



PRESS RELEASE

IVPA RECOMMENDS SLAB SYSTEM OF IMPORT DUTY STRUCTURE FOR EDIBLE OILS

Indian Vegetable oil Producers' Association (IVPA) at a recently held meet through VC with Mr Sudhanshu Pandey, Food Secretary to review the Edible oil Scenario in the Country, Mr Sudhakar Desai, President IVPA and other Executive Committee Members of IVPA appraised him that stock situation at ports is comfortable especially in view of domestic crush season starting, it was informed that Domestic oil production is about 10% higher than the previous year and may further be boosted by the higher mustard crop next season. The prices of edible oil globally have risen since COVID lockdown and Indian edible oil prices have increased by 50-60 per cent.

IVPA submitted that industry has sufficient capacity, to take care of the domestic supplies/demand of edible oil. The President, IVPA mentioned that for MAKE IN INDIA and EASE OF DOING BUSINESS, there is a need to bring certain changes in existing customs duty structure

- 1) Transparent "Custom Duty Slab" system which changes along with global prices to be implemented. A suitable structure was suggested for a right balance between farmers, consumers and Industry.
- 2) MFN custom duty rate to be made the same as the ASEAN/ IM-CECA preferential duty rates for ease of doing business, as no imports happen under MFN rates whereas Customs is seeking cumbersome documentation from importers. It was highlighted that MFN duties were lower than ASEAN/ IM-CECA preferential duties during 2010-2018. This cumbersome documentation can be taken care if MFN rates are aligned with Preferential Duties under ASEAN/ IM-CECA.
- 3) Import quotas or restrictions on cheaper PDS imports are unnecessary and the same distort the free market operations as the same negatively affect all the stakeholders. Indian industry can supply to the PDS under the tender system as there is huge capacity available in India. It also falls in line with the Make in India vision of the Prime Minister Shri Narendra Modi.

IVPA also thanked the Government of India for regular interactions to understand the trade and industry issues, and for bringing Refined Palm Oil under restricted list and further prayed that the same be moved to Prohibited List under Foreign Trade Policy (FTP). The interaction included various other IVPA suggestions in increasing domestic oil production and encouraging the export of oil meal and oilseeds to benefit Indian farmers.

November 3, 2020

New Delhi

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