

M/s. Gokul Agro Resources Limited

Authority for Advance Ruling — Gujarat

GUJ/GAAR/R/2018/18 dated 30.08.2018

Q Questions Before the Authority

- Whether RBD Palm Stearin would fall under Chapter 1511 – ‘Palm Oil and its fractions, whether or not refined but not chemically modified’ or under Chapter 3823 – ‘Industrial monocarboxylic fatty acid, acid oils from refining, stearic acid, Palm Stearin’.

F Facts

The applicant is engaged in the business of refining edible oils and produces RBD Palm Stearin as a by-product of the fractionation of Refined Palm Oil. The applicant previously classified this product under Chapter 3823 but sought clarification following the 2017 budget amendments to the Customs Tariff Act. The applicant contends that since the product is used for food applications, it should be classified under Chapter 1511.

H Ruling

RBD Palm Stearin

Heading 1511

Classified under Tariff Item 1511 90 30

The Authority ruled that the product Refined Bleached Deodorised Palm Stearin is classifiable under Heading 1511. It concluded that the specific insertion of Tariff Item 1511 90 30 in the Customs Tariff Act, 1975, resolves the classification in favor of Chapter 1511.

R Reasoning

The ruling turned on the legislative changes introduced by the Finance Act, 2017, which created a specific tariff item 1511 90 30 for Refined Bleached Deodorised Palm Stearin. The Authority applied Rule 1 and Rule 3(a) of the General Rules for the Interpretation of the First Schedule to the Customs Tariff Act, 1975. It further noted that previous judicial precedents and circulars, such as CBEC Circular No. 81/2002-Customs and the Supreme Court decision in Jocil Ltd., are **no longer applicable** due to the subsequent amendment of the relevant tariff entries.

P Provisions Relied On

Section 97(2)(a) of the CGST/GGST Act, 2017

First Schedule to the Customs Tariff Act, 1975

Finance Act, 2017

Notification No. 1/2017-Central Tax (Rate)

Notification No. 1/2017-State Tax (Rate)



For the Practitioner

This ruling provides clarity for manufacturers of RBD Palm Stearin by confirming its classification under Heading 1511 following the 2017 tariff amendments. It serves as a reminder that **statutory amendments override older circulars and case law** that were based on previous tariff structures. Practitioners should rely on the current specific tariff item 1511 90 30 rather than historical interpretations of Chapter 3823.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> [guj.18-2018-19 dt 30.08.18 garl.pdf](http://guj.18-2018-19_dt_30.08.18_garl.pdf)

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