



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 12/5/2002

GAIN Report #IN2083

India

Oilseeds and Products

GOI Notifies Revised Crude Degummed Soybean

Oil Tariff Values

2002

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Report Highlights:

GOI increases crude degummed soybean oil reference price by 11 percent to reflect changes in international prices.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
New Delhi [IN1], IN

GOI Notifies Revised Crude Degummed Soybean Oil Tariff Values

Crude degummed soybean oil reference prices have been raised by 11 percent to \$ 600 per ton (effective December 10, 2002 per notification 76/2002-CUS(N.T)) compared to the \$ 542 per ton fixed on September 2, 2002. Trade sources say the soybean oil tariff values have been revised upwards to reflect changes in international prices. While the current CIF prices of crude degummed soybean oil ex-Mumbai are quoted at \$575 per ton, the weekly average of the CBOT FOB US gulf prices during last week were quoted by trade sources at \$565 per ton. Though the current CIF prices do not concur with the recently announced reference price of \$ 600 per ton, CIF prices calculated per last week's average US gulf FOB quotes jibe well. However, trade sources maintain that calculation of the reference prices by having just a week's lag would not be appropriate as there is a time lag of at least one month for shipments to arrive from the date of contract. In response to the increase in reference prices, wholesale prices of soybean oil in domestic markets firmed up by \$21 per ton. Domestic crude soybean oil prices during this week prevailed higher by 42 percent compared with average monthly prices a year ago fueled by the increased reference price, firm international prices, and a reduction in domestic edible oil supplies.

Table 1: Reference Prices Announced Per GOI Notification no.76/2000-CUS(N.T)

Chapter or Heading of sub-heading	Description of Goods	Current Tariff Value - US \$ Per Ton	Previous Tariff Value - US \$ Per Ton	Percent Change
15.11	Crude Palm Oil	432*	432	-
15.11	RBD Palm Oil	460*	460	-
15.11	RBD Palmolein	470*	470	-
15.11	Crude Palmolein	454*	454	-
15.07	Crude Soybean Oil	600	542	10.70

* Reference prices fixed per earlier notification dated November 26, 2002.