

	सीमाशुल्कअग्रिमविनिर्णयप्राधिकरण Customs Authority for Advance Rulings नवीनसीमाशुल्कभवन, बेलाईडस्टेट, मुंबई - ४००००१ New Custom House, Ballard Estate, Mumbai-400 001 E-MAIL: cus-advrulings.mum@gov.in	
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F.No. CAAR/CUS/APPL/72&73/2026-O/o Commr-CAAR-Mumbai दिनांक/Date:11.09.2026

DIN-20260977OS0000391B1F

Order No. & date	CAAR/Mum/ARC/45&46/2026-27 dated: 11.09.2026
Issued by	Rajesh Fattensing Dhabre, Customs Authority for Advance Rulings, Mumbai.
Name and address of the applicant	M/s GLOBAL EXIM, No.13, 5 th Main Road, 1 st Stage, 4 th Phase, Gokula, Bangalore, BENGALURU Urban, KARNATAKA – 560 054.
Concerned Commissionerates	(1) The Commissioner of Customs, Custom House, Chennai – II (Import) Commissionerate, Custom House, No. 60, Rajaji Salai, Chennai, Tamil Nadu – 600 001 Email: commr2-cuschn@gov.in (2) The Commissioner of Customs, Custom House, New Harbour Estate, Tuticorin, Tamil Nadu-628004 Email: commr-custuticorin@nic.in

ध्यान दीजिए/ N.B.:

- सीमाशुल्क अधिनियम, 1962 की धारा 28I की उप-धारा (2) के तहत किए गए इस आदेश की एक प्रति संबंधित को निःशुल्क प्रदान की जाती है।
A copy of this order made under sub-section (2) of Section 28-I of the Customs Act, 1962 is granted to the concerned free of charge.
- इस अग्रिम विनिर्णय आदेश के खिलाफ कोई भी अपील ऐसे निर्णय या आदेश के संचार की तारीख से 60 दिनों के भीतर संबंधित क्षेत्राधिकार के उच्च न्यायालय के समक्ष की जाएगी।
Any appeal against this Advance Ruling order shall lie before the **Hon'ble High Court of concerned jurisdiction**, within 60 days from the date of the communication of such ruling or order.
- धारा 28-I के तहत प्राधिकरण द्वारा सुनाया गया अग्रिम विनिर्णय पाँच साल तक या कानून या तथ्यों में बदलाव होने तक, जिसके आधार पर अग्रिम विनिर्णय सुनाया गया है, वैध रहेगा, जो भी पहले हो।
The advance ruling pronounced by the Authority under Section 28 - I shall remain valid for five years or till there is a change in law or facts on the basis of which the advance ruling has been pronounced, whichever is earlier.



4. जहां प्राधिकरण को पता चलता है कि आवेदक द्वारा अग्रिम विनिर्णय घोखाधड़ी या तथ्यों की गलत बयानी द्वारा प्राप्त किया गया था, उसे शुरू से ही अमान्य घोषित कर दिया जाएगा।

Where the Authority finds that the advance ruling was obtained by the applicant by fraud or misrepresentation of facts, the same shall be declared void *ab initio*.

ORDER

M/s Global Exim (IEC No.: 0710020490) (hereinafter referred to as 'the Applicant'), filed two applications (CAAR-1) for advance ruling before the Office of the Secretary, Customs Authority for Advance Rulings (CAAR), Mumbai. The said applications, along with the requisite enclosures, were received in the Secretariat of CAAR, Mumbai on 07.04.2026, in terms of Section 28H(1) of the Customs Act, 1962 (hereinafter referred to as "the Act"). The Applicant has sought advance ruling on the classification of "Roasted Betelnut/Areca Nuts (Whole/Cut)" under the First Schedule to the Customs Tariff Act, 1975 and on the eligibility of the said goods for concessional rate of duty under Notification No. 46/2011-Customs dated 01.06.2011.

2. Submission by the Applicant:

2.1 The Applicant submitted that it is a firm operating in the name and style of M/s Global Exim (IEC No.: 0710020490). The Applicant intends to import "**Roasted Betel Nuts/Areca Nuts (Whole/Cut)**" from Burma, Indonesia and Sri Lanka. The Applicant submitted that, as per the scheme of classification of goods under the Customs Tariff Act, 1975, fruits, nuts and other edible parts of plants are covered under Chapter 20, and that roasted nuts are specifically covered under Tariff Item 2008 19 91.

2.2 The Applicant submitted that the proposed item to be imported are roasted betel nut/areca nuts (whole/cut) and are classifiable under the HS Code 2008 1991 by virtue of mere roasting as clearly given in the HSN Explanatory Note by the product name. The Applicant further submitted several case law citations wherein the Hon'ble Supreme Court has decided and reiterated that the HSN Explanatory Note is the safe and dependable guide in the matters of classification of items.

