

:केंद्रीय उत्पाद तथा सीमा शुल्क के आयुक्त का कार्यालय:

:टाऊन सेंटर : सिडको : औरंगाबाद 431 030:

व्यापार सूचना नं. 03/2009

विषय : Clarification on admissibility of benefit of exemption in r/o virgin olive oil under Notification No.21/2002-Cus. Dated 01.03.2002-Reg...

उपरोक्त विषय पर भारत सरकार के वित्त मंत्रालय राजस्व विभाग, नई दिल्ली द्वारा प्राप्त परिपत्र सं. की फा.सं. 528/41/2008-CUS(TU) दिनांक 09.02.2009 के तहत जारी पत्र सं. 7/2009 (Cus) की प्रतिलिपी सूचना, मार्गदर्शन एवं कार्यवाही के लिये प्राप्त करें /

सभी संबंधित संगठनों से अनुरोध है कि वे इस परिपत्र/पत्र की जानकारी अपने सभी सदस्य निर्माताओं और व्यापारियों को दें /

(अरूण साहु),

आयुक्त

फा.सं. VIII(Cus)12/TA/PN /2009

औरंगाबाद, दिनांक 02.03.2009

प्रतिलिपि प्रेषितः डाक सूची के अनुसार

उप/सहायक आयुक्त सभी मंडल प्रभारी तथा आय.सी.डी.

सभी अनुभाग प्रमुख मुख्यालय

मुख्य आयुक्त केंद्रीय उत्पाद तथा सीमा शुल्क नागपुर

आयुक्त के उत्पाद तथा सी.शुल्क (अपील), औरंगाबाद

F.No.528/41/2008-Cus.(TU)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise and Customs

North Block, New Delhi,
9th February, 2009.

Subject: Clarification on admissibility of benefit of exemption in respect of 'Virgin Olive Oil' under Notification No.21/2002-Customs dated 1.3.2002 – reg.

Your attention is invited to Notification No.21/2002-Customs dated 1.3.2002 as amended by Notification No.42/2008-Customs dated 1.4.2008 wherein certain duty concessions have been extended to edible oils specified therein.

2. In this regard, since the word 'virgin' is not mentioned in the description of the entry at serial No.33A of the Notification No. 21/2002 dated 1.3.2002, doubts have been raised by certain field formations about the eligibility for exemption and the benefit under the said notification to imports of Virgin Olive Oil of edible grade.

3. The matter has been examined in the Board. For the purpose of classification of edible oils enumerated in heading 1508 to 1515, other than olive oil, these have been simply grouped in a single heading as 'crude' and 'others' (refined). In respect of olive oil, it has been classified under two headings – heading 1509 and 1510; Heading 1509 covers virgin oil, refined virgin oils and their fractions. Based on the quality of olive fruit, the olive oil obtained by mechanical pressing can either be edible directly or needs refining to make it edible. Heading 1510 covers crude olive oils which are basically residue oils obtained by means of solvent extraction from the residues left after the olives have been pressed to produce olive oils of heading 1509.

4. There is no reference to the term 'crude oil' in the explanatory notes of the Harmonized System of Nomenclature (HSN) relating to oils of heading 1509. However, in respect of other edible oils such as soya bean oil (1507), ground nut oil (1508) there is a specific mention of 'crude oil'. A sub-heading explanatory note is also provided in HSN, to explain what constitutes as 'crude' for the purpose of chapter sub-heading 1507.10 and 1508.10. This explains the types of oils covered under the category 'Crude oil' which is also mentioned in the explanation to the entry at Serial No. 30 of the Notification No.21/2002-Customs dated 1.3.2002. Applying the above explanation, all virgin olive oils fall within the purview of the definition of crude oil, since the virgin olive oil is extracted from the fruit of olive tree by mechanical process and does not involve any chemical treatment.

5. In view of the above, it is clarified that the term 'crude' used in the Serial No.33A of the Notification No.21/2002 dated 1.3.2002 is intended to cover all edible oils which have not been subjected to any process of refining. Thus, all types of olive oils, including 'ordinary virgin olive oil' and 'extra virgin olive oil' which have not undergone any refining process and are of edible grade, are eligible for the benefit of exemption under Serial No.33A of the notification as crude, edible oil. The condition of edible grade of olive oil has to be certified by testing it in terms of the standard of quality specified for such goods in Appendix B to the Prevention of Food Adulteration Rules, 1955.

6. All field formations as well as trade may be suitably informed and all pending provisional assessments may be finalized accordingly.

Yours faithfully,
(M.M. Parthiban)
Director (Customs)