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CONSULTANTS:

GST, CUSTOMS,

FOREIGN TRADE LAWS,

FOREIGN EXCHANGE MANAGEMENT ACT.

OPINION

1. Queriest :

M/s. K.P. Manish Global Ingredients Pvt. Ltd.,
No.41, Raghunayakulu Street,
Park Town,
Chennai – 600 003.

2. Facts :

2.1 Queriest intends to import SANACEL ® wheat 200. In this connection, they have forwarded a communication dated 30.6.2020 from the manufacturers CFF GmbH & Co. KG, Germany titled “To whom it may concern” stating the following:

“SANACEL ® wheat 200 is manufactured in Germany, CFF GmbH & Co. KG produces SANACEL ® wheat 200 in a dry milling process of cellulose pulp derived from structure forming components of the wheat plant wheat according to the following flow chart:

PRODUCTION PROCESS

Incoming control of raw material (wheat pulp)



Dry grinding of different systems (cutting mills, rolling mills, ball mills, special constructions)



Sieving (0.032 mm – 2.5 mm), screening, separation (magnets and settler; quality control)



In-process control



Packaging (quality control, X-ray check for foreign particles, Palletising of product)



Final control of product by QC dept.



Ready for delivery to the customer



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CFF GmbH & Co. KG does not apply any whatsoever bleaching agent or processing aids during production of SANACEL ® wheat 200. The raw material for our production process mentioned about is readily delivered cellulose pulp of which each delivered batch undergoes an incoming goods control procedure with CFF GmbH & Co. KG.”

They have also stated the following in the above communication.

“Regarding the preprocess of our supply, chlorine free bleaching is facilitated by use of hydrogen peroxide. According to information from our ISO 17025 accredited contract laboratory, hydrogen peroxide is a too reactive substance to be detectable in the pulp. However, in the pulp production process hydrogen peroxide treatment is followed by subsequent washing. As mentioned above, having specified parameters for incoming goods control, we are able to master the constant quality requirements of the raw material. In addition, every batch of **SANACEL ® wheat 200** undergoes an in – process control and a final products control step.”

2.2 According to the queriest the classification suggested by the shipper for these goods is under Heading 4706 9200.

3. **Query :**

On the basis of the above information, the queriest would like to get clarification regarding the correctness of the classification under Heading 4706 9200 as suggested by the shipper.

4. **Opinion :**

4.1 It may be seen that Heading 4706 covers “Pulps of fibres derived from recovered (waste and scrap) paper or paperboard or of other fibrous cellulosic material. Under this heading at eight-digit level 4706 10 covers “Cotton linters pulp” and 4706 20 covers “Pulps of fibres derived from recovered (waste and scrap) paper or paperboard”. 4706 30 covers “Other, of bamboo”. Then under Headings 4706.91, 4706.92 and 4706.93 other pulps obtained through mechanical or chemical processes are covered. The HSN Explanatory Notes for this Heading reads as follows:

“The important kinds of fibrous cellulosic material, other than wood, used for making pulps are mentioned in the General Explanatory Note.

Pulps of fibres derived from recovered (waste and scrap) paper or paperboard are usually presented in the form of dried, baled sheets and consist of heterogenous blends of cellulosic fibres. They may be bleached or unbleached. These pulps are obtained by a series of mechanical or chemical cleaning, screening and de-inking processes. Depending on the input material and the extent of the processing, they may contain small quantities of residues such as ink, clay, starch, polymer coatings or glues.

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Pulps of this heading **other than** those derived from recovered (waste and scrap) paper or paperboard may be obtained by a mechanical process, a chemical process or a combination of mechanical and chemical processes.”

4.2 The details of the materials used for making pulps as per the General Explanatory Notes to Chapter 47 are the following:

“Other materials used for making pulp include :

- (1) Cotton linters.
- (2) Recovered (waste and scrap) paper or paperboard.
- (3) Rags (particularly cotton, linen or hemp) and other textile wastes such as old ropes.
- (4) Straw, esparto, flax, ramie, jute, hemp, sisal, bagasse, bamboo and various other grasses and reeds.”

