

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

UNSTARRED QUESTION NO:3092  
ANSWERED ON:08.12.2009  
SUBSIDY FOR COCONUT OIL  
Kurup Shri N.Peethambara;Venugopal Shri K. C.

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

- (a) whether any request has been received from the Government of Kerala for providing Central subsidy for coconut oil like palm oil;
- (b) if so, the details thereof and reaction of the Government thereto;
- (c) whether the huge subsidy being provided for palm oil is adversely affecting the price of coconut oil; and
- (d) if so, the details thereof and the steps taken to protect the interest of coconut farmers?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a)&(b): For moderating the prices of edible oils in the country and to augment domestic availability in order to meet the growing demand of this item of mass consumption, the Government of India had implemented a 'Scheme for distribution of subsidised imported edible oils through States/UTs' during 2008-09 with a subsidy of Rs. 15/- per kg till January 2009 and thereafter Rs. 25/- per kg of imported edible oil handed over to the States for distribution under the Scheme. The Scheme has been extended to the current year which envisages an import of upto 10 lakh tons of edible oils and subsidy of Rs. 15/- per kg of imported edible oil handed over to States for distribution. The Government of Kerala, vide its letters dated 29.3.2008, 23.6.2009 and 25.6.2009 had requested that the subsidy given under this Scheme may be allowed for coconut oil. Hon'ble Chief Minister of Kerala, vide his D.O. Letter dated 12.8.2008, had also requested to extend the subsidy of Rs. 15/- per kg for distribution of coconut oil through the Public Distribution System of Kerala.

The Government of Kerala had been informed that the subsidy under the 'Scheme for distribution of subsidised imported edible oils through States/UTs' is restricted to edible oils imported by PSUs and supplied to the States/UTs for distribution, and that the Scheme had no provision to subsidise domestic oils including coconut oil.

(c)&(d): No, Madam. As against the total quantity of edible oil imported, only a small quantity of edible oil has been imported and distributed under the Scheme with subsidy.

In order to protect the interest of coconut farmers, the Government has taken the following steps:

(i) Minimum Support Prices of Copra has been increased from Rs. 3570/- and Rs. 3820/- per quintal for milling and ball varieties of copra respectively during 2005-06 to Rs. 4450/- and Rs. 4700/- per quintal for milling and ball varieties of copra respectively during current year.

(ii) Import of palm oils through any port in Kerala has been banned with effect from 24.12.2007.

(iii) Though export of edible oils has been banned w.e.f. 17.3.2008, export restriction has been lifted in respect of coconut oil through Cochin Port w.e.f. 1.4.2008.