

**OFFICE OF THE COMMISSIONER OF CUSTOMS (IMPORT)
JAWAHARLAL NEHRU CUSTOM HOUSE, SHEVA,
TAL. : URAN, DISTT. : RAIGAD, MAHARASHTRA**

F. No.S/22-GEN-90/2004 (AM) Date : 15.09.2004

STANDING ORDER No. 42/2004

Subject : Alleged diversion of non-edible oils to edible products reg.

Reports have been received that non-edible oils imported at concessional rate of duty have been diverted to the manufacture of edible products like Vanaspati. The non-edible oils with free fatty acid (FFA) content 20% or more for the manufacture of soaps, industrial fatty acids and fatty alcohol are permitted at concessional rate of duty @ 20% under entry number 30 (a) of Notification No. 21/2002-Cus dated 01.03.2002 subject to observance of procedure set out in the Customs (Import of Goods at Concessional Rate of duty for Manufacture of Excisable Goods) Rules, 1996. On the other hand non-edible grade vegetable oils having free fatty acid content of 20% or more attract Basic Customs duty @ 65% under entry number 30 (b) without observing the procedure set out in the Rules supra. Edible grade

A strict monitoring of observance of conditions of Notification and Rules supra should be ensured by the officers, as diversion of non-edible oils to the manufacture of edible products not only affects the revenue but also the health of the public. The Directorate of Food and Public Distribution, Department of Food and Public Distribution has expressed grave concern

All the Officers are directed to follow above instructions scrupulously.

**(NAJIB SHAH)
COMMISSIONER OF CUSTOMS (IMPORT)**

Based on Boards letter F.No. 528/67/2004-Cus (TU) dated 28.07.2004

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