

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

RAJYA SABHA
UNSTARRED QUESTION NO.1350
TO BE ANSWERED ON 30TH JULY, 2021

ILLEGAL IMPORT OF PALM AND SOYABEAN OIL

1350 SHRI SANJAY RAUT:

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

- (a) whether edible oil industry has alleged that illegal import of palm and soyabean oil from Nepal into India has threatened the survival of domestic industry and farmers;
- (b) if so, details thereof and Government's reaction thereto;
- (c) whether Government's attention has been drawn towards the claim that palm and soyabean oil from other origins is being routed into India through Nepal/Bangladesh to take advantage of zero duty imports/to avoid tax exemption by importers; and
- (d) if so, details thereof and steps taken or proposed to be taken by Government to avoid such unlawful nexus of import?

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

(a): Yes, Sir.

(b): Representations have been received from The Soyabean Processors Association of India (SPAI), Indian Vegetable Oil Producers' Association (IVPA) and The Solvent Extractors' Association of India (SEAI) highlighting the concerns over alleged violation or misuse of Free Trade Agreement (FTA) provisions in import of Palm/Soyabean oil from Nepal. The allegations made by associations have been analysed by Central Board of Indirect Taxes & Customs (CBIC) and necessary instructions have been issued to the field formations to exercise due diligence while assessing clearance of the said goods imported from the neighbouring countries.

.....2/-

(c): The re-routing of third country originating product through Nepal/Bangladesh to avail undue advantage of FTA benefit could not be ascertained. The provisions available under FTAs allow use of imported raw material and export the final product after value addition.

(d): A request has already been made by CBIC to the Department of Commerce to consider including vegetable oils and other such sensitive items in the negative list, wherein raw material is not grown in FTA partner countries and value addition can be easily manipulated through components like profit and overhead costs.
