

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

REGIONAL BENCH - COURT NO. 1

Central Excise Appeal No. 28504 of 2013

(Arising out of Order-in-Appeal No. 477/2013-CE dated 12.09.2013
passed by the Commissioner of Central Excise (Appeals-I),
Bangalore.).

**M/s. Samanthu Business Forms
Pvt. Ltd.,**

No. 37/3, Basavanapur Main Road,
Bhattarahalli Village,
Bangalore - 560 049.

Appellant(s)

VERSUS

**The Commissioner of Central
Excise, Bangalore I
Commissionerate,**

Central Revenue Building,
PB No. 5400,
Queen's Road,
Bangalore - 560 001.

Respondent(s)

APPEARANCE:

Mr. Ganesh S., Advocate for the Appellant

Mr. Maneesh Akhoury, Assistant Commissioner (AR) for the
Respondent

**CORAM: HON'BLE DR. D.M. MISRA, MEMBER (JUDICIAL)
HON'BLE MR PULLELA NAGESWARA RAO,
MEMBER (TECHNICAL)**

Final Order No. 20032 /2026

DATE OF HEARING: 22.07.2025

DATE OF DECISION: 16.01.2026

DR. D.M. MISRA

This is an appeal filed against the Order-in-Appeal
No.477/2013-CE dated 12.09.2013 passed by the Commissioner
of Central Excise (Appeals), Bangalore.

2. Briefly stated the facts of the case are that the appellant is engaged in the manufacture of Manifold Business Forms (Laser RTC (Record of Rights, Tenancy and Crops) on job work basis. On the basis of investigation, show-cause notice was issued to them on 14.10.2010 alleging that these forms being classifiable under Chapter sub-heading 48204000 attracting Central Excise duty; also they had failed to include the cost of pre-printed stationery on the paper supplied by them in discharging the appropriate duty on clearances made to M/s. Bharti Airtel Limited, Bangalore. Accordingly, it was proposed to recover duty of Rs.7,73,822/- along with interest and penalty. On adjudication, the demand was confirmed with interest and penalty. Aggrieved by the said order, they filed appeal before the learned Commissioner(Appeals) who in turn rejected their appeal. Hence, the present appeal.

3.1. At the outset, the learned advocate for the appellant has submitted that the appellant is engaged in the manufacture of Manifold Business Forms and carrying out the activity of printing on the paper supplied by the customers. On the issue of valuation, the duty of Rs.1,04,192/- with interest has already been paid, which they are not disputing in the present appeal; however, against the demand of the balance amount relating to their printing activity on Government of Karnataka Watermarked Paper meant to be used for issuing RTC [Record of Rights, Tenancy and Crops], the present appeal has been filed. He has submitted that the Department has demanded excise duty by wrongly classifying the product under heading 48204000 of Central Excise Tariff Act, 1985. He has submitted that the appellant carried out only the activity of printing, which does not amount to manufacture in view of the following judgments:-

- i. Big Bags International Pvt. Ltd. Vs. CCE, Bangalore [2024(8) TMI 1398 – CESTAT, Bangalore]
- ii. Chromaprint (India) Pvt. Ltd. & others Vs. CGST & CE, Coimbatore [2024(3) TMI 493 – CESTAT Chennai]

- iii. Lakshmi Packaging (P) Ltd. Vs. CCE, Trichy [2000(117) ELT 333 (Tri. Chennai)]
- iv. Commissioner Vs. Lakshmi Packaging (P) Ltd. [2000(120) ELT A191(SC)]

3.2. Also, he has submitted that even if it is considered as the process of printing resulted into manufacture, the printed paper is classifiable under Chapter heading 4901 / 4911 which attracts 'nil' rate of duty. In support, he has referred to the following judgments:-

- i. Nagpur Business Forms Pvt. Ltd. Vs. CCE, Nagpur [2020(2) TMI 283 – CESTAT, Mumbai]
- ii. CCE Vs. Gopsons Papers Ltd. & anr. [2015(10) TMI 443 – Supreme Court]
- iii. Holostick India Ltd. Vs. CCE, Noida [2015(4) TMI 357 – Supreme Court]
- iv. Kayen Print Process (P) Ltd. Vs. CCE, Bangalore [2007(213) ELT 355 (Tri. Bang.)]

