

**CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
HYDERABAD**

Regional Bench - Court No. – I

Excise Appeal No. 27697 of 2013

(Arising out of Order-in-Original No.41/2013-Adjn (Commr) CE dt.28.05.2013 passed by
Commissioner of Customs & Central Excise, Hyderabad-IV)

Patanjali Health Care Products

C-2-2-14, Mankhal Village, Maheswaram Mandal,
RR Dist., Telangana – 506 331

.....Appellant

VERSUS

Commissioner of Central Tax

Rangareddy - GST

H.No.1-98-7-43, VIP Hills, Jaihind Enclave,
Madhapur, Hyderabad – 500 081

.....Respondent

Appearance:-

Shri M.V.S. Prasad, Advocate for the Appellant.

Shri K. Raji Reddy, AR for the Respondent.

**Coram: HON'BLE MR. A.K. JYOTISHI, MEMBER (TECHNICAL)
HON'BLE MR. ANGAD PRASAD, MEMBER (JUDICIAL)**

FINAL ORDER No. A/30515/2025

Date of Hearing: 20.11.2025

Date of Decision: 20.11.2025

[Order per: A.K. JYOTISHI]

M/s Patanjali Health Care Products (hereinafter referred to as the appellant) are, inter alia, engaged in the manufacture of 'Ashwini Homeo Arnica Hair Oil' (AHAHO). Department felt that the proper classification of the said product would be under Chapter heading 3305 9019 as 'cosmetics' and not under Chapter heading 30.39 as 'medicament', as claimed by the appellant. Relying on various case laws and other aspects of the product, the department issued SCN, which, on adjudication, was confirmed by the adjudicating authority. The appellants are in appeal against the said impugned order.

2. Learned Advocate for the appellant submits that the issue is no longer res integra as the same now stands settled by the Hon'ble Supreme Court in the case of CCCE & ST, Hyderabad Vs Ashwani Homeo Pharmacy [Civil Appeal No. 9525 of 2018], in respect of same product manufactured by M/s Ashwani Homeo Pharmacy (AHP). He further submits that it is not disputed that they are manufacturing AHAHO for M/s AHP in terms of agreement with them and using their formula for said product. It is also not in dispute that

the product made by M/s AHP and manufactured by them are different products. Therefore, the department has no merit in confirming the demand, vide the said impugned order.

3. On the other hand, learned AR reiterates the findings of the Commissioner.

4. Heard both sides and perused the records.

5. The short question for determination is whether the product AHAHO is classifiable under Chapter 30 as 'medicament' or under Chapter 33 as 'cosmetic'. We find that as per the agreement, they were manufacturing this product as per the formula provided by M/s AHP, who were also engaged in manufacturing the same product on their own. We note that the Hon'ble Supreme Court in the case of CCCE & ST, Hyderabad Vs Ashwani Homeo Pharmacy (supra), has examined the whole issue as to whether the said product can be classified as 'cosmetic' or 'medicament' and finally concluded that the said product would merit classification as 'medicament' only and not as 'cosmetic'. The relevant para of the Order is cited below.

"34. For what has been discussed hereinabove, answers to the points arising for determination are that the product in question, AHAHO, merits classification as 'medicament' under Chapter 30 and not as 'cosmetic or toilet preparations' under Chapter 33 of the First Schedule to the Central Excise Tariff Act, 1985; and the change in tariff structure by way of amendment brought about in the year 2012 did not justify any re-look at the classification of the product in question."

6. Therefore, once the classification of the said product stands settled by the Hon'ble Supreme Court in respect of the same product, which is being manufactured by the appellant in terms of agreement with the said company i.e., M/s AHP, we do not find any merit in upholding the impugned order and accordingly, we set aside the same.

7. Appeal allowed.

(Dictated and pronounced in the Open Court)

(A.K. JYOTISHI)
MEMBER (TECHNICAL)

(ANGAD PRASAD)
MEMBER (JUDICIAL)