

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

UNSTARRED QUESTION NO:2271

ANSWERED ON:15.12.2008

IMPORT OF EDIBLE OIL

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

- (a) the total production, demand and import of edible oil during each of the last three years and the current year;
- (b) the agencies involved in import of edible oil and countries from where it was imported;
- (c) whether the import of edible oil has been increasing with decline in its domestic production;
- (d) if so, the details thereof and reasons therefor indicating the total quantum of foodgrains diverted for production of bio-fuel during the last three years and the current year,year-wise; and
- (e) the steps taken to improve the production of edible oils including palm oil 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): The total estimated production and import of edible oil during each of the last three years have been as under:-

(in lakh tons)

Oil Year	Production of Oilseeds	Net availability of edible	Import of edible oils
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(Nov.-Oct.)	(Nov.-Oct.)	oils from all domestic sources	(April-March)
(Nov.-Oct.)	(Nov.-Oct.)		

2005-06	279.79	83.16	42.88
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2006-07	242.89	73.70	42.17
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2007-08	288.25 (Estimated)	84.92 (Estimated)	49.03
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Source: Directorate General of Commercial Intelligence & Statistics (DGCI&S)

The total production of oilseeds during the year 2008-09 and hence of edible oils has not yet been estimated. According to the projections for oilseeds/edible oils made by the Ministry of Agriculture, the annual requirement/demand of edible oils in the country in terms of consumption of edible oils based on behaviouristic approach amounted to 118.50 lakh tons in 2005-06, 124.10 lakh tons in 2006-07, 127.57 lakh tons in 2007-08 and 132.80 lakh tons in 2008-09.

(b): Import of edible oils has been allowed under Open General License (OGL) except coconut oil. Private sector and public sector undertakings are involved in import of edible oil. Countries from where it was imported include Indonesia, Malaysia, Argentina and Brazil.

(c)&(d): Domestic production/ net availability and import of edible oils have increased from 83.16 lakh tons to 84.92 lakh tons and 42.88 lakh tons to 49.03 lakh tons respectively during 2005-06 to 2007-08. As per information furnished by Ministry of Agriculture, no foodgrains have been diverted for production of bio-fuel during the last 3 years and the current year.

(e): Steps taken to improve the production of oilseeds and hence of edible oils including palm oil in the country include:

(i) Implementation of Centrally Sponsored Integrated Scheme for Oilseeds, Pulses, Oil Palm and Maize (ISOPOM) in certain States, financial assistance for Oil Palm Development and purchase of breeder seed, production of foundation seed, production and distribution of certified seed, Integrated Pest Management etc.

(ii) With a view to make the implementation of the ISOPOM more effective, the ISOPOM has recently been modified as a part of National Food Security Mission with regard to norms and pattern of assistance, inclusion of new components and additional implementing agencies during 11th Plan Period. An allocation of Rs. 320.00 crores has been made under ISOPOM during 2008-09.

(iii) Indian Council of Agricultural Research (ICAR) is engaged in development of high yielding improved varieties, production and protection technologies in oilseeds for increasing the production and productivity and to make oilseeds cultivation profitable to farmers.

(iv) Enhanced incentives to the farmers through fixation of higher Minimum Support Price (MSP) of major oilseeds.

(v) In order to encourage production of solvent extracted oils in the country and to promote export of extractions, excise duty on food grade hexane has been reduced to 14%.