Circular No. 29/ 97- Cus.
dated - 31/7/97

F.No. 528/ 27/ 97- Cus (TU)
Government of India
Ministry of Finance
Department of Revenue
(Tariff Unit), New Delhi

Subject : Scope of the term 'vegetable oils of edible grade' - in Sr. No. 15 to Not. 11/ 97- Cus - Regarding

In terms of Sr. No. 15 to notification No. 11/ 97-Cus dated 1.3.97 vegetable oils (other than coconut oil. RBD palm kernel oil and palm stearin) of edible grade, in loose or bulk form are liable to concessional duty of customs @ 20% *adv.* Prior to 1.03.97 these oils were liable to concessional duty in terms of notification No. 8/95-Cus dated 2.3.95, and Sr. No. 7 to Not. 36/ 96-Cus dated 23.7.96.

2. A doubt has arisen regarding scope of the term 'Vegetable oils of edible grade' appearing in the said notification i.e. as to whether this term will cover only those vegetable oils which are fit for human consumption as it is imported or it will also include the vegetable oils which are not fit for human consumption at the time of import but will be fit for human consumption at the time of import but will be fit for human consumption after further processing.

3. The matter has since been examined in consultation with the Ministry of Food, Department of Food, Directorate of Vanaspati, Vegitable Oils and Fast, Ministry of Civil Supplies, Consumers Affairs and Public Distribution and Department of Economic Affairs. It is clarified that the term 'vegetable oils of edible grade' will cover vegetable oils which are fit for human consumption after further processing. The benefit of duty exemption is admissible so long as the oils imported is used for edible purposes, even after refining. Pending cases of assessment may be finalised on the basis of above clarification.

Sd /-
(V.K. Singh)
Sr. Technical Officer (TU)