सीमाशुल्क (अपील) आयुक्तका कार्यालय, अहमदाबाद
OFFICE OF THE COMMISSIONER OF CUSTOMS (APPEALS), AHMEDABAD
चौथी मंज़िल 4th Floor, हडको बिल्डिंग HUDCO Building, ईश्वर भुवन रोड़ Ishwar Bhuvan Road,
नवरंगपुरा Navrangpura, अहमदाबाद Ahmedabad – 380 009.
दूरभाष क्रमांक Tel. No. 079-26589281
DIN-20251271MN00006656AE

क	फ़ाइल संख्या FILE NO.	S/49-32/CUS/KDL/SEP/2025-26
ख	अपीलआदेश संख्या **ORDER-IN-APPEAL No.** (सीमाशुल्क अधिनियम, 1962 की धारा 128क के अंतर्गत) (UNDER SECTION 128A OF THE CUSTOMS ACT, 1962):	KDL-CUSTM-000-APP-23-25-26
ग	पारितकर्ता PASSED BY	SHRI AMIT GUPTA Commissioner of Customs (Appeals), AHMEDABAD
घ	दिनांक DATE	05.12.2025
ङ	उदभूत अपील आदेश की सं. व दिनांक ARISING OUT OF ORDER - IN - ORIGINAL NO.	Speaking Order No. CUS/KASEZ/001/2025-26 dated 24.08.2025 passed by the Authorised Officer, Kandla Special Economic Zone, Gandhidham.
च	अपील आदेश जारी करने की दिनांक ORDER- IN-APPEAL ISSUED ON:	05.12.2025
छ	अपीलकर्ता का नाम व पता NAME AND ADDRESS OF THE APPELLANT:	M/s. Vandana Trading Company, Near Deepak Plywood, Durga Colony, Rampur Road, Ward No. 21, Sikar, Rajasthan – 332001. (email: vinaybahad4@gmail.com)

1.	यह प्रति उस व्यक्ति के निजी उपयोग के लिए मुफ्त में दी जाती है जिनके नाम यह जारी किया गया है.
	This copy is granted free of cost for the private use of the person to whom it is issued.
2.	सीमाशुल्क अधिनियम 1962 की धारा 129 डी डी (1) (यथा संशोधित) के अधीन निम्नलिखित श्रेणियों के मामलों के सम्बन्ध में कोई व्यक्ति इस आदेश से अपने को आहत महसूस करता हो तो इस आदेश की प्राप्ति की तारीख से 3 महीने के अंदर अपर सचिव/संयुक्त सचिव (आवेदन संशोधन), वित्त मंत्रालय, (राजस्व विभाग) संसद मार्ग, नई दिल्ली को पुनरीक्षण आवेदन प्रस्तुत कर सकते है.

