Circular No.03 / 2012 - Customs

F. No. 524/129/2011-STO (TU)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

229A, North Block, New Delhi,
1st February, 2012.

To

All Chief Commissioners / Commissioner of Customs / Customs (Prev.)
All Chief Commissioners / Commissioner of Customs & Central Excise
All Commissioners of Customs (Appeals)
All Commissioners of Customs & Central Excise (Appeals)
All Directors General under CBEC.

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Subject: Classification of Fused Silica under Customs Tariff Act, 1975 - regarding.

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Sir / Madam,

References have been received in the Board from field formations regarding divergent practices being followed in respect of classification of 'Fused Silica' under Customs Tariff sub-heading 250610, 281122, 320740 or 700231.

2. The matter of correct classification of fused silica under the First Schedule to the Customs Tariff Act, 1975 was taken up for discussion during the Conference of Chief Commissioners of Customs on Tariff and allied matters held in May 2011. After examining the various entries in the said schedule and the technical aspects of the product in question, it was decided that the Chief Commissioners under whose jurisdiction the import of fused silica are taking place, shall furnish the technical details of the product to the Board; it was also decided to seek an expert opinion before arriving at a final decision regarding classification of the product.

3. Accordingly, reports received from various field formations where import of fused silica had taken place was examined and an expert opinion was sought from the Central Glass & Ceramic Research Institute (CGCRI), Kolkata. The report given by CGCRI and technical literature on the product reveals that 'Fused Silica' is type of glass containing primarily silica

in amorphous (non-crystalline) form. Fused Silica is produced using high-purity silica sand as the feedstock, and is normally melted using an electric furnace or through continuous flame hydrolysis process, resulting in a material that is translucent or opaque. It has also been confirmed by CGCRI that naturally occurring fused silica is available in small quantity and for commercial use synthetically produced silica as above is generally in use.

4.1. In terms of the headings, relative Section or Chapter Notes to the First Schedule of the Customs Tariff Act, 1975 and the General Rules for the Interpretation of the said Schedule to the tariff, it is seen that the sub-heading 2506 covers the following:

2506 Quartz (other than natural sands); Quartzite, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape

In terms of chapter note 1 to chapter 25, the headings of this chapter cover only products which are in crude state or which have been subjected to basic process such as washing, crushing, grounding etc. by physical or mechanical process. Products which are processed beyond this basic process would not be covered under this Chapter. As explained in para 3 above, since fused silica is produced by chemical processes beyond the basic processes mentioned above and considering that naturally occurring fused silica is not available for commercial use, classification of synthetically produced fused silica is ruled out under sub-heading 2506.

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4.2. Chapter 28 covers the following products:

Inorganic chemicals; organic or inorganic compounds of precious metals, of rare earth metals, of radioactive elements or of isotopes

It is also stated in the technical literature that chemical composition of 'Fused Silica' and 'Silica' is same, as both are predominantly consist of Silicon dioxide (SiO_2). It may be noted that there is a specific entry under tariff item 28112200 as '*silicon dioxide'*. However, in view of Chapter Note 3 to Chapter 28, which excludes glass frit and other glass in the form of powder, granules or flakes, the classification of Fused Silica even though it consists of silicon dioxide (SiO_2) cannot be brought under tariff item 28112200 of chapter 28.

4.3. Sub-heading 3207 specifically covers ' *glass frit and other glass, in the form of powder, granules or flakes'*. In the HSN explanatory notes to 3207 it has also been provided that Glass frit and all other varieties of glass (including vitrite and glass obtained from fused quartz or other fused silica) in the form of powder, granules or flakes, whether or not coloured or silvered is classifiable under sub-heading 3207. Therefore, on application of General Rules for the Interpretation (GIR) of the First Schedule to Customs Tariff GIR-1 and GIR-6, read with Chapter Note 3 to Chapter 28, 'Fused Silica' is correctly classifiable under tariff item 32074000.

4.4. Similarly, sub-heading 7002 covers *Glass in balls (other than microspheres of heading7018), rods or tubes, unworked.* Hence, Fused Silica in tube form, rods or tubes, unworked, is appropriately classifiable under tariff item 70023100.

5. Suitable instructions may be given to the field formation and all pending assessments, if any, may be finalized accordingly. Difficulty faced, if any, may be brought to notice of the Board.

Yours faithfully,

(Subodh Singh),
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