

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

UNSTARRED QUESTION NO:3943
ANSWERED ON:23.08.2005
IMPORT OF VANASPATI
Nayak Shri Ananta

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

- (a) whether Vanaspati is being imported from Sri Lanka despite the surplus production;
- (b) if so, the reasons therefor;
- (c) whether the Government has received representations from Vanaspati units;
- (d) if so, the details thereof and the reaction of the Government thereto; and
- (e) the steps taken by the Government in that regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

(a) & (b) : Vanaspati is being imported from Sri Lanka at a zero duty as per the the India-Sri Lanka Free Trade Agreement (ISFTA) operational from March, 2000.

(c) to(e): The Government has received representations from vanaspati units and accordingly, sent an Inter Ministerial Technical team consisting of officials from Department of Revenue, Directorate of Vanaspati, Department of Commerce & Ministry of External Affairs and also representatives from domestic vanaspati associations to Sri Lanka to assess the Value Addition norms under Rules of Origin framed under India-Sri Lanka FTA. The Technical team visited Sri Lankan Vanaspati producing units and reported that they fulfilled the criteria laid down under India Sri Lanka Free Trade Agreement. The Government also set up an Inter-Ministerial Group to look into the issues raised by domestic vanaspati units.