	Under Section 129 DD(1) of the Customs Act, 1962 (as amended), in respect of the following categories of cases, any person aggrieved by this order can prefer a Revision Application to The Additional Secretary/Joint Secretary (Revision Application), Ministry of Finance, (Department of Revenue) Parliament Street, New Delhi within 3 months from the date of communication of the order.
	निम्नलिखित सम्बन्धित आदेश/Order relating to :
(क)	**बैगेज़ के रूप में आयातित कोई माल.**
(a)	any goods imported on baggage.
(ख)	**भारत में आयात करने हेतु किसी वाहन में लादा गया लेकिन भारत में उनके गन्तव्य स्थान पर उतारे न गए माल या उस गन्तव्य स्थान पर उतारे जाने के लिए अपेक्षित माल उतारे न जाने पर या उस गन्तव्य स्थान पर उतारे गए माल की मात्रा में अपेक्षित माल से कमी हो.**
(b)	any goods loaded in a conveyance for importation into India, but which are not unloaded at their place of destination in India or so much of the quantity of such goods as has not been unloaded at any such destination if goods unloaded at such destination are short of the quantity required to be unloaded at that destination.
(ग)	**सीमाशुल्क अधिनियम, 1962 के अध्याय X तथा उसके अधीन बनाए गए नियमों के तहत शुल्क वापसी की अदायगी.**
(c)	Payment of drawback as provided in Chapter X of Customs Act, 1962 and the rules made thereunder.
3.	**पुनरीक्षण आवेदन पत्र संगत नियमावली में विनिर्दिष्ट प्रारूप में प्रस्तुत करना होगा जिसके अन्तर्गत उसकी जांच की जाएगी और उस के साथ निम्नलिखित कागजात संलग्न होने चाहिए :**
	The revision application should be in such form and shall be verified in such manner as may be specified in the relevant rules and should be accompanied by :
(क)	**कोर्ट फी एक्ट, 1870 के मद सं.6 अनुसूची 1 के अधीन निर्धारित किए गए अनुसार इस आदेश की 4 प्रतियां, जिसकी एक प्रति में पचास पैसे की न्यायालय शुल्क टिकट लगा होना चाहिए.**
(a)	4 copies of this order, bearing Court Fee Stamp of paise fifty only in one copy as prescribed under Schedule 1 item 6 of the Court Fee Act, 1870.
(ख)	**सम्बद्ध दस्तावेज़ों के अलावा साथ मूल आदेश की 4 प्रतियां, यदि हो**
(b)	4 copies of the Order - In - Original, in addition to relevant documents, if any
(ग)	**पुनरीक्षण के लिए आवेदन की 4 प्रतियां**
(c)	4 copies of the Application for Revision.
(घ)	**पुनरीक्षण आवेदन दायर करने के लिए सीमाशुल्क अधिनियम, 1962 (यथासंशोधित) में निर्धारित फीस जीअन्य रसीद,फीस,दण्ड,जब्तीऔर विविध मदों के शीर्षके अधीन आता है में रु. 200/-(रूपए दो सौ मात्र)या रु.1000/- (रूपए एक हज़ार मात्र),जैसा भी मामला हो,से सम्बन्धित भुगतान के प्रमाणिक चलान टी.आर.6 की दोप्रतियां. यदि शुल्क,मांगा गया ब्याज,लगाया गया दंड की राशिऔर रूपए एक लाख या उससे कम हो तो ऐसे फीस के रूप में रु.200/- और यदि एक लाख से अधिक हो तो फीस के रूप में रु.1000/-**
(d)	The duplicate copy of the T.R.6 challan evidencing payment of Rs. 200/- (Rupees two Hundred only) or Rs. 1,000/- (Rupees one thousand only) as the case may be, under the Head of other receipts, fees, fines, forfeitures and Miscellaneous Items being the fee prescribed in the Customs Act, 1962 (as amended) for filing a Revision Application. If the amount of duty and interest demanded, fine or penalty levied is one lakh rupees or less, fees as Rs. 200/- and if it is more than one lakh rupees, the fee is Rs. 1000/-.
4.	**मद सं. 2 के अधीन सूचित मामलों के अलावा अन्य मामलों के सम्बंन्ध में यदि कोई व्यक्ति इस आदेश से आहत महसूस करता हो तो वे सीमाशुल्क अधिनियम 1962 की धारा 129 ए (1) के अधीन फॉर्म सी.ए.-3 में सीमाशुल्क, केन्द्रीय उत्पाद शुल्क और सेवा कर अपील अधिकरण के समक्ष निम्नलिखित पते पर अपील कर सकते हैं**
	In respect of cases other than these mentioned under item 2 above, any person aggrieved by this order can file an appeal under Section 129 A(1) of the Customs Act, 1962 in form C.A.-3 before the Customs, Excise and Service Tax Appellate Tribunal at the following address :
	सीमाशुल्क, केंद्रीय उत्पाद शुल्क व सेवा कर अपीलियअधिकरण, पश्चिमी क्षेत्रीय पीठ	**Customs, Excise & Service Tax Appellate Tribunal, West Zonal Bench**
	दूसरी मंज़िल,बहुमाली भवन, निकट गिरधरनगर पुल, असारवा, अहमदाबाद-380016	2nd Floor, Bahumali Bhavan, Nr. Girdhar Nagar Bridge, Asarwa, Ahmedabad-380 016

5.	**सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (6) के अधीन, सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (1) के अधीन अपील के साथ निम्नलिखित शुल्क संलग्न होने चाहिए-**
	Under Section 129 A (6) of the Customs Act, 1962 an appeal under Section 129 A (1) of the Customs Act, 1962 shall be accompanied by a fee of -
(क)	**अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए या उससे कम हो तो एक हज़ार रुपए.**
(a)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is five lakh rupees or less, one thousand rupees;
(ख)	**अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए से अधिक हो लेकिन रुपये पचास लाख से अधिक न हो तो; पांच हज़ार रुपए**
(b)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than five lakh rupees but not exceeding fifty lakh rupees, five thousand rupees ;
(ग)	**अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पचास लाख रूपए से अधिक हो तो; दस हज़ार रुपए.**
(c)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than fifty lakh rupees, ten thousand rupees
(घ)	इस आदेश के विरुद्ध अधिकरण के सामने,मांगे गए शुल्क के 10 % अदा करने पर,जहां शुल्क या शुल्क एवं दंड विवाद में हैं,या दंड के10 % अदा करने पर,जहां केवल दंड विवाद में है,अपील रखा जाएगा।
(d)	An appeal against this order shall lie before the Tribunal on payment of 10% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.
6.	**उक्त अधिनियम की धारा 129 (ए) के अन्तर्गत अपील प्राधिकरण के समक्ष दायर प्रत्येक आवेदन पत्र- (क) रोक आदेश के लिए या गलतियों को सुधारने के लिए या किसी अन्य प्रयोजन के लिए किए गए अपील : - अथवा (ख) अपील या आवेदन पत्र का प्रत्यावर्तन के लिए दायर आवेदन के साथ रुपये पाँच सौ का शुल्क भी संलग्न होने चाहिए.**
	Under section 129 (a) of the said Act, every application made before the Appellate Tribunal- (a) in an appeal for grant of stay or for rectification of mistake or for any other purpose; or (b) for restoration of an appeal or an application shall be accompanied by a fee of five Hundred rupees.

