

**IN THE CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL,
KOLKATA**

REGIONAL BENCH – COURT NO.2

Customs Appeal No. 75407 of 2020

(Arising out of Order-in-Appeal No. KOL/CUS(PORT)/AKR/577/2020 dated 15.09.2020 passed by Commissioner of Customs (Appeals), Kolkata).

M/s Express Clearing Agency,

(14/2, Old China Bazar Street, Room No. 137, 2nd Floor, Kolkata-700001)

...Appellant

VERSUS

Commissioner of Customs (Port), Kolkata,

(Customs House, 15/1, Strand Road, Kolkata-700001)

...Respondent

..

APPEARANCE :

Mr. Prabir Bera, Advocate for the Appellant

Shri Faiz Ahmed, Authorized Representative for the Respondent

CORAM:

HON'BLE MR. R. MURALIDHAR, MEMBER (JUDICIAL)

FINAL ORDER No...75239/2026

DATE OF HEARING : 13.02.2026

DATE OF DECISION : 13.02.2026

PER R. Muralidhar :

Appellant is a CHA being aggrieved by the penalty of Rs.3 lakhs imposed on him under Section 114AA of the Customs Act 1962. The appellant is before the Tribunal. The Learned Counsel appearing on behalf of the appellant submits that the proceedings were initiated against the main importer Kejriwal Electronics Ltd. In the same proceedings, Show Cause Notice was also issued to the appellant. After due process, the adjudicating authority confirmed the demand against the importer. He also imposed penalty of Rs.3 lakhs on the appellant.

3. Being aggrieved, the appellant had filed an appeal before the Commissioner (Appeals), who has dismissed the appeal filed by the appellant. He submits that the main importer Kejriwal Electronics Ltd.

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had filed their appeal before the Tribunal. This Tribunal by **Final Order No. 75653/2025 date 26.02.2025** allowed the appeal filed by Kejriwal Electronics Ltd. Vide this order the confirmed duty of Rs.32,81,013/- along with equal amount of penalty along with penalty of Rs.35 lakhs and penalty of Rs.3 lakhs against the appellant importer Kejriwal Electronics Ltd. and the penalty of Rs. 3 lakhs against Sandeep Kejriwal have been set aside by this Bench.

4. The Ld Advocate submits that as the entire issue of classification of the goods stands already decided in favor of the main appellant Kejriwal Electronics Ltd., the present appeal filed by the CHA also may be allowed.

5. The Learned here reiterates the findings of the lower authority. He submits that the CHA was instrumental in changing the Classification of CTH to favor the importer. Therefore, he justifies the confirmed demand.

6. After going through the case records and the Final Order produced before me, I find that the main issue of the classification stands decided in favor of the importer Kejriwal Electronics Ltd. vide Final Order No. 75653/2025 data 26.02.2026 wherein the Bench has held as under:-

5. Apart from the above it would be pertinent to also place on record the Tribunals' findings on the subject matter, in the appellant's own case decided vide Order No.F.O.-76070/2018 dt.4/5/2018.Relevant portion of the said order is as under: -

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“5. After considering the arguments from both sides and on perusal of the records, we note that the goods imported have been described as “multi-media speaker system”. It is stated to contain features of playing USB/FB/FM either by connecting the same or through blue tooth. The Department has argued that in view of the additional features in the imported goods, the same are more properly classified as music system under 8527 but we note that essential function of the imported goods is nothing but multi media speakers. We also find that similar goods have been classified as sought by the respondent under 8518 in the case of Logic India Trading Co.Vs.Commr.of Customs, Cochin[2016(3370 ELT 65(Tri.-Bangalore). Tribunal observed as follows: 4.7 ...”As we have already observed that even the lower authorities are not disputing the fact that the goods in question are speakers with added function, as such the main role of the item in question remains amplifying the sound received by it either from outside source or from inbuilt feature. As such, going by the Interpretative Rules and Section Note 3 to Section XVI, the criteria for classifying the product is the principal and the main function it performs, which in the present case remains to be that of a speaker. We accordingly hold that the goods in question are properly classifiable under Chapter Heading 8518 22 00. We may also add that the invoices raised by the seller of the goods stand examined by it and the description stand given as “Multimedia Speaker”. This also reflects upon the fact that the goods in question, in common parlance are also traded as speakers. The appellants have also submitted an affidavit of the dealers, the invoices raised by them against the customers and the statement of Service Manager of the assessee. Examination of these documents shows that goods are primarily sold as speakers. Even the brochures placed on record indicate that the goods are being traded as speakers only and not as either FM radio or the sound reproduction system.”

6. The detailed analysis of the classification of all such AudioVisual Receivers was also undertaken independently by this Tribunal in the case of ONKYO SIGHT & SOUND INDIA PVT. LTD.vs Commissioner of Customs, Chennai(2019(368)ELT 683(Tri-Chen.), wherein too the Southern Regional Bench of the Tribunal did not agree with the department’s stance for classification of the said products under CTH 8527 and had retained the CTH 8518 claiming the goods as Audio Frequency Amplifier along with Home Theatre Systems as multiple loudspeakers mounted in the same enclosure.

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7. In view of said matter having been examined ad nauseam as referred supra, we find no merit in the order of the lower authority which is therefore set aside.

8. The appeal filed by the appellant is hereby allowed with consequential relief, if any, as per law”.

7. Following the ratio laid down in the above case law, wherein the main appellant's (Importer's) appeal has been allowed, I set aside the impugned order in respect of the present appellant [CHA] and allow the appeal filed by the appellant. The appellant would be eligible for consequential relief if any as per law.

(Dictated and pronounced in the open court)

Sd/-
(R. Muralidhar)
Member (Judicial)

T.K.