3.3. Referring to the Board's Circular No.11/91-CX.4 dated 15.10.1991, he has submitted that cheques, forms, stock certificates, bills of lading, documents of title, rail tickets are classifiable under Heading 4901.90. Further, he has submitted that to attract levy of excise duty, the product manufactured should be marketable product either in the hands of the appellant or in the hands of customers nor the Government Department. The RTC as stated above is used to enter the details of property and ownership and it is a record of such ownership and there is no marketability. In support, they referred to the following judgments:

- i. Cipla Ltd. Vs. CCE, Bangalore [2008(3) TMI 330 – Supreme Court]
- ii. Deputy Chief Manager, (Printing & Stationery), Central Railway Vs. CCE, Mumbai-I [2015(6) TMI 374 – CESTAT, Mumbai]
- iii. Municipal Printing Press Vs. CCE(Appeals), Mumbai-I [2019(1) TMI 1163 – CESTAT, Mumbai]

3.4. He has further submitted that in the event, it is considered that the process amounts to manufacture and the product is

dutiable, the appellant are entitled to avail CENVAT credit on the inputs received for carrying out the process of printing. In support, they referred to the following cases:-

- i. Motorola (India) Pvt. Ltd. Vs. CCE, Bangalore [2010(261) ELT 165 (Tri. Bang.)]
- ii. Gujarat Ambuja Cement Vs. CCE, Rajkot [1996(85) ELT 154 (Tri.)]

3.5. Further, referring to Board's Circular No.1052/1/2017-CX dated 23.02.2017, he has submitted that the product in question are classifiable as product of printing industry and since they are not liable to discharge any duty, imposition of penalty is also unwarranted.

4. Learned AR for the Revenue has reiterated the findings of the learned Commissioner(Appeals). Referring to the judgment of the Karnataka High Court in the case of Manipal Technologies Ltd. Vs. State of Karnataka [2022(62) GSTL 299 (Kar.)], he has submitted that Pattadar Pass Book and title deed merit classification under Tariff Entry 4820 and GST is to be paid @ 18% and not @ 12%.; hence, the product is dutiable.

5. Heard both sides and perused the records.

6. The limited issue involved in the present appeal for consideration is whether the activity of printing on Government of Karnataka Watermarked Paper used for issuance of RTC attracts duty under Tariff entry 4820 40 00 of the Central Excise Tariff Act, 1985 or fall under Chapter sub-heading 4901 99 00 attracting 'nil' rate of duty.

7. Undisputed facts of the case are that the appellant receive the watermarked printed papers with the logo of Government of Karnataka from M/s. Wipro Infotech Ltd. and undertake the activity of printing on the said watermarked papers on job-work basis and cleared the same without payment of duty during the

period 17.09.2008 to 30.06.2010, which are used by Government of Karnataka for issuance of RTC. The competing entries viz. Chapter sub-heading 48204000 and Chapter sub-heading 49019900 read as follows:-

Chapter sub-heading 48204000

Exim Code	Item Description	Unit	Duty Rate	Effect. Duty	Cess	Total	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(6)
4820	Registers, account books, note books, order books, receipt books, letter pads, memorandum pads, diaries and similar articles, exercise books, blotting-pads, binders (loose-leaf or other), folders, file covers, manifold business forms, interleaved carbons sets and other articles of stationery, of paper or paperboard; albums for samples or for collections and book covers, of paper or paperboard						
		Kg.	16	10	0.30	10.300	
4820 40 00	-- Manifold business forms and interleaved carbon sets						

Chapter sub-heading 49019900

Exim Code	Item Description	Unit	Duty Rate	Effect. Duty	Cess	Total	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(6)
4901	Printed books, brochures, leaflets and similar printed matter, whether or not in single sheets						
		Kg.	Nil	Nil			
4901 99 00	-- Other						

