

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:709
ANSWERED ON:05.12.2003
IMPORT OF CRUDE PALMOLEIN
PRABHA RAU

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) Whether the Government have formulated new guidelines for the import of crude palmolein which provide that it must have an acid value of 2 per cent and a carotenoid value of 500-2500 mg per kg. Failing which importers will have to pay an import duty as is applicable on the refined oil;
- (b) If so, the varied rates of import duty on the refined and other variety of oils imported by the Government;
- (c) Whether the import of crude palmolein has been adversely affected as a result thereof; and
- (d) The crude oil imported during the last six months and how far the Government propose to regulate further import in the light of the revised guidelines framed by the Government?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI S. B. MOOKHERJEE)

(a) Ministry of Finance, Department of Revenue has issued a Notification No. 120/2003-Cus dated 1st August 2003, which gives a clear definition of crude palm oil/crude palmolein. It specifies a minimum 2% acid value and a total carotenoid level of 500-2500 mg/kg in the crude palm oil/crude palmolein. The applicable rate of Customs duty on Crude palm oil/crude palmolein is @ 65% ad valorem. If the unrefined oil does not meet the above specifications, rate of duty would be @ 70% basic which is same as the rate specified for refined oil.

(b) The rates of duty on different varieties of crude/refined palm oil/palmolein are as follows:

Description Classification Rate of Duty (Basic+ Additional +Special)

Crude Palm oil	15111000	65+ Nil+ Nil
RBD Palm Oil	15119010	70% + Rs 1/Kg +Nil
Other Palm Oils	15119090	70% +Nil +Nil
Crude Palmolein	15111000	65% +Nil +Nil
RBD Palmolein	15119020	70% +Rs 1/Kg + Nil
Other Pamolein	15119090	70% + Nil + Nil

(c) The volume of import is affected not only by the rate of duty but also by the position of the demand and supply, as well as the price of the commodity in the international market.

(d) The total quantity of crude palm oil and crude palmolein imported during the last six month period ending 31.10.2003 is 22 lakh metric tones (approx).