

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:2024

ANSWERED ON:27.08.2007

PRODUCTION AND IMPORT OF EDIBLE OILS

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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the production stock consumption and import of edible oils particularly mustard in the country during the last two years and the current year, year-wise and oil-wise;
- (b) whether the edible oil prices have hardened in the International Market;
- (c) if so, its impact on prices and availability of edible oils in the country; and
- (d) the steps taken to ensure availability and check prices of edible oils in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): Year-wise and oil-wise production, consumption and import of edible oils including mustard oil in the country during the last two years and the current year are enclosed (Annex). The stock position is not maintained.

(b): The prices of edible oils, namely palm oil and soyabean oil have gone up by 55-70% in the International Market during the last one year.

(c)&(d): In order to maintain un-interrupted supply of edible oils at affordable prices to the consumers, certain measures including downward revisions in the import duties on palm oils, sunflower oils and soyabean oils have been taken. As a result of such remedial measures, the increase in the prices of main edible oils in domestic market was in the range of 10-32% during the last one year which is much lower as compared to the international prices.

The steps taken to ensure availability and check prices of edible oils in the country include:-

- (i) Import of oilseeds/edible oils except copra/coconut oil has been allowed on Open General Licence (OGL).
- (ii) Implementation of Centrally Sponsored Integrated Scheme for Oilseeds, Pulses, Oil Palm and Maize (ISOPOM) in certain States, financial assistance for Oil Palm Development, assistance provided for purchase of breeder seed, production of foundation seed, production and distribution of certified seed, integrated pest management etc.
- (iii) Enhanced incentives to the farmers through fixation of Minimum Support Price (MSP) of major oilseeds.
- (iv) Import duty reduced on Crude and Refined Palm Oil/ Palmolein from 80% to 45% and 90% to 52.5% respectively, Crude and Refined Sunflower Oil from 75% to 40% and 85% to 50% respectively and Crude and Refined Soyabean Oil from 45% to 40% during last one year.
- (v) Crude and refined edible grade vegetable oils have been exempted from 4% SAD w.e.f. 1.3. 2007.
- (vi) In order to harmonize the interests of farmers, processors and consumers, the import duty structure on edible oils is reviewed from time to time.