8. The appellant has advanced a two-fold argument. Firstly, it is contended that they receive water marked paper with the logo of Government of Karnataka for printing and after carrying out the process of printing, it is cleared without payment of duty since the process of printing does not result into manufacture. Secondly, it is argued that in any case, assuming that the process of printing results into manufacture, printed forms be classified under Chapter heading 4901 attracting NIL rate of

duty in view of series of judgments delivered by this Tribunal following the principle laid down by the Hon'ble Supreme Court; also a recent Circular issued by the Board to set at rest the disputes on classification of the printed forms viz. rail tickets, cheques etc. between the competing Chapters 48 and 49 of CETA, 1985.

9. We find that this Tribunal in a series of judgment like Big Bags International Pvt. Ltd., Lakshmi Packaging (P) Ltd., Chromaprint (India) Pvt. Ltd., referring to the judgment of the Hon'ble Supreme Court in the case of UOI Vs. JJ Glass Industries Ltd. [1998(97) ELT 5 (SC)] observed that the process of printing is not manufacturing activity and would not invite levy of excise duty. On the issue of classification, we find that the Circular bearing No.1052/1/2017-CX dated 23.02.2017 is issued to address the dispute on classification of various printed forms between the competing entries of Chapter 48 and 49 of CETA, 1985. The said circular is reproduced below:

Paper and Printing Industry — Classification [Chapters 48/49]

Circular No. 1052/1/2017-CX, dated 23-2-2017

F.No. 116/29/2015-CX.3

Government of India

Ministry of Finance (Department of Revenue)

Central Board of Excise & Customs, New Delhi

Subject : Classification of articles of paper and printing industry - Regarding.

Representations have been received from trade associations that consequent upon insertion of Chapter note 14 (w.e.f. 28-5-2012) to the Chapter 48 of Central Excise Tariff Act, 1985 disputes have cropped up in respect of classification of *railway/bus/other tickets/passes, railway ticket rolls and bus ticket rolls, mark sheets/certificates, OMR Sheets/Answer Books with OMR, Answer booklets, inland letter cards, passbooks, applications forms, paper outer strip seal, Railway receipt (RR) and practical notebook*. Also, reports received from field formations suggest that there is divergent practice of assessment of these goods. It is therefore, proposed to clarify the classification of these goods to ensure uniformity in practice of assessment across the country.

2. In this connection, statutory provisions are as under :

- (a) As per Rule 3(c) of General Rules for the interpretation of the Schedule, "*when goods cannot be classified by reference to (a) or (b), they shall be classified under the heading which occurs last in numerical order among those which equally merit consideration*".
- (b) As per Rule 4 of General Rules for interpretation of the Schedule, "*goods which cannot be classified in accordance with the above rules shall be classified under the heading appropriate to the goods to which they are most akin*".
- (c) As per Chapter note 10 of Chapter 48, heading 4820 does not cover loose sheets or cards, cut to size, whether or not printed, embossed or perforated.
- (d) As per Chapter note 12 of chapter 48, except for the goods of heading 4814 or 4821, paper, paperboard, cellulose wadding and articles thereof, printed with motifs, characters or pictorial representations, which are not merely incidental to the primary

use of goods, fall in Chapter 49.

