

**CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
CHENNAI**

REGIONAL BENCH - COURT No. III

Customs Appeal No. 41635 of 2015

(Arising out of Order-in-Appeal No.432/2015 dated 24.04.2015 passed by Commissioner of Customs (Appeals-II), 60, Rajaji Salai, Custom House, Chennai 600 001.)

M/s.Hindustan Unilever Ltd.

... Appellant

NSD BAR/Soap Factory,
Off VH 45A, Vadamangalam,
Puducherry 605 102.

VERSUS

The Commissioner of Customs,

... Respondent

Chennai-II,
60, Rajaji Salai, Custom House,
Chennai 600 001.

WITH

Customs Appeal No. 41636 of 2015

(Arising out of Order-in-Appeal No.433/2015 dated 24.04.2015 passed by Commissioner of Customs (Appeals-II), 60, Rajaji Salai, Custom House, Chennai 600 001.)

M/s.Hindustan Unilever Ltd.

.... Appellant

NSD BAR/Soap Factory,
Off VH 45A, Vadamangalam,
Puducherry 605 102.

VERSUS

The Commissioner of Customs,

... Respondent

Chennai-II,
60, Rajaji Salai, Custom House,
Chennai 600 001.

Customs Appeal No.41635 of 2015
Customs Appeal No.41636 of 2015
Customs Appeal No.41986 of 2015

AND

Customs Appeal No. 41986 of 2015

(Arising out of Order-in-Appeal C.Cus.No.566/2015 dated 26.06.2015 passed by Commissioner of Customs (Appeals-II), 60, Rajaji Salai, Custom House, Chennai 600 001.)

M/s.Hindustan Unilever Ltd.

.... Appellant

NSD BAR/Soap Factory,
Off VH 45A, Vadamangalam,
Puducherry 605 102.

VERSUS

The Commissioner of Customs,

... Respondent

Chennai-II,
60, Rajaji Salai, Custom House,
Chennai 600 001.

APPEARANCE :

Shri Viraj Reshamwala, Advocate for the Appellant
Shri Anoop Singh, Authorized Representative for the Respondent

CORAM :

HON'BLE MR. P. DINESHA, MEMBER (JUDICIAL)
HON'BLE MR. M. AJIT KUMAR, MEMBER (TECHNICAL)

FINAL ORDER Nos.40152-40154/2025

DATE OF HEARING : 12.12.2024

DATE OF DECISION : 03.02.2025

Per: Shri P. Dinesha

The issue being identical in the three appeals, these appeals were heard together and are being disposed of by this common order.

2. The Appeal Nos.**C/41635/2015 & C/41636/2015** are filed against Order-in-Appeal No.432/2015 dated 24.04.2015 & OIA No.433/2015 dated 24.04.2015 respectively upholding Order-in-Original No.2/2014 & 1/2014 both dt. 14.10.2014 and Appeal No.**C/41986/2015** is filed against Order-in-Appeal No. 566/2015 dated 26.06.2015 passed by the Commissioner (Appeals) upholding the Order-in-Original No.35347/2015 dated 25.02.2015, confirming demand of duty along with penalty.

2.1 The Appellant had filed Bills of Entry upon import of "Lauric Acid" classifying the same under Tariff Item 29157090, sought for clearance upon payment of applicable duties. Revenue felt that the said goods imported was classifiable under 29159090; assessable to BCD @7.5% vide Sl. No. 553 of Notification 21/2002 with Additional Duty of Customs @10% & SAD @4% and that the incorrect classification by the importer had resulted in short levy of duty.

2.2 Thus, show cause notices came to be issued proposing to re-classify the imported goods under tariff item 29159090 under - 'Other'. It appears that the importer filed its reply to the show cause notices and thereafter, it appears

that the importer was afforded opportunities of personal hearing. From the OIOs, we find that upon availing opportunity of personal hearing, the importer filed its written submissions and an opinion of a retired Professor, but however, when asked to furnish technical details, nothing appears to be furnished before the Adjudicating Authority. Not left with any options, the Original Authority proceeded to analyze the case of the importer in the light of the competing tariff heading and *vide* Order-in-Original No.1/2014 & 2/2014 both dated 14.10.2014 and Order-in-Original No.35347/2015 dated 25.02.2015 proceeded to reject the declared classification and confirmed the re-classification that was proposed in the SCNs.

2.3 Aggrieved by the above re-classification and the consequential demands of differential duty, the importer appears to have approached the First Appellate Authority by filing Appeals; even before the First Appellate Authority the importer having not participated in the proceedings despite opportunity being given, the FAA appears to have dismissed by appeals *vide* Order-in-Appeal No.432/2015 dated 24.04.2015; OIA No.433/2015 dated 24.04.2015 and Order-in-Appeal No. 566/2015 dated 26.06.2015 thereby upholding the findings in the Orders-in-Original. It is against these Orders-in-Appeal that the present Appeals have been filed before us.

3. Heard Shri Viraj Reshamwala, Id. Advocate for the Appellant and Shri Anoop Singh, Id. Jt. Commissioner, for the Respondent; We have carefully perused the documents

placed on record as well as case law relied upon during the course of arguments. The only/common issue in all these Appeals that we need to address is, "whether the rejection of declared classification of the impugned goods in question and re-classifying the same by the authorities below is correct"?

4. We have very carefully analyzed the Orders-in-Original wherein the Original Authority has concluded that the imported goods could not be classified under the declared CTH 29157090 for the reasons given very elaborately in the Orders-in-Original. The crux of the findings in the Orders-in-Original is that the impugned goods is neither a 'salt' nor 'ester of Palmitic' or 'Stearic Acid', subheading 2915.70 of Customs Tariff which deals with *Palmitic Acid and Stearic Acid, their salts and esters*; tariff 2915 7090 is very specific and limited to those two fatty acids and their salts and esters which cannot be stretched to include other saturated fatty acids, like the impugned goods herein since, the same is neither a salt nor an ester. The importer, however, is unable to make in-roads into the above findings by countering with documentary evidence.

5. The Appellant appears to have relied upon an opinion but we do not find copy of the same being filed before us and nor do we find any other documentary evidence placed on record in support. There is just a claim and arguments and other than these, we do not find any materials placed in support.

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6. Further, from the tariff heading we find that the same deals with "*Palmitic Acid and Stearic Acid, their salts and esters*". By this, it is very clear that it is specific and very exclusive. It is not the case of the Appellant that 'Lauric Acid' imported by them is either 'salt' or 'ester of Palmitic' or 'Stearic Acid' and hence, we of the view that the impugned orders do not call for any interference and uphold the same.

7. Resultantly, we dismiss the Appeals.

(Order pronounced in the open court on 03.02.2025)

sd/-

(M. AJIT KUMAR)
Member (Technical)

sd/-

(P. DINESHA)
Member (Judicial)