

OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE
THIRUCHIRAPALLI-1.

TRADE NOTICE : 32 / 2004

Dated: 1.4.2004

Sub: - Payment of cess twice on the same tea – Reg.

Copy of Ministry's Circular No.777 / 10 / 2004 – Cx. dated: 3.3.2004 (F.No.9 / 1 / 2004 – Cx.I) is communicated herewith.

The contents of the Trade Notice may be brought to the knowledge of all constituent members of Trade Associations / Chamber of Commerce.

(Issued from file C.NO.IV/16/ 4 /2004 - C.Ex.Pol)

//ATTESTED//

Sd/xxx
(V. JAYARAMAN)
JOINT COMMISSIONER (Tech)

SUPERINTENDENT (T)

To
As per mailing list I, II & III /
All Sections in Hqrs., Trichy.

Copy of Ministry's Circular No. 777 / 10 / 2004 – Cx. dated: 3.3.2004

Sub: - Payment of cess twice on the same tea – Reg.

Under the provisions of the Tea Act, 1953 cess is leviable on the tea produced in the country. The collection of this cess is administered by the Central Excise Authorities. It has been brought to the notice of this Ministry that the Central Excise Authorities at some places are demanding the duty of cess twice on the same tea. In order to clear any ambiguity regarding double incidence of cess, and to streamline the procedure, Ministry of Commerce and Industry had issued an amendment Notification vide No.1086 (E) dated: 11.11.99 thereby exempting all teas from the payment of cess on which cess has already been paid at an earlier stage.

2. Ministry of Commerce and Industry has once again drawn the attention of this Ministry towards the problem being faced by some tea manufacture on this account where the Central Excise Authorities are charging the cess twice.

3. Therefore, it is hereby clarified that the collection of duty of cess may be regulated keeping in mind the Ministry of Commerce and Industry's Notification No.287 (E) dated: 4.4.94 as amended by Notification No.1086 (E) dated: 11.11.99. Copies of both the notifications are enclosed.

(Ashok Kumar)

Under Secretary to the Government of India

MINISTRY OF COMMERCE
NOTIFICATION
New Delhi, the 11th November, 1999

S.O.1086 (E).-In exercise of the powers conferred by sub-section (3) of section 25 of the Tea Act, 1953 (29 of 1953) read with section 5 A of the Central Excise and Salt Act, 1944 (1 of 1944), the Central Government, being satisfied that it is necessary in public interest so to do, hereby makes further amendments in the notification of Government of India, in the Ministry of Commerce No.S.O.287 (E), dated 4th April, 1994 as follows, namely:-

In the said notification for the table the following table shall be substituted, namely:-

Table

| Sl. No. | Categories of Tea | Conditions |
|---------|--|--|
| 1. | Green tea falling under sub-heading No.0902.00 in Chapter 9 of the Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) | When removed from tea estate or factory as the case may be for sale and is packed in a container of any approved sizes in excess of 225 grams. |
| 2. | Tea of all varieties (except package Tea) falling under sub-heading Nos.0902.00 in Chapter 9 of the Schedule to the Central Excise Tariff Act, 1985. | When produced in a factory and consumed for preparation of liquid tea for free distribution to labourers within the premises of the factory, estate or an out garden attached to the factory subject to the following conditions:- (i) tea issued free of duty shall not exceed 1.5 kg per labourer per annum: (ii) a list of all the labourers on the pay roll of the factory, estate or out-gardens attached to the factory is maintained (iii) the centres for the free distribution of tea, indicating the number of persons to be served at each such centre as declared: (iv) an account of the tea issued free of duty to each such centre, the quantity utilised for preparation of liquid tea and the quantity in balance is maintained to show to the satisfaction of an officer not below the rank of an Asst.Commissioner of Central Excise or any official of Tea Board not below the rank of Inspector that the duty free tea has not been utilised for any other purpose. |
| 3. | The Tea falling under sub-heading No.0902 in Chapter 9 of the Schedule to the Central Excise Tariff Act, 1985 | When:- (a) Supply to brokers or traders or the Head Office of Factories or to their proprietor for securing business, packed in containers marked or labeled "samples not for sale"; or (b) test purposes (i) Within the factory or |