2.3 The Applicant submitted that the process of "roasting" is neither defined under the Customs Tariff Act, 1975, nor in the HSN Explanatory Notes, or under any of the relevant Sections or Chapters of the Customs Tariff. In the absence of any specific statutory or tariff definition, the Applicant contended that recourse may be had to the **ordinary dictionary meaning and other authoritative literature** to ascertain the meaning and scope of the term "roasting".

Merriam- Webster:

a.: to cook by exposing to dry heat (as in an oven or before a fire) or by surrounding with hot embers, sand, or stones

b: to dry and parch by exposure to heat,

Britannica:



Roasting, cooking, primarily of meats but also of corn ears, potatoes, or other vegetables thus prepared, by exposure to dry radiant heat either over an open fire, within a reflecting-surface oven, or in some cases within surrounding hot embers, sand, or stones.

2.4 With the above background regarding the process of roasting, the process involved in the proposed imported goods is detailed as follows:

2.4.1 The roasting of seeds of fresh areca nuts wholly or cut into two pieces are roasted by the following steps: -

- A. De-busking the raw betel/areca nut and drying the same before being fed into the roasting oven;
- B. Feeding the fresh areca nuts into a seed roasting oven, heating at the temperature of more than 150 deg. C;
- C. Taking the areca nuts out of the oven, cooling at room temperature and feeding back into the oven, heating and roasting again, and perform in this cycle until the moisture content of the areca nuts is less than 6 percent; and By virtue of 'roasting' as per the processes detailed above, the betelnut/areca nut proposed to be imported by the appellant would fall under the HS Code 20081991 as ' Other Roasted Nuts and Seed' and this Application before the Hon'ble Authority is to benignly seek a Ruling on the same.

3. Statement Containing the Applicants interpretation of Law and/or Facts:

3.1 The applicant submits that the classification of items is governed by the scheme of classification under the Customs Tariff Act, 1975 read with the "The General Rules for The Interpretation of Import Tariff". As per the statutory scheme of 1975 Act, 'roasted nuts' are specifically classifiable under the 'HS Code 20081991'. Further, in terms of Rule.1 of "The General Rules for The Interpretation of Import Tariff", classification of the item shall be determined according to the terms of the heading and any relative section or chapter notes: Therefore, both by the statutory provisions of the Act as well as Rules for classification, the item proposed to be imported, namely, 'roasted areca nut' are appropriately classifiable under the HS Code 20081991 only.

3.2 The Applicant submits that the Harmonized Commodity Description and Coding System generally referred to as the "Harmonized System" or simply "HS" is a multipurpose international product nomenclature developed by the World Customs Organization (WCO)). The system is used by more than 200 member countries and economies as a basis for their Customs tariffs and for the collection of international trade statistics., The official interpretation of the HS is given in the Explanatory Notes published by the WCO and offers a safe guide to interpret and classify the commodity under consideration.

As per the HSN Explanatory Notes to the Chapter Heading 2008 given below, 'Dry Roasted Areca (or Betel) Nuts' are specifically covered under the Chapter Heading 2008: This heading covers fruit, nuts and other edible parts of plants, whether whole, in pieces or crushed, including mixtures thereof, prepared or preserved otherwise than by any of the



processes specified in other Chapters or in the preceding headings of this Chapter. 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.

3.3 Hence from the above, the Applicant submits that the proposed item to be imported, 'roasted betelnut/ areca nut (whole/cut) are classifiable under the HS Code 2008 1991 by virtue of mere roasting as clearly given in the IISN Explanatory Note by the product name. Although the aspect of classification of 'roasted betelnut/ areca nut' is unambiguously clear by the scheme of classification as well as IISN Explanatory Note to the relevant Chapter Heading, the Applicant craves to submit the following case law citations wherein the Hon'ble Supreme Court has decided and reiterated that the IISN Explanatory Note is the safe and dependable guide in the matters of classification of items:

- (i). L.M.L. Ltd. Versus Commissioner of Customs
- (ii). Holostick India Ltd. Versus Commissioner Of Central Excise, Noida
- (iii). Collector Of Central Excise, Shillong Versus Wood Craft Products Ltd

3.4 Accordingly, the Applicant submits that by the vary description of the item as 'Roasted Betelnut/areca nut' the item clearly falls under the HS Code 2008 1991 in terms of Rule 1 of the GIR strongly supported by the relevant IISN EN.

3.5 The Applicant submits that both as per the Scheme of Classification under the Customs Tariff Act, 1975 for the Chapter Heading 2008 and the HSN Explanatory Notes reproduced above, the items classifiable under the Chapter Heading 2008 should not be elsewhere specified or included nor prepared or preserved otherwise than by any of the processes specified in other Chapters or in the preceding headings of this Chapter. Examined in this context, the competing entries for the item namely, 'betel nut/ areca nut' are the HS Code 08029000 and 20081991. For proper appreciation of facts, relevant entries, Chapter Notes and HSN Explanatory Notes of these Chapters are juxtaposed and examined as below:

3.5.1 **UNDER THE HS CODE 08029000**: While Chapter 8 of the Customs Tariff Act, 1975 deals with 'edible fruits and nuts', that include areca/betel nut, Chapter 21 deals with 'miscellaneous edible preparations. A closer reading of the Chapter Note and the General Explanatory Note to the Chapter 08 would convey that only 'nuts' that are processed for preservation and as the manner prescribed therein are classified under the Chapter 08.

