

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

UNSTARRED QUESTION NO:4740
ANSWERED ON:23.04.2013
EXPORT OF EDIBLE OILS
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Government has taken a decision to permit the export of edible oils in consumer pack of upto five litres;
- (b) if so, the details thereof along with the reasons for giving permission to export edible oils despite imposition of restriction by the Government on its export in consumer pack on 2nd August, 2012 in view of its shortage in the country;
- (c) whether the Government has made any assessment regarding shortage and increase in prices of edible oils due to decline in oilseeds production in the country;
- (d) if so, the details thereof and the reaction of the Government in this regard; and
- (e) the remedial measures taken including increase in Minimum Support Price of oilseeds including mustard to encourage production of oilseeds and edible oils?

Answer

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

(a) & (b) Yes, Madam. Government had permitted the export of edible oils in branded consumer packs of upto 5 Kg subject to a limit of 10,000 tons per annum, in order to meet the demand of Indians living abroad. The ceiling of export was enhanced to 20,000 tons per annum w.e.f. 19.10.2012. However, w.e.f. 5.2.2013 only those premium edible oils in branded consumer packs of upto 5 Kg have been allowed for export which have a minimum export price of USD 1500 per ton.

(c), (d) & (e) Based on earlier assessment for demand-supply of edible oils and oilseeds in the country, the annual requirement of oilseeds for 2011-12 was 533.9 lakh tons against which production during 2011-12 was 298 lakh tons. Due to decline in production of oilseeds, measures taken to improve the domestic availability of edible oils and to keep its prices under control are listed below:

(i) To increase the production and productivity of oilseeds, Government is implementing a Centrally Sponsored Integrated Scheme on Oilseeds, Pulses, Oil Palm and Maize (ISOPOM) through Department of Agriculture in major oilseeds and oil palm growing states.

(ii) The ban on export of edible oils has been continued till further orders with certain exemptions.

(iii) Import of edible oils are allowed under Open General Licence (OGL) while import duty of 2.5% on crude and 7.5% on refined edible oils has been levied. However to protect domestic growers an import duty of 30% on oilseeds is imposed.

(iv) In order to provide relief to consumers especially BPL households, a Scheme for distribution of subsidized imported edible oils through Central PSUs and are distributed by State/UT Governments has been implemented since 2008 with central subsidy of Rs.15/- per kg for distribution through PDS. The scheme has been extended in October, 2012 upto September, 2013.

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

(vi) In order to encourage production of oilseeds, Government fixes Minimum Support Price (MSP) of oilseeds including mustard. The MSP of major oilseeds groundnut, soyabean and sunflower has been increased to Rs. 3700, Rs. 2240 and Rs. 3700 (per quintal) in 2012-13 from Rs. 2700, Rs. 1690 and Rs. 2800 respectively in 2011-12. The MSP for mustard seed was Rs. 2500 per quintal in 2012-13 which has been increased to Rs. 3000 in 2013-14.