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

CUSTOMS APPEAL NO. 52218 OF 2024

[Arising out of Order-in-Original No. 34/SB/Commr./2024 dated 30.03.2024 passed by the Commissioner of Customs (Import), New Delhi]

M/s. Aspen Diagnostics Pvt Ltd.
B-82, 2nd Floor, GT Karnal Industrial Area,
Delhi-110033 **Appellant**

Vs.

Principal Commissioner of Customs (Import), New Delhi **Respondent**
New Customs House, Near IGI Airport,
New Delhi-110037

Appearance:
Present for the Appellant: Shri B.L.Narasimhan, Shri Anuraag Kapur and Shri Kaushal Jaisalmeria, Advocates
Present for the Respondent: Shri N.M.Goyal, Authorised Representative

CORAM:
HON'BLE MR. ASHOK JINDAL, MEMBER (JUDICIAL)
HON'BLE MR. K. ANPAZHAKAN, MEMBER (TECHNICAL)

Date of Hearing: **05/05/2026**
Date of Decision: **15/05/2026**

Final Order No.50901/2026

ASHOK JINDAL:

The appellant is against the appeal in the impugned order, wherein the goods imported by the appellant were classified by the Revenue under CTI 9027 80 90 with consequential demand of duty raised and penalty was also imposed.

2. The facts of the case are that the appellant is engaged in import of trade of disposable items, Laboratory, patient care, ICU & surgical equipment, serology kits, biochemistry since 1995. During the period 04.09.2020 to 27.12.2021, the appellant have imported goods such as Blood Glucose Meter/ Glucometer, Urine Analyzer, Blood gas and Chemistry Analyzer through 66 Bills of Entry. The appellant classified the subject goods under Customs Tariff Item 9027 80 90 and discharged Basic Customs Duty at Nil rate in terms Sl. No.35 of Notification No.24/2005-cus. dated 01.03.2005. The appellant also discharged the Integrated Goods and Service Tax in terms of Notification No.01/2017 dated 28.06.2017 as under:

S.No.	Subject goods	Rate of IGST
1.	Glucometers	12% in terms of Sl. No.212 of Schedule-II to the IGST Notification
2.	Other subject goods	18% in terms of Sl. No.417 of Schedule-III to the IGST Notification

3. The Revenue is of the view that the classification of the subject goods is classified by the appellant is not correct and the same is to be classified under CTI 90189099. Therefore, a Show Cause Notice dated 02.09.2022 was issued to the appellant to demand differential duty alongwith penalty by classifying the subject goods under CTI 90189099. The appellant contested and submitted that the issue has been settled by this Tribunal in the case of Bayer Pharmaceuticals Pvt. Ltd. vs. Commissioner of Customs, Mumbai but the adjudicating authority confirmed the demand. Aggrieved from the said order, the appellant is before us.

4. The learned counsel for the appellant submits that the issue is no more res integra in the light of the decision of the Tribunal in the case of Bayers Pharmaceuticals Pvt. Ltd. (supra), wherein the product under consideration was Blood Glucose Meter and that was classified under CTI 90278090 and exemption was granted in terms of Notification No.24/2005. The decision of Bayers Pharmaceuticals Pvt. Ltd. (supra) was followed by this Tribunal in Appeal No.86944/2023 vide Final Order No.A-85310/2025 dated 21.02.2025 in the case of Abbott Healthcare (P) Ltd. by the Mumbai Bench of this Tribunal. The said order has been affirmed by the hon'ble Apex Court in Customs (Civil) Appeal No.2429-2430 of 2026 vide order dated 23.02.2026. Therefore, impugned order is to be set aside.

5. On the other hand, learned authorized representative submitted that the Blood Glucose Meter is a medical diagnostic instrument and not a laboratory analytic instrument. Therefore, same is to be classified under CTI 90189099.

6. Heard the parties.

7. Considering the facts that the issue is being examined by this Tribunal in the case of Bayers Pharmaceuticals Pvt. Ltd. (supra), whereas this Tribunal observed as under:

> "5. We have carefully considered the rival contentions of both sides. The competing Headings for classification of the impugned goods are extracted below:
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> **9027** instruments and apparatus for physical or chemical analysis (for example, polarity meters, refractory meters. spectrometers, gas or smoke analysis apparatus: instruments

and apparatus for measuring or checking viscosity. porosity, expansion.....

9018 instruments and appliances used in medical, surgical dental or veterinary sciences....

The learned Counsel showed us the product imported i.e. those which are covered by the earlier order of Commissioner (Appeals) dated 12-11-2008 having the brand-name 'contour TS meter. These goods consist of Glucose meter, test strips, Lancing device and user guide. And also showed product in question having the brand-name breeze 2 meter which consists of Glucose meter and user guide. A point to be examined is whether the two products would be classified separately only because in the first case the product includes lancets and test strips. We are of the view that the essential character of the goods in both cases is to draw the blood and test it for glucose content. With changes in technology, the glucose meter can be expected to become more sophisticated and compact without change in its essential function. The essential function of a Glucose meter is to draw the blood as well as test the blood for Glucose level. The product in question is also able to draw the blood as well as test the blood. The testing of blood and then its analysis for indicating blood sugar content as revealed by the Glucometer is undisputedly the outcome of a chemical analysis. That is, the Glucometer is an instrument for chemical analysis. Having noted the essential characteristic of both - a Glucose meter system with strips "and lancets and the Glucose meter without strips, it would be illogical to say that the Glucose meter with strips will be classifiable under Heading 90.18 whereas the Glucose meter without strips will get classified under leading 90.27. Therefore we reject this argument of the Commissioner

6. For a deeper examination of the issue, we may refer to the HSN Explanatory Notes and the Customs Tariff Act. The General Rules for the interpretation of the Customs Tarif Act provide that (Rule 1) for legal purposes classification shall be determined according to the terms of the Headings and any relative Section or Chapter notes.. We find in this case that heading 90.27 covers instruments for chemical analysis. This heading appears to be more specific than the description of heading 90.18 which covers instruments used in medical, surgical etc. sciences. Thus by virtue of Rule 3 which says that a specific

description is to be preferred over a general description, the Heading 90.27 appears more appropriate.