ORDER-IN-APPEAL

1. M/s. Vandana Trading Company (IEC No. OKNPS0348G), Near Deepak Plywood, Durga Colony, Rampur Road, Ward No. 21, Sikar, Rajasthan - 332001 (hereinafter referred as 'the appellant') has filed the present appeal under Section 128 of the Customs Act, 1962, against a Speaking Order No. CUS/KASEZ/001/2025-26 dated 24.08.2025 (hereinafter referred to as 'the impugned order') passed by Shri. Sunil Kumar, Authorised Officer, Kandla Special Economic Zone, Gandhidham (hereinafter referred to as 'the authorised officer').

2. Facts of the case, in brief, are that the appellant had filed a Bill of Entry No. 3053338 dated 04.07.2025 through SEZ Unit M/s. Varsur Impex Pvt. Ltd. (hereinafter referred to as "SEZ unit") for clearance of the goods having description *"ROASTED ARECA NUTS WHOLE"* having net weight as 28 MT (hereinafter referred to as 'the impugned goods'). The appellant has classified the impugned goods under Customs Tariff Item ('CTI') heading 2008 1991. The appellant relied upon an Advance Ruling No. CAAR/Mum/ARC/186/Mumbai dated 12.12.2024 issued by Customs Authority for Advance Rulings, Mumbai, in their own case, wherein it has been ruled that the Roasted Areca Nuts merit classification under CTH 2008, CTI 2008 1920.

3. In the impugned order, it has been observed that the Chapter Note 1 of Chapter 20 of Customs Tariff Act, 1975 says that this chapter does not cover: *vegetables, fruit or nuts, prepared or preserved by the processes specified in chapter 7, chapter 8, or chapter 11.* Further, Chapter Note 3 of Chapter 8, has been reproduced in the impugned order as under:

> "3. *Dried fruits or dried nuts of this Chapter may be partially rehydrated, or treated for the following purposes:*
>
> a) *For additional preservation or stabilization (for example, by* ***moderate heat treatment,*** *sulphuring, the addition of sorbic acid or potassium sorbate).*
>
> b) *To improve or maintain their appearance (for example, by the addition of vegetable oil or small quantities of glucose syrup), provided that they retain the character of dried betel nut, fruit or dried nuts."*

4. The authorised officer further observed that a combined reading of the above further substantiates the fact, that 'Roasted Areca Nuts' are to be properly classifiable under Chapter 08 of the Customs Tariff Act, 1975.

5. In the impugned order, the case laws relied upon by the appellant have been distinguished. The importer had also provided copies few Bills of Entry filed at Tuticorin Port and stated that Roasted Areca Nuts have been cleared under HSN 20081991. However, the authorised officer observed that in the absence of detailed facts of the case provided, it cannot be considered as directly applicable to the facts of the present matter.

6. In view of the above, the authorised officer, vide impugned order dated 24.08.2025 rejected the declared CTI 20081991 for the goods "*ROASTED ARECA NUTS WHOLE*" imported vide Bill of Entry 3053338 dated 04.07.2025, and ordered to reclassify the goods under CTI 08028090 and re-assess the Bill of Entry accordingly.

7. Being aggrieved, the appellant has filed the present appeal, with an application to grant early hearing, with this office on **10.09.2025**.

8. Later, the appellant has approached to Hon'ble High Court of Gujarat seeking directions to Commissioner of Customs (Appeals), Ahmedabad, to expeditiously hear and decide the pending appeal. Vide **Order dated 25.11.2025 in SCA No. 15813 of 2025**, Hon'ble High Court has, inter alia, directed Commissioner (Appeals) to decide the appeal within a period of 30 days from the date of receipt of writ of that order. Accordingly, early hearing in this matter has been allowed and the appeal is being taken up for disposal.

9. In the Grounds of Appeal, the appellant inter alia contended that in terms of Section 28J of the Customs Act, 1962, that the Advance Ruling dated 12.12.2024 shall be binding on the all the Commissionerate in respect of the Applicant. That therefore, the reasoning of the Authorized Officer that the Ruling is not binding on Kandla SEZ or Other Customs Zones for the same Applicant is erroneous.

