IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 09-07-2026

CORAM

THE HON'BLE MR.JUSTICE HEMANT CHANDANGOUDAR

WP No. 39 of 2023
and
WMP Nos.29 and 30 of 2023

M/s.Pellagic Food Ingredients Pvt Ltd
Represented by its Director
Mr.Ramakanta Mishra
No.371, Sri Lakshmi Nivas
9th Main, A Block AECS Layout,
Kundlu Gate, Near Chaitanya School
Bangalore 560 068

..Petitioner(s)

Vs

The Commissioner of Customs
Chennai II Commissionerate
Custom House No. 60, Rajaji Salai
Chennai 600 001

..Respondent(s)

Writ Petition filed under Article 226 of the Constitution of India seeking a writ of certiorari to call for the records pertaining to the impugned order in original No.100136 dated 24.11.2022 issued in F.No.CAU/Gr.1/44/2022- CAU-II by the respondent and quash the same.

For Petitioner(s): Mr.Hari Radhakrishnan

For Respondent(s): Mr.Sai Srujan Tayi, SPC

ORDER

The petitioner challenges the order dated 24.11.2022 passed by the respondent under Section 28(9) of the Customs Act, 1962.

2. By the impugned order, the respondent confirmed the demand of differential customs duty amounting to Rs.12,58,54,754/-, arising out of the reclassification and reassessment of the goods imported by the petitioner, under Section 28(8) of the Customs Act, together with applicable interest under Section 28AA of the Act.

3. The impugned order also directs confiscation of the imported goods, while granting the petitioner an option to redeem the same on payment of a redemption fine of Rs.8,00,000/-. The order also imposes other consequential penalties in respect of the goods imported by the petitioner.

4. The petitioner is engaged in the business of import, export, distribution, marketing, processing and product development. The petitioner imported goods described as **"dehydrated dark and small seedless raisins (Vitis Vinifera)"** under Bill of Entry No.4441735 dated 24.06.2021 by classifying them under Customs Tariff Heading (CTH) 08062010 and claimed the benefit of Serial No.32 of Notification No.50/2017-Cus. dated 30.06.2017. The petitioner states that, prior to the import, the goods had been certified as **dehydrated dark and small seedless raisins (Vitis Vinifera)** under the certificate issued by the Food Safety and Standards Authority of India (FSSAI) dated 31.03.2019 and the certificate dated 13.05.2021 issued by the Directorate of Plant Protection, Quarantine and Storage.

5. Based on the above documents, the goods were cleared by the Customs authorities and the benefit of the said Notification was extended to the petitioner. Thereafter, the respondent issued a show cause notice dated 07.01.2022 under Section 28(4) of the Customs Act proposing to reclassify the imported goods under Customs Tariff Item 08062090, confiscate the goods under Section 111(m) of the Act, and recover differential customs duty amounting to Rs.12,58,54,754/-.

6. The petitioner submitted a detailed reply dated 04.02.2022 contending that the imported goods were **raisins** and not **currants**, and requested that the proceedings be dropped. Not being satisfied with the explanation, the respondent proceeded with adjudication under Section 28(8) of the Customs Act. During the adjudication proceedings, the petitioner relied upon the certificates issued by the Directorate of Plant Protection, Quarantine and Storage and the FSSAI, and also placed reliance upon an Advance Ruling issued by the competent authority under the Customs Act.

7. However, the respondent passed the impugned order holding that the Advance Ruling was not binding and, relying upon the investigation conducted by the Directorate of Revenue Intelligence (DRI), concluded that the imported goods were **currants** and not **raisins**.

8. Mr. Hari Radhakrishnan, learned counsel for the petitioner, submitted that the Authority for Advance Ruling had categorically held that **dehydrated dark and small seedless raisins (Vitis Vinifera)** are classifiable under Tariff Heading 08062010 of the First Schedule to the Customs Tariff Act, subject to certification by the Plant Quarantine Authorities or the FSSAI. He submitted that the respondent was bound to follow the principle laid down in the Advance Ruling. He further contended that the respondent had concluded that the goods were **currants** solely on the basis of the DRI investigation, without producing any cogent evidence to establish the same. Therefore, the impugned order is legally unsustainable. In support of his submissions, learned counsel relied upon the judgment of the Hon'ble Supreme Court in **Columbia Sportswear Co. v. Director of Income Tax, Bangalore** [(2012) 283 E.L.T. 321 (SC)].

9. Per contra, learned counsel for the respondent submitted that, in view of Section 28J of the Customs Act, an Advance Ruling is binding only on the applicant who obtained it and is not binding on the respondent. It was further submitted that the materials collected during the DRI investigation clearly establish that the imported goods are **currants** and not **raisins**, and therefore the impugned order has been rightly passed.

