

LOK SABHA

Wednesday, March 1, 1989/Phalguna
10, 1970 (saka)

The Lok Sabha met at Eleven of the clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

[English]

Import of Edible Oils

* 101 SHRI E. AYYAPU REDDY:
SHRI CHINTAMANI JENA

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state.

(a) the total quantum of edible oil imported during 1988;

(b) the cost of the oil purchased and the rate at which it was sold to the public; and

(c) the agencies which imported these

edible oils and their service charges and profit on these imports?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI SUKH RAM): (a) to (c). A Statement is given below.

STATEMENT

(a) to (c). Approximately 15.12 lakh MTs of edible oils were imported on Government account during 1988 (1.1.1988 to 31.12.1988).

Accounts of oil imported on Government account are maintained on a financial year basis. The total quantum of edible oils imported during the financial year 1988-89 (upto January, 1989) were about 11 lakh tonnes and the unit average CIF price of edible oils imported during this period was approximately Rs. 6564 per MT. The issue prices of imported edible oils supplied to States/UTs under the Public Distribution System and to the vanaspati industry for the manufacture of vanaspati are as under:-

(Price in Rs. per Mt.)

Public distribution System Period	(Price in Rs. per Mt.)	
	Bulk	15 kg. tns
Upto 31.8.1988	11,000	12,500
Since 1.9.1988	13,150	14,500
Vanaspati	Normal rate	
	Commercial rate	
Upto 30.11.1988	15,000	19,000
Since 1.12.1988	*	19,000

* Allocation of imported edible oils to the vanaspati industry at Rs. 15,000/- per MT has been discontinued w.e.f. 1.12.1988.

The service charges of the State Trading Corporation of India Ltd. which imports

edible oils for and on behalf of the Government of India are 1% of the landed cost

comprising of CIF value, custom duty, handling and clearing charges etc. On an approximate sales of about 11 lakh MTs during the financial year 1988-89 the estimated surplus accruing to the Government account would be to the tune of Rs. 185 crores (excluding additional customs duty of Rs.110 crores already paid).

In addition of the NDDB also imported 51041 MTs. of oils during the year 1988 valued at Rs. 28.46 crores for sales through agencies set up under the NDDB's oilseed project. The total sale proceeds were Rs. 85.75 crores at an average sale price of Rs. 16800/- per MT.

SHRI CHINTAMANI JENA: As we all know, to arrest the price rise in the indigenously produced edible oils, the Government is spending huge amounts of foreign exchange to import edible oil. In this connection, if you kindly go through the statement of the hon. Minister, you will see that the government is making huge profits out of the imported oil. Edible oil has been imported to arrest the price rise and also to enable the common man to get it at a cheaper rate. But unfortunately, the government has increased the price from 3rd September 1988. As a result, the common man cannot get edible oil at a cheaper rate. In this connection, may I know whether the government will reconsider the issue so that the imported edible oil will be supplied at a cheaper rate? If so, what is the Government's reaction on this issue?

SHRI SUKH RAM: It is wrong to say that the government imports edible oils simply to make profits. Imports are made to bridge the gap between demand and supply of the indigenous oil. We are supplying this oil to the poor people at a concessional rate. Since there is a record production this year, we have taken certain steps to reduce the imports. Previously import used to be on quite a high scale.

But this year we have reduced it because of the bumper crop. In the statement itself we have made it clear that we are making available the supply of this im-

ported oil under the PDS on concessional rate and whatever surplus amount is made, that will go to the consolidated fund of India.

SHRI CHINTAMANI JENA: My second supplementary would be as follows. While coming to part 'c' of the question, I want to know whether the State Trading Corporation is importing the edible oils through some registered agencies. If so, which are the agencies which have been registered in the current oil year?

Besides this, may I know from the hon. Minister whether he is aware that some of the unscrupulous businessmen taking advantage of the imported oil are mixing it with the indigenously produced edible oil and selling it on higher rates and making huge profits?

In this connection, may I know whether the Government is thinking to give some colour or some smell in the imported edible oil so that it cannot be mixed with the indigenously produced edible oil?

SHRI SUKH RAM: As far as the canalising agency of the Government is concerned, it has got certain set procedure for purchase of edible oil from foreign countries. A Committee is constituted which invites tenders and lowest tender is accepted. There is no question of registering people within this country.

There are registered agencies in the foreign countries and the tenders are invited from them. There is no question of adulteration because STC imports edible oil. This is being checked before it is issued to the States. So, there is no question of any adulteration or any misuse by any agency in this country.

[Translation]

SHRI DILEEP SINGH BHURIA: Mr. Speaker, Sir, Government is spending a lot of foreign exchange on the import edible oil. I want to know from the Hon. Minister whether Government has any programme to encourage its own farmers so as to make the country self-reliant in the production of

edible oil? Has the hon. Minister formulated any such programme; if so, the details thereof?

SHRI SUKH RAM: Hon. Speaker, Sir, as I stated in the beginning, imports of edible oil are made to bridge the gap between demand and supply of the indigenous oil. Our policy is to become good suppliers and make the country self-sufficient. A number of suitable steps have been taken as a result of which we hope to have a good production this year. The oilseeds production is expected to be about 150 million tonnes and the edible oil production will be of the order of 45 to 50 lakhs tonnes. That is why the imports which were earlier to the tune of 12 to 15 lakhs tonnes have been considerably reduced. We have fixed the imports to be about 7 lakh tonnes. We have taken some appropriate steps to increase the indigenous production of oil so that we would become self-reliant.

DR. CHANDRA SHEKHAR TRIPATHI: Hon. Speaker, Sir, the hon. Minister has stated that there are no chances of adulteration in the imported edible oil because through checking is done and the Government maintains vigilance. In my opinion, main objective of the Government is to provide edible oil to the people through public distribution system and that is why they have stopped supplying imported oil to vegetable oil industries since 1988. Complaints are regularly being received that a good portion of the oil, which is provided to the states for distribution to the consumers through public distribution system, find its way to the hoarders to be sold in the black market, as a result of which it does not reach the fair price shops. I want to know whether such complaints are enquired into through the same agencies which sell this oil in black market or will the Government appoint any independent agency to enquire into such complaints because the poor people for whom the foreign exchange is spent on the import of oil, do not get the benefit and the big traders are earning huge profits? How the Government is going to control it?

SHRI SUKH RAM: We import edible oil

and supply it to the State Government from where it reaches the consumers through Fair Price Shops. The situation at present is not bad because price of indigenous oil is not so high and therefore there is very little possibility of its misuse, but still there may be cases of its misuse at a few places. State Governments watch these things and if it is being misused somewhere, we shall also write to the State Governments about it and will also enquire into it provided we get complaints.

SHRI MOHD. AYUB KHAN: The hon. Minister acknowledges that there are such complaints and he wants to write to the State Government about it, but I do not know what is the need of writing to them. When this thing has been raised in the House that there are complaints of profiteering, and it has been accepted to be a fact, such complaints should be enquired into.

SHRI SUKH RAM: The hon. Member has not listened to me properly, I have stated that there is a possibility of its misuse but some complaints must come to enable us to look into it. I have not said that there are complaints and we are not looking into them. If there is any such complaint with the hon. Member, please do tell us and we shall look into it. We shall write to the Director of Vegetable oil provided such complaints are received.

[English]

Strike by Research Scholars of AIIMS

* 102. SHRI P.M. SAYEED: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether the research scholars of the All India Institute of Medical Sciences resorted to strike and relay hunger strike in January 1989; if so, what are their demands;

(b) whether some other organisations of the Institute announced their protest action in solidarity with the research scholars;