10. The Appellant further submitted that in common trade parlance, ***"drying"*** is a method of food preservation by the removal of water content; that on the other hand, ***"roasting"*** means the excess or very high heat treatment that produces fundamental

chemical and physical changes in the structure and composition of the goods, bringing about a charred physical appearance. Therefore, drying is a moisture removal process involving methods such as dehydration, evaporation, etc., whereas roasting is a severe heat treatment process. That further, as per the Chapter Note 3 of Chapter 08 note, the processes that could be carried out are moderate heat treatment, sulphuring, and the addition of sorbic acid or potassium sorbate by the addition of vegetable oil or small quantities of glucose syrup. Roasting is different from all the processes mentioned above. Roasting is carried out using roasting ovens wherein betel nuts are roasted in the range of 150 degrees Celsius then cooled in room temperature and the cycle is repeated until the moisture content is less than 6%. This clearly indicates that the roasting is much more than mild heat treatment.

11. The appellant further submitted that the HSN Explanatory Note to CTH 2008 states that CTH 2008 includes areca nuts that are dry-roasted, oil-roasted or fat-roasted.

> *"It includes, inter alia :*
>
> *(1) Almonds, ground-nuts,* ***areca (or betel) nuts*** *and other nuts,* ***dry-roasted, oil-roasted or fat-roasted,*** *whether or not containing or coated with vegetable oil, salt, flavours, spices or other additives."*

Thus, the appellant contended that the above Note clearly shows that the process of ***"roasting"*** forms part of CTH 2008 of the Customs Tariff Act, 1962.

12. On the above issue, the appellant relied upon following case law:

- *Rawder Petroleum Pvt. Ltd. Thru Director Mr. Shivendu Shukla v. UOI Ministry of Finance Thru. Department of Revenue North Block New Delhi and 2 Others, 2025-VIL-549-ALH-CU*
- *The Commissioner of Customs, Chennai II Commissionerate v. M/s. Shahnaz Commodities International P. Ltd., 2023-VIL-508-MAD-CU,* upholding the classification of 'Roasted areca Nuts' under CTH 2008 19 20.

13. The appellant also relied upon following orders/judgments in favour of their stand to the effect that a Notification cannot be relied upon to determine classification of goods:

- *Samsung India Electronics Private Limited vs. Principal Commissioner of Customs, Customs Appeal No. 50484 of 2021, Final Order No. 51665/2023,* affirmed by the Hon'ble Apex Court vide *Order dated 19.07.2024, Diary No. 25225/2024*

- *Collector of Central Excise, Bombay vs. Oswal Petrochemicals Ltd., 2000 (126) ELT 1232*, affirmed by the Hon'ble Supreme Court in *Civil Appeal No. D11776 of 2000*

- *Pandi Devi Oil Industry vs. Commissioner of Customs, Trichy and vice versa, 2016 (334) ELT 566 (Tri.- Chennai)*

14. The appellant further submitted that DGFT is empowered to restrict or prohibit goods falling under certain HSN; however, the DGFT cannot ascertain the classification. Thus, the Notification issued by the DGFT cannot be made the basis to ascertain the classification of the goods especially by going against the Rules of classification and the relevant Section Notes, Chapter Notes, Sub-Heading Notes, and Supplementary Notes. Thus, the appellant has prayed to set aside the impugned order.

Pre-Deposit

15. As the present appeal has been filed to re-determine classification of the impugned goods and the appellant has submitted a printout of E-Payment Receipt showing payment of duty of Rs.15,20,360/- in respect of document number 3053338 dated 04.07.2025, there is no requirement of further pre-deposit under the provisions of Section 129E of the Customs Act, 1962.

Time-limit for filing appeal

16. In the Form No. C.A.-1, the appellant has shown the date of communication of the impugned order dated 24.08.2025, as '24.08.2025'. Whereas, the appeal has been received in this office on 10.09.2025. Thus, this appeal has been filed within the normal period of 60 days, as prescribed for filing appeal under Section 128 of the Customs Act, 1962.

17. In view of the above position, the appeal has been admitted and being taken up for disposal on merits.

18. One set of the appeal memorandum has forwarded to the Authorised Officer,

KASEZ, Gandhidham, for comments, but no reply thereof has been received. So, I proceed to decide the appeal on the basis of documents submitted by the appellant.

PERSONAL HEARING

19. Personal Hearing in respect of the appeal was held on 02.12.2025, which has been attended by Mr. Manish Jain, Advocate and Ms. Raksha Bhandari, Advocate, on behalf the appellant. They reiterated the submissions made at the time of filing of appeal. They have submitted additional submissions and a compilation of statutory provisions and case law.

ADDITIONAL SUBMISSIONS

THE DGFT VIDE NOTIFICATION NO. 43/2025-26 DATED 15.10.2025 HAS CLARIFIED THAT ROASTED ARECA NUTS ARE CORRECTLY CLASSIFIABLE UNDER CTH 2008 19 91 OF THE CUSTOMS TARIFF ACT, 1975.