- (e) As per Chapter note 14 (inserted on 28-5-2012) paper and paper products of heading nos. 4811, 4816 or 4820 intended to be used for further printing or writing are classifiable in their respective headings even if printing is merely incidental to the primary use of goods.
- (f) HSN explanatory note (2) to heading 48.20 excludes educational workbooks, sometimes called writing books, with or without narrative texts, which contain printed textual questions or exercises not incidental to their primary use as workbooks and usually with spaces for completion in manuscript. Further, as per HSN explanatory notes (A) to heading 4901, "...*literary works of all kinds, textbooks (including educational workbooks sometimes called writing books) with or without narrative texts which contain questions or exercises (usually with spaces for completion in manuscript); technical publications....*" are classifiable under this heading.
- (g) Also, as per HSN explanatory notes to heading 49.01 printed cards bearing personal greetings, messages or announcements (heading 49.09), and printed forms which require the insertion of certain additional information for completion are excluded from this heading.
- (h) As per explanatory notes to heading 4907 (F), "*Stock, share or bond certificates and similar documents of title are formal documents issued, or for issue, by public or private bodies conferring ownership of, or entitlements to, certain financial interests, goods or benefits named therein. Apart from the certificates mentioned these documents include letters of credit, bills of exchange, travelers' cheques, bills of lading, title deeds and dividend coupons. They usually require completion and validation.*"
- (i) As per explanatory note to heading 49.11, "*Certain printed articles may be intended for completion in manuscript or typescript at the time of use but remain in this heading provided they are essentially printed matter. Thus, printed forms (e.g., magazine subscription forms), blank multi-coupon travel (e.g., air, rail and coach) tickets, circulars, letters, identity documents and cards and other articles printed with messages, notices, etc., requiring only the insertion of particulars (e.g. dates and names) are classified in this heading.....*". The heading 4911 also includes tickets for admission to places of entertainment (e.g., cinemas, theatres and concerts), tickets for travel by public or private transport and other similar tickets.

3. Hon'ble Apex Court in the case of *Holostick India Ltd. v. Commissioner of Central Excise* [2015 (318) E.L.T. 529 (S.C.)] has held that holograms would not fall under chapter 39 though they had the self-adhesive property and were primarily goods made of plastic, yet due to the security features of the stickers, the said holograms will be placed under chapter 49. The reason for such a classification was that the security features gave the hologram their essential feature.

4. In the light of above statutory provisions and decision of the Hon'ble Apex Court, classification of the goods *ibid* was examined and it is clarified as under :

- (a) **Railway/bus/other tickets/passes** - (i) These are loose sheets or cards, cut to size and therefore are not covered under heading 4820 and also the provision of Chapter note 14 is inapplicable in the matter. Printing is not merely incidental to the primary use these goods. Printing alone brings these goods in existence. Explanatory note to heading 49.11 specifically covers these goods. Therefore, these goods are classifiable under heading 4911.
(ii) Similarly, railway ticket rolls, bus ticket rolls and like goods, which have cut/identifiable marks for separation of railway tickets/bus tickets therefrom and tickets are easily identifiable therein, are also classifiable under heading 49.11.
- (b) **Mark sheets/certificates** - These are loose sheets, cut to size and therefore are not covered under heading 4820 and also provision of Chapter note 14 is inapplicable in the matter. The printing on these documents gives their essential character and on being issued (after completion and validation) by the appropriate authority they have fiduciary value in excess of the intrinsic value. In view of explanatory notes to heading 4907 (F) they are classifiable under heading 4907.
- (c) **OMR sheets** - Like mark sheets and certificates these are loose sheets cut to size and therefore are not covered under heading 4820 and also provision of Chapter note 14 is inapplicable in the matter. The printing on these documents gives their essential character. In view of explanatory note to heading 4911 they are classifiable under heading 4911.
- (d) **Answer books with or without OMR, answer booklets and passbooks** - These are not loose sheets, cut to size and therefore these are not out of the purview of heading 4820. Printing on these goods is merely incidental and such goods are intended to be used for further printing or writing. Answer books with or without OMR and answer booklets are intended for completion in manuscript while passbooks are intended for completion in manuscript or typescript. Provisions of Chapter note 12 and 14 of Chapter 48 and provisions of Rule 4 of General Interpretative Rules are applicable in the matter and therefore these are classifiable under heading 4820.
- (e) **Inland letter cards** - These are loose sheets or cards, cut to size and therefore are

not covered under heading 4820 and also provision of Chapter note 14 is inapplicable in the matter. These Inland letter cards are printed with all particulars and shall not undergo any further printing or writing. They contain personal information like notices, reminders, etc. Sometimes these cards require only insertion of particulars like names and addresses. In the situation, where printing on inland letter cards is not merely incidental, goods are classifiable under heading 4911. However, plain letter cards are classifiable under heading 4817, which reads as "envelopes, letter cards, plain postcards and correspondence cards, of paper or paper boards..."