4.3 As per General Note to Chapter 47 these pulps “Apart from their use in the paper industry, some pulps (especially bleached pulps) serve as a source of cellulose in the manufacture of various products such as artificial textile materials, plastics, varnishes and explosives; they may also be used in cattle fodder.”

4.4 On the other hand as per the manufacturer, “Sanacel wheat fibres” under reference are natural dietary fibre concentrates. Their website states the following:

Master of functionality for glutenfree fibre enrichment

SANACEL[®] wheat fibres are natural dietary fibre concentrates obtained from the cell walls of the wheat plant through a very gentle production process. They are available in fibre lengths between 35µm and 400µm.

The declaration of *SANACEL*[®] wheat is „wheat fibre“. Please consider the specific food approval regulations and laws about the declaration of foods valid in your country.

Properties of *SANACEL*[®] wheat fibres:

SANACEL[®] wheat are insoluble dietary fibres, neutral in odour and taste and are totally inert. Therefore they offer the best conditions for a good processability in food products. Due to the high dietary fibre content of approximately 96%, *SANACEL*[®] wheat fibres are very suitable for dietary fibre enrichment, fat and calorie reduction.

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With the technological advantages of a high water binding capacity and texture improving properties the *SANACEL[®] wheat dietary fibre concentrates* can be used in a very wide range of food applications.

Advantages of SANACEL[®] wheat dietary fibres for your products:

SANACEL[®] wheat fibres are natural food ingredients, E-number free, gluten-free, allergen-free and GMO-free and are therefore the ideal component for your “Clean Labelling”.

- 4.5 Apart from the above, as far as wheat fibre SANACEL wheat 200 is concerned, the following is stated.

“SANACEL[®] Wheat 200 dietary fibre is obtained from fibre-rich parts of the wheat plant. The vegetable parts are cleaned, purified and milled in several steps. The final product appears as a white fibre and is neutral in taste and odour. It has a particle size of 200 µm.

CFF is a major developer and manufacturer of natural and functional cellulose ingredients for the food and beverage industry. The food brand SANACEL[®] covers a huge variety of soluble and insoluble fibre products from different raw-materials. SANACEL[®] natural dietary fibre concentrates are suitable for dietary fibre enrichment of foods, offer high purity and an array of particle sizes for plenty of applications focusing on high functionality or health benefits.”

- 4.6 In another website www.gum-food.pl/en the following is stated regarding Wheat Fiber.

“Wheat fiber is a white free flowing powder that is made from the wheat plant using a special technology and production process. Wheat fiber is insoluble dietary fiber with high content of fiber. It offers health and technological advantages.

Wheat fiber is widely used in food processing industry (meat processing, bakery, confectionary, dairy and functional food). It improves structure and controls the moisture in the processed food products, which increase the quality and develop good profit to food manufacturers.

The product is GMO free.”



- 4.7 Therefore, in our view, there is no basis to classify these goods as “cellulosic pulp” under Chapter 47. The processing carried out in respect of the pulps covered under Chapter 47 are basically for different purposes. It is mostly for manufacture of paper and then for use in artificial textile materials, plastics, etc. including use in cattle fodder. On the other hand, the present product is prepared as a fibre concentrate and intended for use as an ingredient in food industry to provide fibre content and fibre enrichment in various food products. The production process involved and the purity level achieved are different in the present case than for the pulps of heading 47.06. Apart from this, considering that this is meant to be used as a food ingredient, the provisions of Food Safety and Standards law will be applicable.
- 4.8 Therefore considering all the above, in our view, the product should be classifiable appropriately under Heading 2106 9099. Heading 2106 covers ingredients which go into the manufacture of food products.
- 4.9 The above classification is suggested based on the information made available. It is to be noted that however, the product has to be tested with regard to the declaration made and the actual composition and to find out whether there are any other chemical / vegetable origin ingredients added for confirmation of the appropriate classification.



S. MURUGAPPAN

sm/ss

Disclaimer:- The above opinion is provided based on the information and documents made available to us by the querist and further based on the laws and rules prevalent as on date and the understanding of such provisions by the author and is meant for the private use of the person to whom it is provided without assuming any liability for any consequential action taken based on the views expressed here.