3.5.2 Further, submitted that the nuts classifiable under this Chapter should be treated only for the purpose of additional preservation or stabilisation or to improve or maintain their appearance. In effect, any treatment that is aimed at other than or beyond preservation/stabilisation or improve/maintain appearance automatically makes the product ineligible for classification under the Chapter 08 itself. This has been legibly brought out in the IISN General Explanatory Note to the Chapter 08 reproduced below:



GENERAL: This Chapter covers fruit, nuts and peel of citrus fruit or melons (including watermelons), generally intended for human consumption (whether as presented or after processing). They may be fresh (including chilled), frozen (whether or not previously cooked by steaming or boiling in water or containing added sweetening matter) or dried (including dehydrated, evaporated or freeze-dried); provided they are unsuitable for immediate consumption in that state, they may be provisionally preserved (e.g., by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions).

The term "chilled" means that the temperature of a product has been reduced, generally to around 0°C, without the product being frozen. However, some products, such as melons and certain citrus fruit, may be considered to be chilled when their temperature has been reduced to and maintained at + 10 °C. The expression "frozen" means that the product has been cooled to below the product's freezing point until it is frozen throughout. Fruit and nuts of this Chapter may be whole, sliced, chopped, shredded, stoned, pulped, grated, peeled or shelled.

It should be noted that homogenisation, by itself, does not qualify a product of this Chapter for classification as a preparation of Chapter 20

The addition of small quantities of sugar does not affect the classification of fruit in this Chapter. The Chapter also includes dried fruit (e.g., dates and prunes), the exterior of which may be covered with a deposit of dried natural sugar thus giving the fruit an appearance somewhat similar to that of the crystallised fruit of heading 2006.

However, this Chapter does not cover fruit preserved by osmotic dehydration. The expression "osmotic dehydration" refers to a process whereby pieces of fruit are subjected to prolonged soaking in concentrated sugar syrup so that much of the water and the natural sugar of the fruit is replaced by sugar from the syrup. The fruit may subsequently be air-dried to further reduce the moisture content. Such fruit is classified in Chapter 20 (heading 20.08).

3.5.3 From the above, it is amply clear that none of the processes referred above is employed in the product proposed to be imported. Further, the fruits air-dried to reduce moisture itself excludes it from the purview of Chapter 108 and places the same under the Chapter 20. Therefore, the processes involved in the proposed import item, 'Roasted Areca Nut (Whole /split) is completely different from the preservative processes for the products falling under the Chapter Heading 0802 and hence would not fall under the said Chapter.

3.6 The Applicant submits that the vital question as to whether the roasted nuts would fall under the Chapter Heading 0802 or Chapter Heading 2008 was affirmatively answered in favour of the later (CTH 2008) by the Hon'ble Supreme Court in the case at **Commissioner of Customs & Central Excise, Goa Vs Phil Corporation Ltd** reported in 2008 (223) E.L.T 9 (S.C). Similarly, while answering whether 'roasted peanut' would fall under Chapter 21 or under Chapter 20, the Apex Court in the case of **M/s. Amrit Agro Industries Ltd Vs Commissioner of Central Excise, Ghaziabad** reported in 2007(210) E.L.T 183 (S.C) held that roasted nuts are classifiable under the Chapter 20. In both the cases, the Department vehemently argued in favour of classifying the 'roasted nuts' under Chapter 20 and the same was upheld. Hence, the settled position of law is that nuts falling under Chapter 08 would be classified under Chapter 20, if the same is subjected to the process of roasting.



3.7 The applicant further submits that the issue on hand has been unequivocally dealt with by the Hon'ble High Court of Madras in its order in the case of **Commissioner of Customs, Chennai-II Versus Shahnaz Commodities International Pvt. Ltd** reported in 2023 (386) E.L. T 214 (Mad), wherein the classification of roasted betelnut has been held to be classifiable under the IIS Code 2008 1920 as per the then scheme of classification under the Customs Tariff Act, 1975. The said order of the Hon'ble High Court has been accepted by the government and thus attained finality. Despite this settled position of law regarding classification of roasted betelnut under the Chapter Heading 2008, filing of this application is necessitated due to the change in the Tariff Item pertaining to other roasted nuts and seeds as the same is now brought under the new entry, 2008 1991 as per the Finance Bill, 2005. The introduction of new entry, 2008 1920 has not altered the settled fact that the roasted betelnut is classifiable under the HS Code 2008 1991, except there is a change in the tariff rate 150% instead of 30% that was in vogue prior to the Finance Bill 2005.