20. The Impugned Order relies on Notification No. 02/2025-26 dated 02.04.2025 which has classified all kinds of processed Areca Nuts including Roasted Areca Nuts specifically under CTH 08028090. The relevant extract of the Notification is reproduced below for ease of reference:

ITC (HS) Codes	*Description*	*Policy*	*Policy Decision*
08028090	*Areca Nut--- Other*	*Prohibited*	*(a) However, import is free if CIF Value is Rs. 351/- and above per kilogram.* *(b) MIP conditions, however, will not be applicable for imports by 100% EOUs, units in SEZ and imports under Advance Authorisation Scheme.* *(c) This code also covers all kinds of processed Areca Nuts including Roasted Areca Nuts.*
20081920	*Other roasted nuts and seeds*	*Free*	*However, "Roasted Areca Nuts" are not covered here as they are specifically covered under 08028090.*

21. The appellant further submitted that pursuant to the above Notification, the DGFT has again amended the import Policy and policy condition of Areca Nuts falling under

ITC (HS) Code 08028090 and 20081991 of Chapter 20 of ITC (HS), 2022, Schedule-I (Import Policy) vide **Notification No. 43/2025-26 dated 15.10.2025**. The relevant extract of the Notification is reproduced below for ease of reference:

"Subject: Amendment in import policy and policy condition of Areca Nuts falling under ITC (HS) Code 08028090 and 20081991 of Chapter-20 of ITC (HS), 2022, Schedule-I (Import Policy)

***S.O.** 4699(E): - In exercise of powers conferred by Section 3 read with section 5 of Foreign Trade (Development & Regulation) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy (FTP) 2015-2020, as amended from time to time, the Central Government hereby adds following condition against ITC (HS) Codes 08028090 and 20081991 of ITC (HS), 2022- Schedule-1 (Import Policy):*

ITC (HS) Codes	Description	Policy	Policy Condition
08028090	Areca Nut --- Other	Prohibited	(a) However, import is free if the CIF value is Rs. 351/- and above per Kilogram. (b) The Minimum Import Price mentioned above, however, will not be applicable for import by 100% Export Oriented Units (EOUs), units in the SEZ and imports under the Advance Authorization Scheme.
20081991	--- Other: ---- Other roasted nuts and seeds	Free	(a) However, import of Roasted Areca Nuts having CIF value less than Rs. 351/- per Kilogram is **Prohibited**. (b) Import of all other roasted nuts and seeds remains Free. (c) The Minimum Import Price mentioned at (a), however, will not be applicable for the import of Roasted Areca Nuts by 100% Export Oriented Units (EOUs), units in the SEZ and imports under the Advance Authorization Scheme.

Effect of this Notification:

The Import of "Roasted Areca Nuts" falling under ITC (HS) Code 20081991, having CIF value less than Rs 351/- per Kilogram is "Prohibited".

This is issued with the approval of the Commerce and Industry Minister."

22. The appellant submitted that from the above Notification, it is evident that "Roasted Areca Nuts" are correctly classifiable under ITC (HS) Code 20081991. That thus, it is no more in dispute that the subject goods are correctly classifiable under CTH 20081991. That the only basis in the Impugned Order to allege that "Roasted Areca Nuts" are classifiable under CTH 08028090 was Notification No. 02/2025-26 dated 02.04.2025 which is no longer valid.

23. The appellant further submitted that without prejudice, the Hon'ble Bombay High Court has stayed the operation of notification no. 02/2025-26 dated 02.04.2025 issued by the DGFT in the case of **Indu Shekhar v. Union of India** (Order dated 03.10.2025 in W.P. No. 5253 of 2025 with 6170 of 2025)

24. Without prejudice to the above, the Appellant further submitted that for the purposes of Foreign Trade Policy, the relevant date of importation would be the date of issue of Bill of Lading i.e. the date on which the goods are shipped from the supplying country. In this regard, the Appellant placed reliance on Para 2.17 of the Handbook of Procedures, 2023. The appellant stated that in the present case, the Bill of Lading for the subject goods was filed on 22.03.2025 whereas the Prohibition on "Roasted Areca Nuts" was imposed on 02.04.2025. Thus, according to the appellant, "Roasted Areca Nuts" were freely importable into India on 22.03.2025 i.e. the date of issue of the Bill of Lading.

DISCUSSION AND FINDINGS

25. I have carefully gone through the written as well as oral submissions made by or on behalf of the appellant viz. M/s. Vandana Trading Company. The issue involved in the appeal is regarding determination of classification of 'Roasted Areca Nuts Whole'. The appellant has declared its classification under CTI 20081991; whereas, the authorised officer has re-classified the same under CTI 08028090 vide the impugned order.

