

**GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION**

**LOK SABHA
UNSTARRED QUESTION NO. 392
TO BE ANSWERED ON 20TH JULY, 2021**

DUTY ON CRUDE PALM OIL

**392. SHRI BHOLA SINGH:
SHRI MANOJ KOTAK:
SHRI RAJVEER SINGH (RAJU BHAIYA):
SHRI RAJA AMARESHWARA NAIK:
SHRI NARANBHAI KACHHADIYA:
SHRI PARBATBHAI SAVABHAI PATEL:
SHRI VINOD KUMAR SONKAR:**

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government has reduced duty on crude palm oil by 5 percent to reduce edible oil prices to bring relief to the consumers;
- (b) if so, the details thereof and its impact on prices;
- (c) whether the Government has recommended removal of the restriction on import of RBD Palmolein (Refined Palm oil) and to put it in the open general category of imports, if so, the details thereof along with the total domestic demand for edible oils in the country;
- (d) the measures being taken by the Ministry to enhance the production of refined oil in the country especially in Gujarat; and
- (e) whether the Government has stressed on creation of modern storage facilities at grass root and block levels for essential commodities to increase farmers' income, if so, the action taken thereon?

**A N S W E R
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)**

(a) & (b): Yes, Sir. The Government vide Notification No. 34/2021-Customs, dated 29th June, 2021, has reduced the standard rate of duty on crude palm oil by 5 percent from 30.06.2021 and will effect upto 30th September, 2021.

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The domestic wholesale and retail prices as on 13.7.2021 on comparison with the prices on 29.06.2021 is given below:

- (i) The wholesale prices of groundnut oil, mustard oil, vanaspati, RBD palmolein and sesame oil increased by 1.82%, 0.61%, 0.67%, 0.36% and 0.83% respectively while the prices of soyabean oil, sunflower oil and coconut oil decreased by 0.34%, 0.31% and 3.91% respectively.
- (ii) The retail prices of groundnut oil, mustard oil, vanaspati, soyabean oil and RBD palmolein increased by 1.00%, 0.70%, 1.54%, 0.23% and 0.64% respectively while the prices of sunflower oil decreased by 0.13%.

(c): The Government vide DGFT's Notification No. 10/2015-2020 dated 30th June, 2021, has amended the import policy of Refined Palm Oils from "restricted" to "free" with immediate effect and for a period of upto 31.12.2021. The domestic production of edible oils in the country is unable to meet the domestic demand of around 250 LMT and the country has to rely on imports to meet the shortfall.

(d): To enhance the production of refined oil in the country, the standard rate of duty on crude palm oil has been reduced to 10% from 30.06.2021 and will effect upto 30th September, 2021.

(e): Storage capacity of FCI depends upon the level of procurement, requirement of buffer norms and PDS. Storage gap is assessed in the procuring States based on the highest stock levels in the last three years and in the consuming States on the basis of 4 months (6 months in case of NE regions) requirement of NFSA and OWS.

FCI is augmenting its storage capacity through following schemes :-

1. Private Entrepreneurs Guarantee (PEG) Scheme
2. Centre Sector Scheme (CSS).
3. Construction of SILO's under PPP mode
4. Hiring of godown from CWCs/SWCs/State Agencies
5. Private Warehousing Scheme (PWS)

As on 30.06.2021, Storage capacity available with FCI and State agencies for storage of central pool foodgrain stock is 916.65 Lakh MT (Covered - 723.44 LMT and CAP - 193.21 LMT).

CWC has floated EOI for setting up cold storage in its warehouses on PAN India basis. CWC intends to develop Cold Chain facilities at around 190 locations. CWC has signed MoU with NAFED for providing storage space and related services by CWC to NAFED for the procurement operation to be undertaken by NAFED.

A new model for c/o storage in remote areas has been implemented under which MOU has been signed between CWC and FCI for c/o godowns on FCI land by CWC on guaranteed hiring basis in Zanskar & Drass, Ladakh (3340 MT each) & Zunheboto , Nagaland (5000 MT) & Namsai (1670 MT) Arunachal

MOU has been signed on 19.03.2021 with Arunachal Agricultural Marketing Board for setting up Farm Gate Logistics infrastructure @ Rs.1.80cr./50:50 profit sharing basis in 3 districts-Lower Subansiri, Changlang & Lohit.