3.9 The applicant contends that that by virtue of classification under the HS Code 2008 1991, the roasted betelnut and roasted walnuts are eligible for concessional rate of duty under Sl. No. 172 of the Notification of Customs No.46/2011 dated 01.06.2011 as amended by the Notification No. 41/2019 dated 31.12.2019, the relevant entry of the same is given below:

No	Chapter Heading sub-heading & Tariff Item	Description	Rate (in % unless otherwise specified)
172	200710 to 200820	All goods	0

Therefore, the item proposed to be imported is eligible for the benefit of duty under Sl. No. 172 of the Notification of Customs No. 41/2019 dated 31.12.2019 subject to fulfilment of conditions prescribed therein.

3.10 The applicant submits that the First Bench of the Hon'ble High Court of Madras, in W.A. Nos. 3647 & 3648 of 2024 in the case of *Universal Impex*, held that betel nut products having moisture content below 10% may be regarded as roasted, subject to compliance with the moisture limit specified in the Advance Ruling Application. Accordingly, the applicant undertakes to ensure that the moisture content of the roasted betel nuts remains below 7%, as specified in Annexure-I to the Application, thereby ensuring that only roasted betel nuts are imported.

3.11 In view of the above, the applicant submits that the goods, namely, **roasted betel nuts/arcca nuts (whole/cut)**, are appropriately classifiable under **CTH 2008 19 91** and eligible for the benefit under **Sl. No. 172 of Notification No. 41/2019-Cus. dated 31.12.2019**.



4. Port of Import and reply from Jurisdictional Commissionerate

4.1 In terms of provisions of the Section 28-I (1) of the Customs Act, 1962 read with Sub-Regulation no. (7) of the Regulation no. 8 of the Customs Authority for Advance Rulings Regulations, 2021, on the receipt of the said application, office of the CAAR, Mumbai forwarded copy of the said application/submissions to the concerned Jurisdictional Customs Commissionerate's i.e.(1) The Commissioner of Customs, Chennai – II (Import) Commissionerate, Rajaji Salai, Chennai, Tamil Nadu and (2) The Commissioner of Customs, Custom House, New Harbour Estate, Tuticorin, Tamil Nadu calling upon them to furnish the relevant records with comments, if any, in respect of said application on 21.04.2026, 14.05.2026 and 04.06.2026. In this regard comments have been received from Chennai Customs are as under.

4.2 Comments of the Chennai-II Jurisdictional Commissionerate on “Roasted Areca Nuts (Whole/Split/Cut)”

3.2.1 In view of the submissions made by the Applicant, kind reference is invited to the pertinent facts, relevant notes, and other details relating to Heading 2008 under Chapter 20 of the Customs Tariff.

4.2.2 This heading covers fruit, nuts and other edible parts of plants, whether whole, in pieces or crushed, including mixtures thereof, prepared or preserved otherwise than by any of the processes specified in other Chapters or in the preceding headings of this Chapter. It includes, inter alia, almonds, groundnuts, 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. The products of this heading are generally put up in cans, jars or airtight containers; or in casks, barrels or similar containers.

4.2.3 It is further submitted that the subject goods are generally imported in bulk quantities, packed in 50 kg bags and stuffed in containers. Such manner of packing does not correspond with the general mode of packing contemplated in the HSN Explanatory Notes to Heading 2008, wherein the goods are generally stated to be put up in cans, jars, airtight containers, casks, barrels or similar containers

4.2.4. It is further opined that the claims made by the applicant and the ruling sought are devoid of substantive evidence and are legally untenable on the following grounds:
For the sake of clarity and comprehensive understanding, it is imperative to reproduce Note 3 of Chapter 08 in its entirety:

“3. Dried fruit or dried nuts of this Chapter may be partially rehydrated, or treated for the following purposes:

(a) for additional preservation or stabilisation (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 fruit or dried nuts.”



4.2.5. It is crucial to note that the item “Areca Nut/Betel Nut” is specifically and unambiguously covered under CTSH 0802 80 of the First Schedule of the Customs Tariff Act, 1975. Chapter heading 0802 provides a clear and comprehensive description, which reads as “Other nuts, fresh or dried, whether or not shelled or peeled”. This explicit inclusion undeniably encompasses areca nuts in their dried/heat-treated form, regardless of whether they have been shelled or peeled, under the chapter heading 0802.

4.2.6. The import of Areca Nut under 0802 80 as well as under 2008 19 91 is subject to important regulatory and revenue measures, namely:

- a. The Minimum Import Price (MIP) requirement prescribed vide DGFT Notification No. 43/2025-26 dated 15.10.2025;
- b. The Tariff Value/Rate of valuation applicable to Areca Nuts under CTH 0802 80;
- c. The differential rate of Basic Customs Duty applicable under CTSH 0802 80 as compared to CTH 2008 19 91.