Discussion on Tariff Entries and HSN Explanatory Notes

26. The extracts of competing tariff entries are as follows:

Tariff Item		Description
0802		OTHER NUTS, FRESH OR DRIED, WHETHER OR NOT SHELLED OR PEELED
080280	**-**	**Areca nuts:**
08028090	**---**	**Other**

Extracts of tariff entries of CTH 2008, as substituted w.e.f. 01.05.2025, vide Third Schedule to the Finance Act, 2025:

Tariff Item		Description
2008		FRUIT, NUTS AND OTHER EDIBLE PARTS OF PLANTS, OTHERWISE PREPARED OR PRESERVED, WHETHER OR NOT CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER OR SPIRIT, NOT ELSEWHERE SPECIFIED OR INCLUDED
	-	Nuts, ground-nuts and other seeds, whether or not mixed together :
200819	--	Other, including mixtures:
	---	Other:
20081991	**----**	**Other roasted nuts and seeds**

27. In the impugned order, reliance has been placed on Chapter Note 3(a) of Chapter 8, which states inter alia that dried nuts of that Chapter may be treated by moderate heat treatment. Whereas, Chapter Note 1(a) of Chapter 20 states inter alia that Chapter 20 does not cover nuts prepared or preserved by the processes specified in Chapter 8. In view of these Chapter Notes, the authorised officer held that 'Roasted Areca Nuts' are classifiable under Chapter 08 of the Customs Tariff Act, 1975. In this regard, I am of the view that the aforesaid findings of the authorised officer is not proper and legal. I find that the process of 'moderate heat treatment' is different than the process of 'roasting'. In the case on hand the appellant has mentioned that Roasting is carried out by using roasting ovens wherein betel nuts are roasted in the range of **150 degrees Celsius** then cooled in room temperature and the cycle is repeated until the moisture content is less than 6%. I am of the view that the process of repeated roasting in such high temperature cannot be equated as 'moderated heat treatment.

28. In addition to the aforesaid Chapter Notes of the Customs Tariff Act, 1975, I also rely upon HSN Explanatory Notes of the Heading 20.08 issued by the World Customs Organization. In the said Notes, it has been mentioned that the Heading 20.08 includes, inter alia, Areca (or Betel) nuts, dry-roasted, oil-roasted or fat-roasted.

29. In view of the above-mentioned Chapter Notes and HSN Explanatory Notes, I am of the view that the 'Roasted Areca Nuts Whole' imported by the appellant are appropriately classifiable under CTH 20.08, not under CTH 08.02.

Discussion on case law

30. On this issue, I find that the Order dated 30.05.2025 of **Hon'ble High Court of Allahabad** in W.P. No. 71 of 2025 with Customs Appeal No. 3 of 2024 in the case of **Rawder Petroleum Pvt Ltd. vs. Union of India** [(2025) 32 Centax 169 (All.)], as relied upon by the appellant, is squarely applicable to this issue. Relevant paragraphs of the said Order are reproduced as follows:

> *"(32) This Court in examining the classification of 'roasted areca nuts", finds that as a matter of fact, there is no definition of "roasted" given in the Custom Tariff Act. As far as Chapter 08 is concerned, it speaks of process like chilling or steaming, boiling, drying and provisionally preserving. It is important to note that although, the said chapter contains the entry of areca nuts at "0802 80" and consists of whole, split, ground and other forms, but the description of these items has to be understood in the form it assumes after the process as mentioned under the said chapter is undertaken on them. That is to say, the end product obtained by the process mentioned in this chapter becomes significant for its classification. It has been rightly held by the CAAR that there is a marked difference between the processes of moderate heat treatment & dehydrating/drying referred in chapter 8 and processes of dry-roasting, oil-roasting and fat-roasting referred in Chapter 20. Although, the terms dry-roasting, oil-roasting and fat roasting are also not defined in the Customs Tariff Act, 1975, however, these terms have to be understood in a commonly accepted sense. Further, this court has no hesitation in subscribing to the view of CARR that in common trade parlance, "drying" is a method of food preservation by the removal of water content, whereas on the other hand, "roasting" means the excess or very high heat treatment that produces fundamental chemical and physical changes in the structure and composition of the goods, bringing about a charred physical appearance. Therefore, while drying is a moisture removal process involving methods such as dehydration, evaporation, etc., whereas roasting is a severe heat treatment process. The end product changes with the degree of heat it is subjected at the time of processing.*

(33) Further, it also has to be understood that as per Note 1 (a) to Chapter 20, the Chapter does not cover vegetables, fruits or nuts prepared or preserved by the processes specified in Chapters 7, 8 or 11. Therefore, vegetable, fruit or nut products or preparations made other than by the processes specified in Chapters 8 like freezing, steaming, boiling, drying, provisionally preserving and milling etc. are liable to be classified under a different head, which is Chapter 20. It is easily verifiable that the Heading 2008 covers fruits, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere, specified or included.