10. I have considered the submissions made by the learned counsel appearing for the parties.

11. The material facts are not in dispute and, therefore, need not be repeated. Before the adjudicating authority, the petitioner produced the FSSAI certificate dated 31.03.2019 certifying that the goods covered under the Bill of Entry were **dehydrated dark and small seedless raisins (Vitis Vinifera)**. The authenticity of this certificate has not been disputed by the respondent. Likewise, the Directorate of Plant Protection, Quarantine and Storage issued a certificate dated 13.05.2021 certifying that the imported goods were **dehydrated dark and small seedless raisins** and recommending their release for consumption under relaxation. This certificate has also not been disputed by the respondent.

12. M/s. Frizwell Agro Foods had earlier filed an application under Section 28H of the Customs Act before the Customs Authority for Advance Rulings seeking a ruling on the classification of **dehydrated dark and small seedless raisins** and their eligibility for exemption under Serial No.32 of the Notification. The Authority for Advance Rulings held that **dehydrated dark and small seedless raisins** are classifiable under Tariff Heading 08062010 of the First Schedule to the Customs Tariff Act, subject to certification by the Plant Quarantine Authorities or the FSSAI.

13. Although the petitioner relied upon the above Advance Ruling before the respondent, the respondent declined to follow it on the ground that it was binding

only on the applicant therein. A similar provision contained in Section 245S of the Income Tax Act came up for consideration before the Hon'ble Supreme Court in **Columbia Sportswear Co. v. Director of Income Tax, Bangalore** [(2012) 283 E.L.T. 321 (SC)].

245S. Applicability of advance ruling.

(1) The advance ruling pronounced by the Authority under section 245R shall be binding only—

(a) on the applicant who had sought it;

(b) in respect of the transaction in relation to which the ruling had been sought; and

(c) on the Principal Commissioner or Commissioner, and the income-tax authorities subordinate to him, in respect of the applicant and the said transaction.

(2) The advance ruling referred to in sub-section (1) shall be binding as aforesaid unless there is a change in law or facts on the basis of which the advance ruling has been pronounced.

(3) Nothing contained in this section shall apply to any advance ruling pronounced under section 245R on or after such date as the Central Government may, by notification in the Official Gazette, appoint.

14. The Hon'ble Supreme Court has held that although an Advance Ruling is binding only upon the applicant and the authorities concerned with the transaction in question, the legal principle enunciated therein possesses persuasive value and ought ordinarily to be followed in subsequent cases involving similar issues. The Supreme Court approved the view expressed in *Cyril Eugene Pereira, In re* and also referred to its earlier decision in *Union of India v. Azadi Bachao Andolan*, wherein it was held that, while an Advance Ruling is binding only on the applicant and the concerned authorities, the legal principles laid down therein continue to have persuasive value in other cases.

15. Section 28J of the Customs Act, 1962 provides as follows:

28J. Applicability of Advance Ruling

(1) The advance ruling pronounced by the Authority under Section 28-I shall be binding only—

(a) on the applicant who had sought it;

(b) in respect of any matter referred to in sub-section (2) of Section 28-H;

(c) on the Commissioner of Customs and the customs authorities subordinate to him, in respect of the applicant.

(2) The advance ruling referred to in sub-section (1) shall continue to be binding unless there is a change in the law or in the facts on the basis of which the advance ruling was pronounced.

16. Section 28J of the Customs Act is *pari materia* with Section 245S of the Income-tax Act, 1961. Consequently, the legal principles laid down by the Hon'ble Supreme Court while interpreting Section 245S of the Income-tax Act would apply with equal force to the interpretation of Section 28J of the Customs Act. Accordingly, although an Advance Ruling under the Customs Act is binding only upon the applicant and the jurisdictional customs authorities, the legal principles embodied therein possess persuasive value and ought to be followed in subsequent cases unless there are distinguishing facts or a change in the governing law.

17. In the light of the above pronouncement of the Hon'ble Supreme Court, the respondent ought to have followed the principle laid down in the Advance Ruling issued under Section 28J of the Customs Act. The respondent has merely observed that the Directorate of Revenue Intelligence concluded that the imported goods were **currants** and not **raisins**. However, no report of the DRI has been produced to substantiate the said conclusion. Further, the respondent did not subject the imported goods to any laboratory examination to establish that they were **currants** and not **raisins**.

18. The petitioner has produced cogent evidence, including certificates issued by the competent statutory authorities and the Advance Ruling, to establish that the imported goods are entitled to exemption under Serial No.32 of Notification No.50/2017-Cus. The adjudicating authority failed to consider these materials in their proper perspective and passed the impugned order solely on the basis of an unsubstantiated DRI investigation. The impugned order, therefore, cannot be sustained in law.

19. Accordingly, the Writ Petition is allowed. The impugned order dated 24.11.2022 is set aside. Consequently, the connected miscellaneous petitions are closed. There shall be no order as to costs.

09-07-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
ssk

The Commissioner of Customs
Chennai II Commissionerate
Custom House
No. 60, Rajaji Salai Chennai 600 001

HEMANT CHANDANGOUDAR, J.

ssk

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