4.2.7. It is observed that vide DGFT Notification No. 43/2025-26 dated 15.10.2025, the Central Government has amended the import policy condition applicable to Areca Nuts falling under ITC (HS) Codes 08028090 as well as 20081991, prescribing a uniform Minimum Import Price (MIP) of Rs. 351/- per kilogram (CIF) for both the said codes, below which import is Prohibited. It is, therefore, seen that the said Notification, being applicable equally to raw/dried Areca Nuts as well as roasted nuts and seeds, is not, by itself, determinative of the classification dispute; the MIP compliance obligation would apply to the applicant's goods regardless of whether the same are classified under CTH 080280 or CTH 2008 19 91.

4.2.8. Notwithstanding the above, it is pertinent to note that import of Areca Nuts is also subject to a Tariff Value as stipulated in CBIC Notification No. 36/2001-Customs (N.T.), dated 03.08.2001, as amended from time to time, which prescribes a Tariff Value for Areca Nuts classifiable under CTH 0802.

4.2.9. The rate of Basic Customs Duty (BCD) applicable to Areca Nuts under CTSH 0802 80 is 100% (Standard) / 90% (Preferential Areas), whereas the rate of BCD applicable under CTH 2008 19 91 is only 30%. It is therefore evident that a substantial revenue implication, in the form of a duty differential of 70 percentage points, arises depending upon the classification adopted, thereby furnishing a strong incentive for importers to seek classification of the impugned goods under CTH 2008 rather than under CTH 0802.

4.2.10. It is further observed that the strategic deployment of the descriptor “Roasted Areca Nuts” by some importers, leveraging the term “roasted” as it appears in the Explanatory Notes to Chapter 20, appears in several cases to be a calculated attempt to artificially situate the goods under CTH 2008 so as to avail the lower duty rate, notwithstanding that the degree of processing undergone may not be sufficient to take the goods out of Chapter 08. This raises legitimate questions warranting verification in the present case as well.

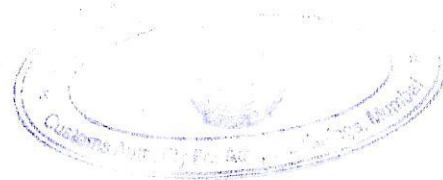


4.2.11. Furthermore, the process described by the applicant itself indicates that even after repeated heating up to 130-150°C over a cycle of 2-3 days in a firewood/palm-kernel based oven, the object of the process, as declared, is only to bring down the moisture content of the areca nuts to "below 10%". If, after such elaborate and repeated processing, the moisture content is targeted only at a level below 10% (and not appreciably lower), it suggests that the process is primarily directed towards drying/moisture-reduction of the nuts rather than effecting any fundamental change in their character. The product, therefore, remains nothing more than moderately heat-treated/dried areca nuts. Consequently, the so-called "Roasted Areca Nuts" may, on verification, be found to be moderately heat-treated areca nuts, more appropriately classifiable under Chapter 08, specifically under CTSII 0802 80, notwithstanding the elaborate description of the roasting oven and flame temperature furnished by the applicant.

4.2.12. As per Standard 2.3.55 of the FSSAI Food Safety and Standards Regulations, 2011, the maximum moisture content permitted for Areca Nuts is 7%. In view of this, the applicant's claim of roasting the de-husked nuts multiple times at high temperatures merely to bring down the moisture content to "below 10%" appears inadequate to satisfy even the food-safety moisture threshold applicable to areca nuts, and is not, by itself, indicative of a distinct "roasted" product. As per the HSN Explanatory Notes to Chapter 08, nuts may undergo processes such as drying, heating or other treatments undertaken solely to ensure better preservation, facilitate transport or storage, or render the product marketable, without altering their essential character, and such processes do not take the goods out of Chapter 08.

4.2.13. It is pertinent to note that the determination of whether areca nuts have been "roasted" cannot rest solely on moisture content or on the applicant's description of the oven/firewood process. Roastedness is a multifactorial attribute and must be assessed with reference to other essential chemical parameters, more particularly tannin content, alkaloid content, arecoline content, and protein content. The applicant's own Annexure I and Annexure II refer to a change in tannin and arecoline content on account of roasting, relying upon a general article on "Estimation of arecoline content of various forms of areca nut preparations"; however, no sample-specific chemical analysis of the goods actually proposed to be imported has been furnished. Arecoline, the principal alkaloid naturally occurring in areca nut, continues to be present even after roasting or heat treatment, albeit in a reduced or chemically altered form, and does not stand eliminated. It is therefore submitted that the mere assertion of a roasting process and temperature, unsupported by consignment-specific chemical analysis, cannot be relied upon to establish that the goods have undergone a transformative process sufficient to alter their essential nature or classification. In the absence of internationally or nationally recognised standards prescribing definitive parameters for "roasting", and in the absence of any test report of the actual goods proposed to be imported, the applicant's claim of classification under Chapter 20 remains unsubstantiated.