(34) This Court finds that roasting is a process used for bringing in to existence roasted nuts and finds that the processes mentioned in chapter 8 do not cover roasting process. Further, this court cannot be oblivious to the fact that roasting, as submitted by the importer by virtue of letter dated 04.06.2024 issued by ANL(S) Trading & services Pte Ltd., Singapore, is carried out using roasting ovens due to which betel nuts are roasted in the range of 150 degrees Celsius then cooled in room temperature and the cycle is repeated until the moisture content is less than 6%. This clearly indicates that the roasting is much more than mild heat treatment. Even in the generally understood meaning of the terms, it is understood that roasting involves severe heat treatment and is different from moderate heat treatment as well as dehydration. Thus, drying and roasting cannot be equated and both the process are diametrically different."

In the case on hand also, there is no dispute about the fact that the impugned goods are "Roasted Areca Nuts Whole". Therefore, by applying ratio of the above-mentioned order of Hon'ble Allahabad High Court as well as other case law, as mentioned hereinabove, I am of the view that 'Roasted Areca Nuts Whole" are not classifiable under Chapter 08, but appropriately classifiable under Chapter 20.

31. I also rely upon the Judgment dated 01.08.2023 of **Hon'ble High Court of Madras** in the case of **Commissioner of Customs, Chennai-II vs. Shahnaz Commodities International Pvt. Ltd.** [(2023) 9 Centax 183 (Mad.)]. In the said Judgment, Hon'ble High Court has concluded as follows:

"16. To sum up:

(a) Roasting is a process treated to be distinct from the process of boiling and drying, in fixing the classification in respect of betel/areca nut under CTH.

(b) Roasted betel/areca nut having been specifically classified under CTH 2008 19 20, the attempt to classify under CTH 08 02 80 would fall foul of the settled rule of construction that specific entry would prevail over general entry.

(c) HSN explanatory notes is normally a safe guide in determining classification under CTH. Roasted areca/betel nut having been mentioned in CTH 2008 19 20 under HSN, the impugned Ruling is in consonance with HSN classification.

(d) When there is a specific entry covering a product/commodity, the test of common parlance is irrelevant in determining classification."

In view of the above Judgment, Roasted Areca Nuts are properly classifiable under erstwhile CTI 2008 1920, which was covering "--- Other roasted nuts and seeds". Further, as mentioned in the impugned order, for the erstwhile tariff items 2008 1920 to 2008 1990, the entries have been substituted w.e.f. 01.05.2025 vide Third Schedule to the Finance Act, 2025, and new Tariff Items have been created. Accordingly, w.e.f. the date 01.05.2025, "---- Other roasted nuts and seeds" are falling under 2008 1991, for which there is no dispute.

32. In view of the above position of law, I am of the view that the impugned goods i.e. Roasted Areca Nuts Whole, are appropriately classifiable under CTI 2008 1920 prior to 01.05.2025 and under CTI 2008 1991 w.e.f. 01.05.2025.

Discussion on DGFT Notification No. 02/2025-26 dated 02.04.2025

33. In the impugned order, the Notification No. 02/2025-26 dated 02.04.2025 issued by the DGFT has been relied upon to classify the impugned goods under CTI 0802 8090. Extracts of the said Notification are as follows:

"ITC (HS) Codes	*Description*	*Policy*	*Policy Decision*
08028090	*Areca Nut--- Other*	*Prohibited*	*(a) However, import is free if CIF Value is Rs. 351/- and above per Kilogram.* *(b) MIP conditions, however, will not be applicable for imports by 100% Export Oriented Units (EOUs), units in SEZ and imports under Advance Authorisation Scheme.* *(c) This code also covers all kinds of processed Areca Nuts including Roasted Areca Nuts.*

20081920	*Other roasted nuts and seeds*	*Free*	*However, "Roasted Areca Nuts" are not covered here as they are specifically covered under 08028090.*

Effect of this Notification: *The Import Policy of "Roasted Areca Nuts" falling under ITC (HS) Code 08028090 and 20081920 is revised from "Free" to "Prohibited" and Import shall be free if CIF Value is Rs. 351/- or above per Kilogram."*

34. In view of the above Notification, earlier it appeared that DGFT had classified "Roasted Areca Nuts" under CTI 80028090. However, I find that Hon'ble High Court of Bombay in in W.P. No. 5253 of 2025 with 6170 of 2025 in the case of **Indu Shekhar Vs. Union of India** (2025 (10) TMI – BOMBAY HIGH COURT), vide Order dated 03.10.2025 stayed the operation of Notification No. 02/2025-26 dated 02.04.2025 issued by DGFT. Further, I find that the DGFT has issued another Notification No. 43/2025-26 dated 15.10.2025, in which the ITC Code in respect of policy condition of Roasted Areca Nuts has been shown as 2008 1991. Particulars of the said Notification No. 43/2025-26 have already been reproduced hereinabove.

