

**CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL  
NEW DELHI  
PRINCIPAL BENCH-COURT NO. 3**

**EXCISE APPEAL NO. 50670 OF 2025**

[Arising out of Order-in-Appeal No. 345(RLM)ST/JPR/2024 dated 2.07.2024 passed by the Commissioner (Appeals) CGST & Central Excise, Jaipur]

**M/S READY ROTI INDIA PRIVATE LIMITED**

**....APPELLANT**

F-28, RIICO Industrial Area,  
Sarkhurd, Tehssil Tijara,  
District Alwar,  
Rajashtan 301707

**VS**

**THE COMMISSIONER OF CENTRAL GOODS AND  
SERVICES TAX, AND CENTRAL EXCISE-ALWAR**

**....RESPONDENT**

A-Block, Surya Nagar,  
Alwar,  
Rajasthan 301001

**Appearance:**

Ms. Priyamwada Sinha, Advocate for the Appellant  
Shri Bhagwat Dayal, Authorised Representative for the Respondent

**CORAM:**

**HON'BLE MR. AJAY SHARMA, MEMBER ( JUDICIAL )**

**HON'BLE MR. P. V. SUBBA RAO, MEMBER ( TECHNICAL )**

**FINAL ORDER NO. 50273/2026**

**DATE OF HEARING : 08/12/2025**

**DATE OF DECISION:17/02/2026**

**P.V.SUBBA RAO**

1. M/s Ready Roti India Pvt. Limited <sup>1</sup> filed this appeal to assail the order dated 2.07.2024<sup>2</sup> passed by the Commissioner (Appeals), Jaipur in which he upheld the order dated 31.3.2022<sup>3</sup> passed by the Assistant Commissioner and rejected the appellant's appeal. The facts which led to the issue of the impugned order are as follows.

---

**1 Appellant  
2 Impugned order  
3 OIO**

2. The appellant is a private limited company and it started manufacturing 'Ready Roti/Halka Fulka' from September 2015 but it was not registered with the Central Excise Department nor did it pay any Central Excise Duty on them.

3. Acting on an intelligence that the appellant was manufacturing ready-to-eat packaged food which attracts central excise duty but it was not registered with Central Excise for payment of Central Excise duty, a team of departmental officers visited the factory premises of the appellant on 30.11.2018.

4. The officers noticed that the product 'Ready to Eat' has a declaration:  
*"Now enjoy homemade like phulka's anywhere in just 1 min – Ready to cook Rotis – 1 min Heat & Eat"*

5. Based on the manufacturing process, product description, and usage, it appeared to the officers that they were partially cooked and ready to eat after heating on "Tawa" or "Gas Burner". The appellant had treated its product as classifiable under **Central Excise Tariff heading<sup>4</sup> 1905 90 90** which covers Bread and Bakery items on which no duty was payable. Accordingly, the appellant had not obtained central excise registration or paid any duty.

6. The officers felt that the product was classifiable under CETH 2106 90 90 which, *inter alia*, covers instant Food Mixes and ready-to-eat packaged foods, which specifically fit the description of the above product based on its nature and usage by the end consumer on which duty @ 12.5% had to be paid.

7. After completing the investigation, a Show Cause Notice<sup>5</sup> dated 30.9.2020 was issued to the appellant by the Deputy Director of the

---

**4 CETH**  
**5 SCN**

Directorate General of GST Intelligence<sup>6</sup> proposing to recover central excise duty of Rs. 8,33,772/- covering the period September 2015 to June 2017 from the appellant under Section 11A (4) of the Central Excise Act, 1944<sup>7</sup> along with interest under section 11AA of the Act and to impose an amount equal to the duty under section 11AC of the Act.

8. The Show Cause Notice was adjudicated by the Assistant Commissioner in his OIO but he reduced the demand of duty from Rs. 8,33,772/- to Rs. 2,77,924/- after applying an exemption notification no. 16/2012-CE dated 17.3.2012. He also confirmed the demand of interest and imposed an equal amount as penalty under section 11AC of the Act. On appeal, the Commissioner (Appeals) passed the impugned order upholding the OIO passed by the Assistant Commissioner. Hence this appeal.

9. We have heard learned counsel for the appellant and learned authorised representative for the Revenue and perused the records.

#### **Submissions of the appellant**

10. Ms. Priyamwada Sinha, Learned counsel for the appellant made the following submissions:

- i) The SCN was time barred and extended period of limitation could not have been invoked because the appellant was already registered with the service tax department and the department was aware of its activities.
- ii) The appellant believed and continues to believe that its product is classifiable under **CETH 1905 90 90** chargable to NIL rate of duty and it is for this reason that the appellant had not obtained any central excise registration or paid any central excise duty. There is no evidence of any fraud or collusion or wilful mis-statement or suppression of facts or violation of Act or Rules with an intent to evade payment of duty which are essential elements to invoke extended period of limitation under Section 11A(4). Since the SCN was issued on 30.9.2020 covering the period September 2015 to June 2017, the entire period of demand is beyond the normal period of limitation.

iii) The demand cannot be sustained even on merits as the Ready Roti manufactured by the appellant falls under **CETH 1905 90 90** and not under **CETH 2109 90 90** which is chargeable to NIL rate of duty. The relevant entries are as follows:

<b>Chapter 19: Preparations of cereals, flour, starch or milk; pastrycooks' products</b>			
Tariff Item	Description of goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
1905	BREAD, PASTRY, CAKES, BISCUITS AND OTHER BAKERS WARES, WHETHER OR NOT CONTAINING COCOA; COMMUNION WAFERS, EMPTY CACHETS OF A KIND SUITABLE FOR PHARMACEUTICAL USE, SEALING WAFERS, RICE PAPER AND SIMILAR PRODUCTS		
1905 90	- other		
1905 90 90	--- other	kg	Nil

<b>Chapter 21: Miscellaneous edible preparations</b>			
Tariff Item	Description of goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
2106	Food preparations not elsewhere specified or included		
2106 90	- other		
2106 90 99	--- other	kg	12.5%

iv) Roti is an unleavened bread. No specific definitions of bread or roti have been given in the tariff. The Oxford dictionary gives the meaning of Roti as 'a type of south Asian bread that is cooked on griddle' and 'bread of any kind'.

v) Rotis are also commonly known in restaurants as 'Indian breads'.

vi) Appendix A to FSSAI Regulations includes Roti in para 7.1.1 'Bread and rolls'.

vii) Roti is not considered as 'ready to eat instant food' in the market but is considered as a form of bread. Reliance is placed on the decision of Hon'ble High Court of Kerala in **Modern Food Enterprises Pvt. Ltd**

**vs UOI<sup>8</sup>** in which Malabar Parota was held to be classifiable under Heading 1905 as bread for the purpose of CGST/SGST.

- viii) Therefore, roti is correctly classifiable under **CETH 1905 90 90**.
- ix) The demand of duty, interest and penalty cannot therefore, be sustained and may be set aside.

### **Submissions of the Revenue**

11. Shri Bhagawat Dayal, learned authorised representative for the Revenue vehemently supported the impugned order and submitted as follows:

- (i) The product manufactured by the appellant was not bread but was ready to cook rotis. They were partly cooked and had to be heated before they could be consumed. They were not known in the market or sold as bread or bakery products. Therefore, they do not fall under **CETH 1905 90 90** but fall under **CETH 2106 90 90**.
- (ii) In terms of Rule 3(a) of the General Rules for the Interpretation of the First Schedule of CETA, 1985, the heading that provides specific description shall be preferred to headings providing a more general description.
- (iii) As per Rule 3(c) of the said Interpretation Rules, when there is ambiguity regarding the classification of a product, the goods are to be classified under the heading which occurs last in numerical order among those which equally merit consideration.
- (iv) Therefore, even in the scenario of the product getting covered in two or more chapter headings, the appropriate and correct classification of the product in dispute shall be chapter heading 2106.
- (v) The judgment of Kerala High Court in **Modern Food Enterprises** will not apply to this case because the appellant is not manufacturing rotis which are ready to eat. They are only partly cooked and can be consumed only after further cooking.
- (vi) The SCN is not time-barred, and the extended period has been rightly invoked – Factory was visited on 30-11-2018, and the SCN was issued on 30-09-2020 within 2 years from the date of visit. The period covered is September 2015 to June 2017. Therefore, the extended period of limitation is rightly invoked.

- (vii) In light of the above submission, the respondent humbly prays that the appeal filed by the appellant may kindly be rejected and the Order in Appeal dated 02.07.2024 may be upheld.

## **Findings**

12. We have considered the submission advanced by both sides and perused the records. The short question to be answered is whether the 'Ready Rotis' manufactured by the appellant are classifiable as bread under **CETH 1905 90 90** or as packaged food under **CETH 2106 90 90**.

13. We find that breads are usually of two types- leavened in which yeast is added and unleavened in which no yeast is added during production. Bread, buns, kulchas, pizza bases are all leavened. Rotis, parotas, etc. are unleavened. Typically, they are called Indian unleavened flat breads because no yeast is added and they are flat (and not raised like buns, etc.). Nevertheless, they are a form of bread. The judgment in **Modern Food Enterprises** regarding Malabar Parotas should apply to Rotis also.

14. Learned authorized representative also pointed out that the Ready Rotis manufactured by the appellant are not fully cooked and need to be cooked further on the griddle before consuming. They are therefore, not like any bread which can be consumed directly.

15. It is undisputed that the 'Ready Rotis' are not really ready to eat and need to be cooked further on a griddle and the question which arises is whether such unfinished rotis should also be classified as bread. General Rule of Interpretation 2(a) to the Central Excise Tariff answers this question. It reads as follows:

### **Rules of Interpretation**

#### **2.**

**(a) Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article.** It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this Rule), presented unassembled or disassembled.

16. The Ready Rotis manufactured by the appellant have, undoubtedly, the essential character of Rotis. They are not in the form of wheat or flour or dough. However, they are incomplete and need to be cooked for a few more

minutes before consuming. Therefore, they are squarely covered by Rules of Interpretation 2(a).

17. We, therefore, find that the Ready Rotis manufactured by the appellant are correctly classifiable under **CETH 1905 90 90** chargeable to NIL rate of duty.

18. The appeal is accordingly allowed and the impugned order is set aside with consequential relief to the appellant.

[Order pronounced on 17.02.2026.]

**(AJAY SHARMA)**  
**MEMBER ( JUDICIAL )**

**(P. V. SUBBA RAO)**  
**MEMBER ( TECHNICAL )**

PK