4.2.14. It is important to note that while chapter headings are provided for ease of reference and do not have legal force in themselves, they do offer valuable guidance in interpretation. As per Rule 1 of the General Rules for the Interpretation of the Harmonized System, the chapter



heading of Chapter 20 reads as "Preparations of Vegetables, Fruits, Nuts or other parts of plants." This indicates that for goods to be classifiable under this Chapter, there should be some degree of preparation beyond mere drying or heat treatment.

4.2.15. Therefore, by applying the Specific vs General Entry Rule 3(a) of the General Interpretative Rules, which states that "the heading which provides the most specific description shall be preferred to headings providing a more general description," it is submitted that, subject to verification, the impugned goods, i.e., areca nuts subjected to moderate roasting/heat treatment, may more appropriately be classifiable under Chapter 08, since Chapter Heading 0802 80 specifically covers areca nuts/betel nuts, providing a precise description of the goods in question, as against the general residuary description under CTH 2008.

4.2.16. The applicant in the present application has relied upon the Ruling of this very Authority (CAAR, Mumbai) in Ruling No. CAAR/Mum/ARC/39,40&41/2023 dated 07.12.2022 in the matter of M/s Universal Impex, Mumbai, wherein identical goods were held classifiable under CTH 2008 19 20, and has also placed reliance on the judgment dated 01.08.2023 of the Division Bench of the Hon'ble High Court of Madras in Commissioner of Customs, Chennai-II v. Shahnaz Commodities International Pvt. Ltd. and connected appeals (CMA Nos. 600, 1206 & 1750 of 2023), whereby the Department's appeals against similar Rulings of this Authority came to be dismissed.

4.2.17. At the outset, it is submitted that while this Commissionerate is conscious of the binding nature of the aforesaid judgment of the Hon'ble High Court of Madras qua the parties and goods therein, the said Ruling(s)/judgment were rendered on the basis of the facts, processes and material placed before the Authority/Court in those particular cases.

4.2.18. In the case of M/s Unik Traders, the Hon'ble Madras High Court, vide Order dated 14.10.2025 in W.P. No. 36557 of 2025, allowed clearance of roasted areca nut consignments by following the ratio laid down in the judgment dated 04.03.2025 in W.A. Nos. 3647 & 3648 of 2024 (Commissioner of Customs vs. M/s Universal Impex & M/s Neena Enterprises). It is, however, pertinent to note that the Department has filed a Writ Appeal against the Order dated 14.10.2025 on the ground that the said order mechanically adopts a 10% moisture-content threshold for determining "roasted areca nut", without any statutory or scientific basis, and erroneously extends the limited factual findings in the earlier Division Bench judgment to all future cases. the issue is presently sub judice before the Hon'ble Division Bench.

4.2.19. The classification of the goods sought to be imported by the present applicant must, nonetheless, be independently examined and determined strictly in accordance with the statutory provisions of the Customs Tariff Act, 1975, read with the relevant Section Notes, Chapter Notes, and the IISN Explanatory Notes, applied to the specific facts, processes and, more importantly, the actual goods presented for import by the present applicant.



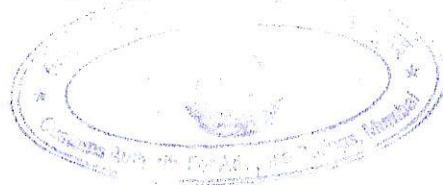
4.2.20. Chapter 08 of the Customs Tariff covers “Edible fruit and nuts; peel of citrus fruit or melons.” Heading 0802 specifically includes areca nuts. The HSN Explanatory Notes to Chapter 08 clearly provide that the Chapter covers nuts which are fresh or dried, whether or not shelled or peeled, and further clarify that processes such as drying, heating, or mild thermal treatment undertaken solely for the purpose of preservation do not alter the essential character of the nuts so as to exclude them from Chapter 08.

4.2.21. In contrast, Chapter 20 covers “Preparations of vegetables, fruit, nuts or other parts of plants.” Note 1 to Chapter 20 excludes goods of Chapter 08, unless they have been prepared or preserved by processes other than those specified in Chapter 08. Thus, unless the processing results in a substantial transformation giving rise to a product distinct from raw or dried areca nuts, classification under Chapter 20 would not be warranted. In the present case, on the applicant's own submissions, the process undertaken is directed at reducing moisture content to “below 10%” through repeated cycles of heating and cooling; such a process, without independent verification through testing of the actual samples proposed to be imported, cannot conclusively be said to result in the substantial transformation contemplated for classification under Chapter 20.