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| | | <p>(ii) in the common laboratories of a group of a tea factories provided proper account of samples drawn and consumed in test is maintained and</p> <p>(c) tea supplied for above purposes does not exceed 225 grams for break of an invoice</p> |
| 4. | Tea, in any form falling under sub-heading 0902 in Chapter 9 and Sub-heading 2101.20 in Chapter 21 of the Schedule to the Central Excise Tariff Act, 1985 | When tea in any form made out of tea falling under same sub-heading No.0902 in Chapter – 9 and sub-heading 2101.20 in Chapter 21 on which appropriate Cess has already been paid. |

F.No.T-29012 / 1 / 99 – Plant (A)

RATHI VINAY JHA,
Addl. Secy.

Tea Cess : Certain categories of tea exempted under Tea Act
Moc No. S.O.287 / (E) / dated: 4.4.1994.

In exercise of the powers conferred by sub-section (3) of section 25 of the Tea Act, 1953 (29 of 1953) read with section 5 A of the Central Excise and Salt Act, 1944 (1 of 1944), the Central Government, being satisfied that it is necessary in public interest so to do, hereby exempts the following categories of tea specified in column (2) of the Table below from the payment of the whole of the duty of cess leviable thereon which is specified in the notification of the Government of India in the Ministry of Commerce No.S.O.488 (E), dated the 13th August, 1988, subject to the conditions specified against it in column (3) of the said Table.

Table

| Sl. No. | Categories of Tea | Conditions |
|---------|--|--|
| 1. | Green tea falling under sub-heading No.0902.19 in Chapter 9 of the Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) | When removed from tea estate or factory as the case may be for sale and is packed in a container of any approved sizes in excess of 225 grams. |
| 2. | Tea of all varieties (except package Tea) falling under sub-heading Nos.0902.19 in Chapter 9 of the Schedule to the Central Excise Tariff Act, 1985. | <p>When produced in a factory and consumed for preparation of liquid tea for free distribution to labourers within the premises of the factory, estate or an out garden attached to the factory subject to the following conditions:-</p> <p>(i) tea issued free of duty shall not exceed 1.5 kg per labourer per annum:</p> <p>(ii) a list of all the labourers on the pay roll of the factory, estate or out-gardens attached to the factory is maintained</p> <p>(iii) the centres for the free distribution of tea, indicating the number of persons to be served at each such centre as declared:</p> |

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|----|---|---|
| | | (iv) an account of the tea issued free of duty to each such centre, the quantity utilised for preparation of liquid tea and the quantity in balance is maintained to show to the satisfaction of an officer not below the rank of an Asst. Collector of Central Excise or any official of Tea Board not below the rank of the Inspector that the duty free tea has not been utilised for any other purpose. |
| 3. | The Tea falling under sub-heading No.0902 in Chapter 9 of the Schedule to the Central Excise Tariff Act, 1985 | <p>When:-</p> <p>(a) Supply to brokers or traders or the Head Office of Factories or to their proprietor for securing business, packed in containers marked or labeled “samples not for sale”; or</p> <p>(b) test purposes</p> <p>(i) Within the factory or</p> <p>(ii) in the common laboratories of a group of a tea factories provided proper account of samples drawn and consumed in test is maintained and</p> <p>(c) tea supplied for above purposes does not exceed 225 grams for break of an invoice</p> |

Coffee : Duty under Coffee Act.

Moc No.S.O.1123 (E), dated: 28.12.1987

In exercise of the powers conferred by section 12 of the Coffee Act, 1942 (72 of 1942), and in supersession of the Notification of the Government of India in the Ministry of Commerce No.S.O.835 (E) dated 13th December, 1977, the Central Government hereby fixes with effect from the date of publication of this notification, rupees twenty-five per quintal as the rate of duty of excise on coffee under the said section 12.