- (f) **Application forms** - These are for example bank account opening forms, forms of telecom companies, education institutions, insurance company forms and similar forms printed on specific order of the concerned bank, telephone companies, etc. These are loose sheets, cut to size and therefore are not covered under heading 4820 and also provision of Chapter note 14 is inapplicable in the matter. Printing on these forms is not merely incidental. In view of explanatory note to heading 4901 and 4911 these forms are classifiable under heading 4911.
- (g) **Paper outer strip seals** - These strips are used to seal EVMs (electronic voting machines) and are used by the election commission. For example State Election Commission, Haryana is printed on these strip seals. These are basically stickers having a self-adhesive feature where printing brings the product into existence. They have security features like guilloche patterns and anti-photocopy features. Therefore in view of printing not merely incidental and decision of Hon'ble Apex Court in the matter of *Holostick India Ltd.* ibid, these strip seals are classifiable under heading 4911.
- (h) **Railway Receipts (RRs)** - These are continuous computer stationery (4820) and also a document of title (4907). They have security numbering with special features like specific and patterns digit size printed by mechanical boxes using penetrating inks and also hatching of Indian Railway logo in the background. Printing on these receipts is not merely incidental. In view of Rule 3(c) of General Rule for the interpretation of the Schedule, Hon'ble Apex Court decision in the case of *Holostick India Ltd.* ibid and explanatory notes to heading 4907(F), these are classifiable under heading 4907.
- (i) **Practical notebook** - This notebook contains some texts, questions and spaces for exercises. In view of explanatory notes to heading 4820 and explanatory notes (A) to heading 4901, this is classifiable under heading 4901. However, practical notebook which have merely certain questions followed by blank spaces for writing are classifiable under heading 4820 only.

5. Field formations may be suitably informed. Past instructions and circulars on the subject shall stand amended to the extent of conflict with the above circular. Hindi version would follow.

10. We find that the Tribunal in the case of Nagpur Business Forms Pvt. Ltd. Vs. CCE, Nagpur (supra) referring to the said circular held that classification of the rail tickets, cheques etc. should be in accordance with the circular issued by the Board. Applying the said circular to the facts of the present case where the appellant is required to print on the supplied paper with water mark logo of Government of Karnataka, which are used for the purpose of issuance of RTC, in our opinion, would attract classification under Chapter heading 4901 of the CETA, 1985, chargeable to 'NIL' rate of duty during the relevant period.

11. The learned AR for the Revenue has heavily relied upon the judgment of the Hon'ble Karnataka High Court in the case of Manipal Technologies Ltd. (supra). In the said case, the

petitioner had challenged the advance ruling of the authority for levy of IGST on Pattadar Pass book-cum-title deed. In the said case, the petitioner procured paper and printed the Pattadar pass book-cum-titled deed as per the prescribed security features and specifications. The pattadar pass book-cum-title deed is the document of the title which provides ownership details and will serve as document of title from a legal perspective. In the said factual background, the Hon'ble High Court observed that the pattadar passbook-cum-title deed is classifiable under Chapter heading 4820 attracting duty @ 18% instead of 12%. We do not find that the facts of the said case are comparable to the case in hand inasmuch as in the present case, the appellant are printing on the paper supplied with water marked logo of Government of Karnataka and also it is not in the book form. Therefore, the said judgment would not be of any help to the Revenue.

12. In view of the above, the impugned order is set aside and the appeal is allowed with consequential relief, if any, as per law.

(Order pronounced in Open Court on 16.01.2026)

(D.M. MISRA)
MEMBER (JUDICIAL)

(PULLELA NAGESWARA RAO)
MEMBER (TECHNICAL)

Raja...