

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

UNSTARRED QUESTION NO:189
ANSWERED ON:09.11.2010
PRICE OF EDIBLE OIL
Thakor Shri Jagdish

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

- (a) whether the price of edible oil has registered a steep rise during the last three months of the current financial year due to increased demand/consumption;
- (b) if so, whether any estimate of increase in consumption of edible oils has been made in the country for the last three years and the current year;
- (c) if so, the details and the outcome thereof;
- (d) whether the production and supply gap of edible oil has widened in the domestic and international market;
- (e) if so, the details thereof indicating the annual requirement of edible oils in lakh tonnes in the country; and
- (f) the steps being taken by the Government to make adequate quantity of edible oils available 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 (PROF. K.V. THOMAS)

(a): Wholesale prices of three major edible oils, namely, mustard oil, soyabean oil and RBD palmolein in the domestic market have increased by 2.8%, 4% and 10.5% during last three months of the current financial year. However, the wholesale price of groundnut oil has decreased by 16.5% during this period.

(b) to (e): Estimates of total consumption, domestic availability and imports of edible oils in the Country for last three years and current oil-year (Nov. to Oct.) are as under:

(Quantity in lakh tons)

DETAILS YEAR (NOV. TO OCT.)

2006-07 2007-08 2008-09 2009-10

Total demand/
consumption 120.9 142.6 166.4 169.3

Domestic
availability 73.7 86.5 84.6 79.3

Imports 47.2 56.1 81.8 90.0

The gap between domestic supply and demand of edible oils has been widening and is met through imports. As per available information, there is not much gap between global demand and supply of edible oils.

(f) Government has taken a number of steps to augment availability of edible oils in the country. The steps taken include:-

The import duty on crude and refined edible oils reduced to Nil and 7.5% respectively w.e.f. 1.4.2008.

Export of edible oils has been banned w.e.f. 17.3.2008 upto 30.9.2011 with certain relaxations.

State Governments have been allowed to impose stock limits on edible oils and oilseeds w.e.f. 7.4.2008.

A scheme for distribution of subsidized imported edible oils has been implemented since 2008-09 through State Governments/UTs @ 1litre per ration card per month with a Central subsidy of Rs.15/- per kg.