

**F.NO. 9/2/2001 - CX 1**  
 Government of India  
 Ministry of Finance  
 Department of Revenue  
 Central Board of Excise and Customs

**Sub: Classification of flavoured tea**

I am directed to say that doubts have been raised about classification of flavoured tea, whether under sub-heading 2101.20 as a "preparation... ..with a basis of tea" or under sub-heading 0902.00 simply as "tea".

2. One process of manufacture of flavoured tea is that natural flavours like Bergamot and Cardamom etc. are added to 2-3% to black tea. The tea is dried in a suitable dryer like vibro/fluid bed dryer or tray dryer at about 80 C for 15 minutes. Dried tea is cooled to room temperature and then mixed with flavours in a mixer like nauta mixer/planetary mixer or ribbon blender. This is then dried in vibro/fluid bed dryer or tray dryer at about 55 C for about 15 minutes. This dried flavoured tea is blended with balance tea in octagonal tower blender or rotary drum blender at the desired ratio to obtain flavoured tea.

3. The matter has been examined in the Board after obtaining the views of the concerned Commissioners. The two competing tariff entries are as follows:-

<b>0902.00</b> -- Tea	-- including tea waste.
<b>2101</b>	-- Extracts, essences and concentrates, of coffee or tea, and preparations with the basis of these products or with a basis of coffee or tea; roasted chicory and other roasted coffee substitute and extracts, essences and concentrates thereof.
<b>2101.20</b>	-- Extracts, essences and concentrates, of tea, and preparations with the basis of these extracts, essences or concentrates or with a basis of tea.

4. It is seen that heading 21.01 is fully aligned with the HSN with the minor modification, in the sense that sub headings 2101.11 and 2101.12 of the HSN have been combined into a single sub-heading, 2101.10, in the Central Excise Tariff. Another minor difference is that 'Mate' though mentioned in the HSN does not find mention in the Central Excise Tariff. Thus, so far as extracts, essences, concentrates and preparations of coffee and tea are concerned the Central Excise Tariff is fully aligned with HSN. In the Chapter Note 1(c) of Chapter 21 of the HSN it has clearly been mentioned that Chapter 21 does not cover flavored tea (though there is no such corresponding Chapter Note in the Central Excise Tariff). Thus, if 'flavored tea' is not covered under Chapter 21 of the Central Excise Tariff, which is aligned almost completely with the HSN, the only other entry in which the flavored tea can fall is Chapter 9, sub-heading 0902.00.

5. It is, however, a fact that Chapter 9 of the Central Excise Tariff is not fully aligned with the HSN. Though the HSN specifically mentions 'flavored tea' in heading 09.02, the corresponding heading in the Central Excise Tariff does not refer to 'flavoured tea'. It is felt that the word 'tea' used in heading 09.02 of the Central Excise Tariff would cover all items which are commercially known and marketed as 'tea'. Since 'flavoured tea' is also known and marketed as a variety of tea it would be included in the term 'tea' appearing in heading 09.02 of the Central Excise tariff. This view is further supported by the specific exclusion (as per the HSN) of flavoured tea from the other competing Chapter, namely, Chapter 21.

6. It may be noted that so far as the Custom Tariff is concerned, heading 09.02 is fully aligned with the HSN and 'flavored tea' is specifically mentioned in heading 09.02 of the Customs Tariff.

7. Keeping the above aspects in mind it is hereby clarified that "flavoured tea" would be rightly classifiable under sub-heading 0902.00 of the Central Excise Tariff.

8. Suitable Trade notices may be issued for the information of the Trade

9. Hindi version will follow

10. Receipt of these instructions may be acknowledged.