

**GUJARAT AUTHORITY FOR ADVANCE RULING  
GOODS AND SERVICES TAX  
A/5, RAJYA KAR BHAVAN, ASHRAM ROAD,  
AHMEDABAD – 380 009.**



ADVANCE RULING NO. GUJ/GAAR/R/2018/9  
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2017-18/AR/18)

Date : 9.04.2018

Name and address of the applicant	:	M/s. Alka Industries Opp. Uttar Gujarat Audhyogic Vasahat, Behind Fruit Market, Naroda Road, Ahmedabad.
GSTIN of the applicant	:	24AADFA0173H1ZZ
Date of application	:	03.10.2017
Clause(s) of Section 97(2) of CGST / GGST Act, 2017, under which the question(s) raised.	:	(a) classification of any goods or services or both;
Date of Personal Hearing	:	28.12.2017
Present for the applicant	:	Shri Nirav Laljibhai Patel

The applicant M/s. Alka Industries manufactures CI Casting for which it purchases pig iron, scrap, molasses, coal, foundry minerals, sand etc. The applicant melts pig iron and scrap in the cupola furnace fired by coal and add foundry minerals in the same. The melted pig iron is poured into moulding boxes of sand and required shape of cast article is obtained. The applicant manufactures the goods according to the requirement of customers. The cast articles so manufactured are used in various industries. The applicant has submitted that at times, the applicant may not be aware about the actual usage of cast product. The applicant also manufactures bracket and clamp of cast iron, which are used for hanging wash basin, commodes and urinals. The applicant is of the view that though the products manufactured by it are used by building construction industry in hanging wash basin, commodes and urinals etc., the said products manufactured by it are required to be classified under Chapter Heading 7325 or 7308 or 7326 of the HSN.

2. The applicant submitted that it manufactures article from melting process. The shape of the article is given as per the requirement of the customer. For the purpose, the applicant also manufactures / procures pattern of article which is required to be manufactured. On completion of melting process, rough CI Casting is generated. The applicant does sand blasting on the CI Casting for cleaning purpose and then apply enamel so that the article does not get rusted. Thus, the aforesaid article is nothing but a product of casting industry. The applicant manufactures brackets and clamps of cast iron,

which are used by building construction industry for hanging wash basin, commodes, urinals etc. as support structure.

3. The applicant further submitted that the aforesaid products are used by building construction industry for hanging ceramic articles, but the products themselves are separately classified products under Chapter 7325 or 7326 or 7308 of the Central Excise Tariff. Hence, the applicant submitted that the same requires classification accordingly. The applicant referred to Circular No. 17/2003-CUS dated 11.04.2013. The applicant also relied upon the view taken in their own issue by the Ld. Assistant Sales Tax Commissioner, Ahmedabad in Order No. 1995/D/165 to 175 (11) dated 24.08.1995, wherein the Ld. Authority after considering the products, has held that the aforesaid products are nothing but casting. The Ld. Authority has relied upon various judgements for the aforesaid. The applicant has submitted that the view taken by the Ld. Assistant Sales Tax Commissioner is still applicable and requires to be followed in the GST regime also. The applicant further submitted that it wished to rely upon various judgements of the Hon'ble Supreme Court wherein a consistent view is taken that the cast articles do not become part of any product which whom they are used, but they are required to be classified under heading 7308, 7318, 7325 or 7326.

4. The applicant raised the following question on which advance ruling is required –

Whether the article manufactured by the applicant fall under Chapter Heading 7308, 7325 or 7326 of the HSN or any other heading ?

5. The applicant, vide letter dated 29.12.2017 further submitted that CETH 7326 covers table, kitchen or other household articles and parts thereof. The goods are definitely not part of table or kitchen ware articles, hence they cannot be classified under CETH 7323. It is further submitted that CETH 7324 covers sanitary ware manufactured out of iron and steel and if parts of such Iron or Steel sanitary ware are manufactured then only the goods can be classified under CETH 7324. The applicant submitted that the goods are certainly not parts of sanitary ware of Iron or Steel mentioned in the CETH, hence the same cannot be classified under CETH 7324. Further, the goods are used by building construction industry for hanging / fixing urinals, commodes, wash basins which are made of ceramic material which are classifiable under Chapter 69 of the Central Excise Tariff. These are urinals, commodes, wash basins themselves are finished products and the products of the applicant are not supplied / used in factories during manufacturing. The applicant relied upon the order of Hon'ble Tribunal in the case of M/s. Consolidated Petrotech Ind Ltd. [1993 (66) ELT 244] and judgement of Hon'ble Supreme Court [1997 (96) ELT 223 (SC)]. The applicant submitted that the goods under consideration are cast articles and in the view of the applicant, required to be classified under CETH 7325.

6. The Central Goods & Services Tax and Central Excise Commissionerate, Ahmedabad North informed that as per Chapter 73 of GST Tariff of India, Articles of Iron or Steel notes, "cast iron" applies to products obtained by casting in which iron predominated by weight over each of the other elements. It is further informed that the brackets and clamp of cast iron are used for hanging wash basin, commodes and urinals. The pig Iron and scrap are main raw materials and predominated by weight over each of the other elements. In view therefore, it was opined by the Ahmedabad North

Commissionerate that the “brackets and clamp of cast iron” are classifiable under chapter sub-heading 7325 99 10 of GST tariff.

7. We have considered the submissions made by the applicant in their application, further submissions vide letter dated 29.12.2017 and at the time of personal hearing. We have also considered the views of the Goods & Services Tax and Central Excise Commissionerate, Ahmedabad North.

8. The issue involved in this case is regarding classification of goods viz. brackets and clamps of cast iron.

9. It is observed that the Explanation (iii) and (iv) of the Notification No. 1/2017-Central Tax (Rate) dated 28.06.2017 provides as follows :-

*“Explanation. - For the purposes of this notification, -*

*(i) .....*

*(ii) .....*

*(iii) “Tariff item”, “sub-heading” “heading” and “Chapter” shall mean respectively a tariff item, sub-heading, heading and chapter as specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975).*

*(iv) The rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), including the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall, so far as may be, apply to the interpretation of this notification.”*

10. The applicant manufactures cast articles, does sand blasting on the CI Casting for cleaning purpose and applies enamel so that the article does not get rusted. The articles manufactured by the applicant are not machined.

11.1 Chapter Note 1 of Chapter 73 of the First Schedule of the Customs Tariff Act, 1975 is as follows :-

*“1. In this Chapter, the expression “cast iron” applies to products obtained by casting in which iron predominates by weight over each of the other elements and which do not comply with the chemical composition of steel as defined in Note 1(d) of Chapter 72.”*

11.2 Chapter Heading 7325 covers “Other cast articles of iron or steel”.

12.1 Chapter Heading 7325 covers all cast articles of iron or steel, not elsewhere specified or included. As submitted by the applicant, the brackets and clamps of cast iron manufactured by the applicant are product of casting industry, inasmuch as on the rough CI Casting of the said product, the applicant does sand blasting and apply enamel to protect the product from rusting. The brackets and clamps so manufactured are not machined by the applicant therefore the same cannot be termed to have acquired the essential character as parts of sanitary ware.

12.2 In view thereof, we hold that the articles (brackets and clamps) manufactured by the applicant fall under Chapter Heading 7325.

13. In view of the foregoing, we rule as under -

**RULING**

The articles (brackets and clamps) manufactured by M/s. Alka Industries (GSTIN 24AADFA0173H1ZZ) fall under Chapter Heading 7325.

**(R.B. Mankodi)**  
Member

**(G.C. Jain)**  
Member

Place : Ahmedabad

Date : 9.4.2018.