

CENTRAL EXCISE CIRCULAR

-COPY OF-

CIRCULAR No.882/02/2009-CX

Dated 11th February, 2009

**F.No.9/1/08-CX1
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
New Delhi
** ** ***

Classification of tea admixture containing rice flour, tapioca, vitamins, etc – regarding.

A dispute has been brought to the notice of the Board regarding classification of 'tea' fortified with micronutrients and with tapioca, jaggery, chicory, rice flour and vitamins. These additives may be to the extent of 30% with the remaining part being tea. Doubts have been raised as to whether such an admixture is classifiable under chapter 9 as flavoured tea or as a preparation with a basis of tea under chapter 21.

2. The matter has been examined with reference to the HSN, the relevant Tariff entries and the Chapter notes and the earlier board circular No 622 of 2002 dated 21.02.02.

3. The tea admixture in the present case, containing rice flour, tapioca, vitamins, etc cannot be considered as flavoured tea particularly when the purpose of addition of various ingredients is to add to volume and to provide health benefits. Neither can these additives be considered as flavouring material.

4. The expression 'preparation' has been used in a number of Tariff items in Chapter 21 and has also been used to explain the scope of an entry in the Chapter notes and the supplementary notes. From these notes, it is clear that preparations would include products prepared by addition, mixing, or such other similar processes to the original commodity. Heading 2101 includes preparations with a basis of extracts, essences and concentrates of tea and preparations with basis of tea. Therefore, it is opined that the tea admixture is a preparation with a basis of tea and is classifiable under chapter Heading 2101.

5. Hindi version will follow.

6. Receipt of this circular may be acknowledged.

**Sd/-
(Ashima Bansal)
Under Secretary to the Govt. of India.**

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