

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

UNSTARRED QUESTION NO:1295
ANSWERED ON:29.11.2011
PRICE OF PALM OIL
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the increasing stock of palm oil in India and other exporting countries is likely to push down its prices; and
(b) if so, the details thereof and the corrective steps taken in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) & (b): No, Madam. There is no such likelihood. India meets its domestic requirement of edible oils including palm oil by importing about 50% of its requirement from other countries. The total estimated domestic availability of edible oils during 2010-11 in the country is 178.07 lakh tons and total estimated production of edible oils has been 94.36 lakh tons. The gap between demand and supply from domestic sources has not been bridged despite increasing production of oilseeds in the recent years because of rising demand due to increase in population and increase in purchasing power of people. During 2010-11 (November-October), out of the total imports of 83.71 lakh tons of edible oils, 64.56 lakh tons of imports are that of crude palm oil and refined palmolein, which are imported from Indonesia and Malaysia (source :Solvent Extractors Association of India). However, Department of Agriculture has been trying to encourage more cultivation of crops of edible oilseeds including palm oil under the following schemes:

- (i) A centrally sponsored Integrated Scheme of Oil seeds, Oil palm and Maize (ISOPOM).
- (ii) Macro Management of Agriculture (MMA).
- (iii) Rashtriya Krishi Vikas Yojana (RKVY).

Besides these, Minimum Support Price (MSP) for oilseeds are increased from time to time to incentivize farmers which is likely to increase edible oil production in the country.