35. In view of the above position, I find that the issue of classification of Roasted Areca Nuts based upon the Notification issued by DGFT has been settled in favour of the appellant inasmuch as in the new Notification No. 43/2025-26, the DGFT has adopted the classification under the ITC (HS) code 2008 1991.

Discussion on the prayer to allow clearance of impugned goods

36.1 The impugned order issued under Section 17(5) of the Customs Act, 1962, is a speaking order wherein the declared classification of goods has been rejected and the authorised officer has ordered to reclassify the goods and re-assess the impugned Bill of Entry. Thus, the impugned order dealt with only classification of goods. There is no order before me through which the clearance of goods has not been permitted. In the present appeal filed on 10.09.2025, there are no grounds and no prayer to allow clearance of the impugned goods. Even though, in the additional submissions filed on 02.12.2025, the Advocate of the appellant has prayed to allow clearance of goods. In this regard, Para 2.17(a) of the Hand Book of Procedures, 2023, has been relied upon and it has been contended that the date affixed on the Bill of Lading would be relevant for applicability of restriction placed on the goods as per the Import Policy. In the additional submissions, it has been stated that the Bill of Lading for the subject goods was filed on

22.03.2025 whereas the Prohibition on "Roasted Areca Nuts" was imposed on 02.04.2025; and thus, "Roasted Areca Nuts" were freely importable into India on 22.03.2025 i.e. the date of issue of the Bill of Lading.

36.2 In this regard, I find that the issue of allowing or not allowing clearance of the impugned goods is not involved in the impugned order, against which the present appeal has been filed. There is no discussion about applicability of Date of Bill of Lading and applicability of Minimum Import Price, i.e. CIF Value, in the impugned order. Therefore, the question of deciding applicability of Policy condition of Foreign Trade Policy does not arise at this stage. In view of the above, this issue regarding allowing clearance of goods has not been taken up in the present order, as I cannot give any findings on the issue, which does not emanate from the impugned order passed by the authorised officer. On this issue, I rely upon the Judgment dated 20.01.2023 of Hon'ble High Court of Calcutta in the case of **Radiant Enterprises Pvt. Ltd. Vs. Joint Commissioner of CGST and CX (Appeal-I)**, which has been reported as (2023) 3 Centax 137 (Cal.) = 2023 (71) G.S.T.L. 228 (Cal.). In Para 10 of the said Judgment, it has been held that *the appellate authority could not have taken a decision on the second issue, which did not emanate from the order passed by the original authority.*

36.3 In view of the above position, the appeal made in the additional submissions to the extent allowing clearance of the impugned goods, cannot be allowed. However, the appeal on the main issue regarding classification of impugned goods, which is involved in the impugned order, is allowable on merits.

Order

37. In view of the above discussion and findings, I set aside the Speaking Order No. CUS/KASEZ/001/2025-26 dated 24.08.2025 passed by the Authorised Officer, Kandla Special Economic Zone, Gandhidham, and order to classify 'Roasted Areca Nuts Whole' imported under Bill of Entry No. 3053338 dated 04.07.2025 under CTI 2008 1991 and re-assess the impugned Bill of Entry accordingly.

The appeal is allowed to the above extent.

सत्यापित/ATTESTED
5.12.25
अधीक्षक/SUPRERINTENDENT
सीमा शुल्क (अपील्स), अहमदाबाद
CUSTOMS (APPEALS), AHMEDABAD

(AMIT GUPTA)
Commissioner (Appeals),
Customs, Ahmedabad

F.No. S/49-32/CUS/KDL/SEP/2025-26/4653 Date: 05.12.2025

By Speed Post / E-mail (As per Section 153(1)(b)&(c) of the Customs Act, 1962)

To
M/s. Vandana Trading Company,
Near Deepak Plywood, Durga Colony, Rampur Road,
Ward No. 21, Sikar, Rajasthan – 332001.
(email: vinaybahad4@gmail.com)

Copy to:

1. The Chief Commissioner of Customs, Gujarat, Custom House, Ahmedabad. (email: ccoahm-guj@nic.in)

2. The Principal Commissioner / Commissioner of Customs, Custom House, Kandla. (email: commr-cuskandla@gov.in)

3. The Authorised Officer, Office of the Development Commissioner, Kandla Special Economic Zone, Gandhidham, Kutch - 370230. (email: admn.kasez-gj@gov.in)

4. Mr. Manish Jain and Ms. Raksha Bhandari, Advocates, Ahmedabad. (email: manish.jain@lakshmisri.com raksha.bhandari@lakshmisri.com)

5. Guard File.

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सत्यापित/ATTESTED

अधीक्षक/SUPRERINTENDENT
सीमा शुल्क (अपील्स), अहमदाबाद.
CUSTOMS (APPEALS), AHMEDABAD