6.1 Further, we may refer to the HSN Explanatory Note to Heading 90.18 which states that "This heading covers a very wide range of instruments and appliances which, in the vast majority of cases, are used only in professional practice (for example, by doctors, surgeons, dentists,....) either to make a diagnosis, to prevent or treat an illness or to operate etc. Instruments and appliances for anatomical or autoptic work, dissection etc. are also included..." From the language of this Note it appears that only those instruments fall under Heading 90.18 which are used in professional practice in the vast majority of cases. It is obvious that the Glucose meters are not vastly used only in professional practice. Mostly they are used by individuals at home or in the workplace, that is, by common people other than professional practitioners. Further under paragraph (o) of the same Note it is stated "This heading does not cover, instruments and appliances in laboratories to test blood, tissue fluids, uren etc. whether or not such tests serve in diagnosis (generally Heading 90.27)". It is quite evident that the product in question is not an instrument which is generally used in laboratories. Therefore by virtue of the Explanatory Note under Heading 90.18, the impugned goods, that is Glucose meters are classifiable under Heading 90.27.

7. In view of the above, we hold that the imported goods namely Glucose meters are classifiable under Heading 90.27 and are eligible for exemption under Notification No. 24/2005-Cus., dated 1-3-2005.

8. Impugned order is set aside. Appeal allowed."

8. The said decision was followed by this Tribunal in the case of M/s. Abbott Healthcare Pvt Ltd (supra), whereas this Tribunal observed as under:

"4. The issue involved in the present appeal relates to classification of the subject goods imported by the appellant. The appellant had contended that the goods in question should be classifiable under CTH 9027 80 90, as against the classification made by the department under CTH 9018 90 99. We find that the

issue arising out of the present dispute with regard to classification of the subject goods is no more res integra in view of the order passed by this Bench of the Tribunal in the case of Bayer Pharmaceuticals (P.) Ltd. Vs. Commissioner of Cus., Mumbai - 2016 (331) E.L.T. 317 (Tri-Mumbai). In the said order, by relying upon the HSN Explanatory Note appended to the competing headings, the Tribunal has held that the imported goods viz. glucometers are classifiable under heading 90.27 and are eligible for exemption under Notification No. 24/2005-Cus., dated 01.03.2005. The relevant paragraph in the said order are extracted herein below:

> "6. For a deeper examination of the issue, we may refer to the HSN Explanatory Notes and the Customs Tariff Act. The General Rules for the Interpretation of the Customs Tariff Act provide that (Rule 1) 'for legal purposes classification shall be determined according to the terms of the Headings and any relative Section or Chapter notes...' We find in this case that heading 90.27 covers instruments for chemical analysis. This heading appears to be more specific than the description of heading 90.18 which covers instruments used in medical, surgical etc. sciences. Thus by virtue of Rule 3 which says that a specific description is to be preferred over a general description, the Heading 90.27 appears more appropriate.
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> 9. The order of this Tribunal has been affirmed by the hon'ble Apex Court. In view of …… that the issue is no more res integra, therefore, we hold that the current classification of the subject goods is under CTI 90278090. Therefore, appellant has correctly availed the benefit of Notification No.24/2005-cus dated 01.03.2005.
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> 6.1 Further, we may refer to the HSN Explanatory Note to Heading 90.18 which states that "This heading covers a very wide range of instruments and appliances which, in the vast majority of cases, are used only in professional practice (for example, by doctors, surgeons, dentists,...) either to make a diagnosis, to prevent or treat an illness or to operate etc. Instruments and appliances for anatomical or autoptic work, dissection etc. are also included..." From the language of this Note it appears that only those instruments fall under Heading 90.18 which are used in professional practice in the vast majority of cases.

> It is obvious that the Glucose meters are not vastly used only in professional practice. Mostly they are used by individuals at home or in the workplace, that is, by common people other than professional practitioners. Further under paragraph (o) of the same Note it is stated "This heading does not cover, instruments and appliances in laboratories to test blood, tissue fluids, uren etc. whether or not such tests serve in diagnosis (generally Heading 90.27)". It is quite evident that the product in question is not an instrument which is generally used in laboratories. Therefore by virtue of the Explanatory Note under Heading 90.18, the impugned goods, that is Glucose meters are classifiable under Heading 90.27."

10. In view of this, we hold that the merit classification of the subject goods CTI 90278090 and is entitled the benefit of Notification No.24/2005-cus dated 01.03.2005, therefore, we do not find any merit in the impugned order. The same is set aside.

11. In result, appeal is allowed with consequential relief, if any.

(Order pronounced on **15/05/2026**)

(ASHOK JINDAL)
MEMBER (JUDICIAL)

(K. ANPAZHAKAN)
MEMBER (TECHNICAL)

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