4.2.22. All these parameters have to be verified by testing of the samples of the imported goods in the designated Customs Accredited Laboratories to confirm whether the imported goods are Roasted Areca Nuts or not, based on parameters like moisture content, physical characteristics, arecoline content, etc. Only after testing of the goods can it be conclusively determined whether the imported goods are Roasted, Dried or Raw Areca Nuts.

4.2.23. From the foregoing discussion, it is submitted that, in view of the repeated litigation encountered in the assessment and clearance of “Roasted Areca Nuts”, this Commissionerate has faced repeated difficulties in the assessment and clearance of such goods due to the absence of clearly defined standards and parameters to determine the classification. The issue of classification of “Roasted Areca Nuts” has, therefore, already been referred to the National Assessment Centre (NAC) (1 & 1B), Kolkata, as well as vide letter to the CBIC Board, for formulating uniform criteria and standards for classification of areca nuts as raw, dried, or roasted, and for evolving a uniform national assessment practice.

4.2.24. In the instant application, the applicant has merely listed the processes claimed to have been undertaken/proposed to be undertaken in respect of the goods to be imported, without producing any corroborative technical literature, internationally or nationally recognized standards, or consignment-specific scientific/laboratory evidence to establish that the goods would, in fact, satisfy the criteria of being “roasted” at the temperatures stated by them. In this regard, it is submitted that, at the time of importation, representative samples of the imported nuts may be drawn and subjected to appropriate testing by the jurisdictional Customs Commissionerate at the stage of Customs Compliance Verification (CCV), prior to Assessment and before grant of Out of Charge (OOC), through a competent Accredited FSSAI laboratory, in order to ascertain whether the goods satisfy the criteria of being “roasted” and to ensure



conformity with the declarations made in the import documents. The applicant has also not specified whether the goods proposed to be imported would be in ready-to-eat form; or whether they would require further processing, including addition of salt, sugar, oil, or other additives. No photographs or visual/physical samples of the goods proposed to be imported have been furnished. In the absence of such essential and material particulars, the applicant's claim that the goods would merit classification under CTH 2008 19 91 remains unsubstantiated at this stage.

4.2.25. It is reiterated that DGT Notification No. 43/2025-26 dated 15.10.2025 prescribes an identical Minimum Import Price of Rs. 351/- per kilogram (CIF) for import of Areca Nuts under both ITC (HS) Codes 08028090 and 20081991, and further clarifies that the said MIP is not applicable to imports by 100% Export Oriented Units (EOUs), units in the SEZ, and imports under the Advance Authorization Scheme. The said Notification, being a trade policy measure regulating value of imports and not a classification provision, does not define or prescribe the manufacturing process, degree of processing, or technical parameters for determining when an areca nut product qualifies as "roasted areca nuts" under ITC (HS) Code 2008 19 91, and accordingly cannot be treated as conclusive on the question of classification, which must be independently determined on the basis of the process actually undergone by the goods, duly verified through testing.

4.2.26. In view of the comprehensive analysis of the statutory provisions presented above, and strict adherence to Rule 1 of the General Rules for the Interpretation of the Harmonized System, which unequivocally states that "classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes," the HSN Explanatory Notes, and the relevant judicial precedents, it is submitted that the classification of the impugned goods, i.e., Roasted Areca Nuts (Whole), Roasted Areca Nuts (Split) and Roasted Areca Nuts (Cut), ought to be determined only upon due verification of the actual processes undergone and testing of representative samples by an Accredited Customs/FSSAI laboratory at the time of import, and cannot be conclusively decided merely on the basis of the process narrated in the application, without such verification. Subject to the result of such testing, and in the absence thereof, the goods, being areca/betel nuts subjected at best to moderate heat treatment, would merit classification under Chapter 08, specifically under CTH 0802 80, and not under CTH 2008 19 91 as claimed by the applicant.

4.3 The comments received from Chennai Customs were forwarded to the applicant for rebuttal on 07.08.2026. In response, the applicant, vide email dated 18.08.2026, **reiterated that the details furnished by them were correct.**

5. Records of Personal Hearing

5.1 A personal hearing was granted to the Applicant on 12.06.2026. On the scheduled date of hearing, the Applicant's representative appeared and reiterated the submissions and contentions made in the written application, particularly the claim that the proposed imported



goods, namely, “**Roasted Betel Nuts / Areca Nuts (whole/cut)**”, merit classification under **CTH 2008 19 91**. The representative further placed reliance upon various judicial pronouncements and earlier Advance Rulings concerning the classification of identical or similar goods, in support of the Applicant’s contention.

5.2 Nobody appeared for PH from the Department.

6. Discussions and Findings:

6.1 The applicant has submitted that the issue raised in the present application has already been decided by the Hon’ble High Court, wherein the ruling of the Authority on the classification of the subject goods was upheld. In this regard, the relevant portion of sub-section (2) of Section 28-I of the Customs Act, 1962 is reproduced below:

“(2) The Authority may, after examining the application and the records called for, by order either allow or reject the application:

Provided that the Authority shall not allow the application where the question raised in the application is—

(a) already pending in the applicant’s case before any officer of customs, the Appellate Tribunal or any Court;

(b) same as in a matter decided already by the Appellate Tribunal or any Court.”

