

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

UNSTARRED QUESTION NO:2707

ANSWERED ON:28.08.2012

EDIBLE OIL

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

- (a) the demand, supply, import and price of edible oil and pulses during the last three years, variety-wise;
- (b) whether the deficient monsoon is likely to have an adverse impact on the production of edible oil and pulses and has also pushed up its prices in the international market;
- (c) if so, the details regarding present stocks/estimated production and demand along with the additional financial burden to be borne by the Government on import of foodgrains on this account and its likely impact on the domestic prices, varietywise; and
- (d) the steps taken to ensure availability, check cartelization and control the prices of the said items during the ensuing year?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS) (a):

Demand and supply of edible oils (oil-wise) and pulses (variety- wise) during the last 3 years are at Annexure-I & II respectively.

Import of edible oils (oil-wise) and pulses (commodity-wise) during the last 3 years are at Annexure-III & IV respectively.

Average domestic wholesale prices of edible oils (oil-wise) and retail prices of pulses (variety-wise) during the last 3 years are at Annexure-V & VI respectively.

(b): It is too early to estimate the production of oilseeds and hence of edible oils during 2012-13. However, Department of Agriculture & Cooperation, Ministry of Agriculture has stated that as per estimations made by the States for Inter Ministerial weather Watch Group meeting, area coverage under oilseeds has been reported at 161.054 lakh hectares in Kharif 2012 against normal area of 163.584 lakh hectares as on 22.8.2012. The management of drought in Kharif 2012, Government has enhanced subsidy on distribution of certified seeds of oilseeds from Rs.1200/qtt. To Rs.2000/qtt. for resowing or purchasing of drought tolerant variety seeds for Kharif 2012 under Integrated Scheme of Oilseeds, Pulses, Oil Palm & Maize (ISOPOM).

Average area coverage under pulses for kharif season 2012-13, has been reported as 109.75 lakh hectares whereas the area sown has been reported as 85.32 lakh hectares during 2012.

It has no impact on the international prices of edible oils. Over the last one month (as on 22.8.2012) the prices of edible oils, Crude Palm oil, Soyabean oil and RBD Palmolein have declined in the international market by 2.6%, 0.1% and 4.5% respectively whereas prices of sunflower oil have increased by 2.2%.

(c): As on 1.8.2012, actual stock of wheat and rice is 475.26 lakh tons and 285.03 lakh tons respectively. As per 4th Advance Estimate of Department of Agri.& Coopn, the total production of wheat is 939.03 lakh tons and of rice is 1043.22 lakh tons during the crop year 2011-12.

As per the Ministry of Agriculture, production estimates of Agricultural crops are prepared only after commencement of the Agricultural Year.

The stock of edible oils as on 1.8.2012 at various ports is estimated at 8.25 lakh tons. Details given below:-

Name of oil	Quantity in lakh tons
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CPO	3.50
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RBD Palmolein 1.40

De-gummed Soyabean 1.75

Crude Sunflower 1.35

Canola Rape 0.25

The stock of about 8 lakh tons of edible oils in pipelines. Total stock both at ports and in pipelines is 16.25 lakh tons. The estimated production and demand of Edible oils Oil-wise for the year 2011-12 (Oil Year November to October) is at Annexure -VII

(d): In order to ensure adequate availability and to contain the prices of edible oils in the country, Government has taken various steps as under:

(i) Import duties on crude and refined edible oils have been reduced to nil and 7.5% respectively.

(ii) Export of edible oils has been banned except coconut oil, edible oils from minor forest produce and branded oils in small consumer packs within a quantitative limit.

(iii) State Governments have been authorized to impose stock limits on edible oils and oilseeds.

(iv) In order to further augment the availability of edible oils, since 2008 Government has implemented a scheme for distribution of subsidized imported edible oils through States/UTs to ration card holders with a central subsidy of Rs.15/- per kg. The scheme was extended from time to time and for further period for import of up to 10 lakh tons of edible oils from October, 2011 to September, 2012.

The steps taken to ensure the availability and control the prices of pulses during the ensuing year are as follows:-

1. Government has been actively promoting the production of pulses through various crop development schemes such as National Food Security Mission on Pulses, Integrated Scheme of Oilseeds, Pulses, Oil palm & Maize (ISOPOM), Macro-Management of Agriculture (MMA), and Integrated Development of 60,000 Pulses villages in Rainfed areas under RKVY in major pulses growing States in the country.

2. Customs duty on import of pulses has been reduced to zero w.e.f. June 8, 2006;

3. Export of pulses has been banned since June 27, 2006, except the export of kabuli chana, and 10,000 tonnes of organic pulses and lentils;

4. Stock limit on pulses have been imposed since August 29, 2006;

5. Futures trade in urad and tur have been banned since January 23, 2007;

6. A subsidy scheme for imported pulses was operationalized during December, 2006 to March, 2011 whereby 5 designated public sector agencies undertook import of pulses and supplied it in the domestic market for which the Government reimbursed losses upto 15% of the landed cost.