entry as mentioned in **Annexure-E** to the SCN, under CTI 85176270 of the Customs Tariff Act, 1975 and order to reclassify under CTI 85176290, and to reassess the Bills of Entry accordingly.
- (vi) I reject the declared classification of subject goods i.e. “15216-MD48-CME2= ONS 15216 MUX/DEMUX PLUGIN COUPLER/SPLITTERMODULE DUAL O/P etc.” covered under Bills of Entry as mentioned in **Annexure-F** to the SCN, under CTI 90138090 and 90138000 of the Customs Tariff Act, 1975 and order to reclassify under CTI 85176290, and to reassess the Bills of Entry accordingly.
- (vii) I reject the declared classification of subject goods i.e. “C9200L STACK-KIT= CISCO CATALYST 9200L STACK MODULE & C9300L-STACK-KIT= CISCO CATALYST 9300L STACKING KIT & C9200-STACK-KIT= CISCO CATALYST 9200 STACK MODULE & C3650-STACK-KIT= CISCO CATALYST 3650 STACK MODULE SPARE & C9200-STACK-KIT= CISCO CATALYST 9200 STACK MODULE etc.” covered under Bills of Entry as mentioned in **Annexure-G** to the SCN, under CTI 85177090 and 85177990 of the Customs Tariff Act, 1975 and order to reclassify under CTI 85444292, and to reassess the Bills of Entry accordingly.
- (viii) I deny the BCD exemption benefits claimed under Sr. No. 13 of Notification No. 57/2017-Customs dated 30.06.2017 for the subject goods i.e. “NXA-PDC-930W-PE= NEXUS 9K DC PS, PORT-SIDE EXHAUST & NXA-PAC- 350W-PE= NEXUS AC 350W PSU - PORT SIDE EXHAUST & NXA-PDC 1100W-PE= NEXUS 1100W PLATINUM DC PS, PORT SIDE EXHAUST SPARE etc.” under Bills of Entry as mentioned in **Annexure-H**, and to reassess the Bills of Entry accordingly.
- (ix) I deny the BCD exemption benefits claimed under Sr. No. 22 of Notification No. 057/2017-Customs dated 30.06.2017 for the subject goods i.e. “Printed Circuit Board Assembly for Routers” under Bills of Entry as mentioned in **Annexure-I** to the SCN, and to reassess the Bills of Entry accordingly.
- (x) I confirm the demand of differential duty amounting to **Rs. 11,29,15,364/- (Rupees Eleven Crore Twenty-Nine Lakhs**

F. No. GEN/ADJ/COMM/351/2025-Adjn
SCN No. 100/2025-26 dated 03.06.2025
M/s. Cisco Commerce India Pvt. Ltd.

Fifteen Thousand Three Hundred Sixty Four), under Section 28(4) of the Customs Act, 1962 along with applicable interest thereon in terms of provisions of Section 28AA of the Customs Act, 1962, and order to recover the same from the Importer M/s. Cisco Commerce India Pvt. Ltd.

- (xi) I impose a penalty equal to differential duty of **Rs. 11,29,15,364/- (Rupees Eleven Crore Twenty-Nine Lakhs Fifteen Thousand Three Hundred Sixty Four)**, and the amount equal to interest **leviable thereon**, on the Importer M/s. Cisco Commerce India Pvt. Ltd under Section 114A of the Customs Act, 1962. However, if such duty and the interest is paid within thirty days from the date of 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.
- (xii) I appropriate the amount of **Rs.36,41,361/- (Rupees Thirty-Six Lakh Forty-One Thousand Three Hundred Sixty-One)** towards the confirmed duty, interest and penalty.

This adjudication order is issued without prejudice to any other action that may be taken in respect of goods in question and/or the persons/firms concerned, under the provision of the Customs Act, 1962 and/or any other law for time being in force.

(Manish Chandra)

Pr. Commissioner of Customs (Import)
Air Cargo Complex, Mumbai

To,

M/s. Cisco Commerce India Pvt. Ltd.,
Prestige Solitaire, Level-II, No. -6,
Brunton Road, Bangalore,
Karnataka – 560001.

Copy: -

1. The Pr. Chief Commissioner of Customs, Mumbai Customs Zone - III.
2. The Principal Commissioner/Commissioner of Customs, Audit Commissionerate, NCH, Mumbai Zone-I.
3. The Dy./Asstt. Commissioner of Customs, Gr.5A, ACC, Mumbai-III.
4. The Dy./Asstt. Commissioner of Customs, TRC, ACC, Mumbai-III.
5. E-Office file.