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Title : Need to restrict the import of Vanaspati from Sri Lanka with a view to protect domestic Vanaspati manufacturing industry from uneven competition.

SHRI SANTASRI CHATTERJEE (SERAMPORE): Sir, the Government has taken a decision to regulate inflow of cheap Sri Lankan origin Vanaspati into the country through the Free Trade Agreement route by appointing National Agricultural Cooperative Marketing Federation of India as the agency for undertaking these imports.

There are 260 Vanaspati manufacturing units in India, out of which a good number have been closed not due to any industrial disputes, but due to zero-duty import of Vanaspati from Sri Lanka without any quantitative restrictions. In order to save the industry from uneven competition, the following measures may kindly be taken :

1. Imposition of Tariff Rate Quota (TRQ) upto 50,000 tonnes on imports of Vanaspati (hydrogenated vegetable oils) from Sri Lanka under the Free Trade Agreement (FTA) to help in bringing about transparency, and reduce the incidence of dumping;
2. Imported Vanaspati should conform to Indian standards;
3. Proper monitoring by the Government; and
4. Reopening of the closed units.