7. In the present case, the precise issue relating to the classification of roasted areca/betel nuts has already been adjudicated upon by the Hon’ble High Court of Madras vide judgment dated 01.08.2023 in C.M.A. Nos. 600/2023, 1206/2023 and 1750/2023 in the matter of *Commissioner of Customs, Chennai-II Commissionerate v. M/s Shahnaz Commodities International Pvt. Ltd. and M/s Universal Impex and M/s Neena Enterprises*. The said decision, concerning the classification of the subject goods, was subsequently considered in W.A. Nos. 3647 and 3648 of 2024, wherein the ruling of the Authority classifying the said goods under CTH 20081920, corresponding to CTH 20081991 under the present Customs Tariff, was upheld.

8. It is further observed that this Authority, as well as the Customs Authority for Advance Rulings, Delhi, has already pronounced several rulings in respect of applications concerning the proposed import of the subject goods, namely, “Roasted Areca Nuts”, through various major and minor ports/Inland Container Depots across the country. The classification issue involved in those applications is the same as, or substantially similar to, the issue which has already been adjudicated upon by the Hon’ble High Court of Madras in its judgment dated 01.08.2023. In the instant application also, the question raised by the applicant concerns the classification of the same goods and does not disclose any material distinguishing feature or new factual circumstance warranting a different consideration.

9. In view of the foregoing, I find that the question raised by the applicant is the same as the question which has already been decided by an Hon’ble Court. Though question of classification of Roasted Areca Nut decided by Hon’ble High Court of Madras dated



01.08.2023 is not in case filed by Applicant himself, however as per records perused and facts produced before me, it is seen that the matter abundantly falls within ambit of Section 28-I(2)(b) of the Customs Act, 1962 and said provision can be safely applied to application and question raised there off.

10. As regards the applicant's reference to the concessional rate of duty under Sl. No. 172 of Notification No. 46/2011-Cus. dated 01.06.2011, as amended by Notification No. 41/2019-Cus. dated 31.12.2019, in respect of the subject goods, namely, "Roasted Areca Nut/Betel Nut", it is observed that the applicability of a concessional rate under an exemption notification has to be examined with reference to the relevant tariff entry and the specific conditions prescribed in the notification. The eligibility for such exemption/concession is required to be established by the claimant in accordance with the applicable statutory provisions and the conditions of the notification. Further, the applicable rate of duty and conditions are required to be determined with reference to the legal position prevailing on the relevant date of import.

11. In view of the foregoing facts and circumstances, and on examination of the records of the case, I find that the question raised in the present application, insofar as it relates to the classification of the subject "Roasted Areca Nut/Betel Nut", has already been decided by the Hon'ble High Court of Madras vide judgment dated 01.08.2023, as referred to above.

12. Accordingly, in terms of the proviso to Section 28-I(2)(b) of the Customs Act, 1962, the application is disallowed and disposed of accordingly.




(Rajesh Fattensing Dhabre) 11.09.2026
Customs Authority for Advance Rulings,
Mumbai.

This copy is certified to be a true copy of the ruling and is sent to:

1. M/s GLOBAL EXIM, No.13, 5th Main Road, 1st Stage, 4th Phase,
Gokula, Bangalore, BENGALURU Urban, KARNATAKA – 560 054.
2. The Commissioner of Customs, Custom House, Chennai – II (Import)
Commissionerate, Custom House, NO.60, Rajaji Salai, Chennai,
Tamil Nadu – 600 001 Email.: Commr2-cuschn@gov.in
3. Commissioner of Customs, Custom House, New Harbour Estate, Tuticorin,
Tamil Nadu-628004. Email: commr-custuticorin@nic.in
4. The Customs Authority for Advance Rulings, First Floor, Wing No. 6 West Block-8,
R.K. Puram, New Delhi -110066. Email: cus-advrulings.del@gov.in
5. The Principal Chief Commissioner of Customs, Mumbai Customs Zone-I,
Ballard Estate, Mumbai -400001. Email: ccu-cusmum1@nic.in
6. The Commissioner (Legal), CBIC Offices,
Legal/CX.8A, Cell, 5th floor, Hudco Vishala Building,
C-Wing, Bhikaji Cama Place, R. K. Puram, New Delhi – 110066.
Email: commr.legal-cbec@nic.in
7. The Member (Customs), Central Boards of Indirect Taxes & Customs, North Block,
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8. The Webmaster, Central Boards of Indirect Taxes & Customs.
Email: webmaster.cbec@icegate.gov.in
9. Guard file.



(Vivek Dwivedi)

Dy. Commissioner & Secretary
Customs Authority for Advance Rulings,
Mumbai