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

UNSTARRED QUESTION NO:2980
ANSWERED ON:11.12.2012
IMPORT OF CRUDE PALM OIL
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Government has taken note of the adverse impact of increasing import of crude palm oil at zero duty on domestic edible oil including coconut oil industry and oilseed farmers who are facing the problems of declining demand and unremunerative prices;
- (b) if so, the details thereof indicating the quantum of crude palm oil imported during each of the last three years and the current year;
- (c) whether the Government proposes to enhance the import duty of crude palm oil to support the prices of indigenous edible oil;
- (d) if so, the details thereof; and
- (e) the other steps taken by the Government to support the indigenous edible oil industry?

Answer

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

(a) & (b); Yes, Madam. The interest of coconut and oilseed farmers are taken into account while framing the import/export policy. However, in order to meet the shortage and increasing domestic demand of edible oils in the country, import of edible oils has been allowed at zero and 7.5% duty on crude and refined edible oils respectively.

Details of crude palm oil imported during each of the last three years and current year is listed below:

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Year (April-March) Quantity (in lakh tons)
2009-10 47.97
2010-11 41.24
2011-12 52.04
2012-13 30.43
(April-Sept, 12)
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Source: Directorate General of Commercial Intelligence & Statistics (Deptt. of Commerce) Kolkatta.

- (c) & (d): At present Government is not considering enhancement in Import duty of crude palm oil.
- (e): In order to support the indigenous edible oil industry the Government has allowed import of edible oils under Open General Licence (OGL). The industrial units are free to import crude or refined oils and carry out processing and value addition. In case of coconut oil; in the interest of coconut farmers, export of coconut oil is allowed (through Kochi port) and in branded consumer packs for which the quantitative limit has been enhanced from 10,000 tons to 20,000 tons per annum.