

Govt to buy 2.9cr litres of soyabean oil

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The Daily Morning Voice Online Desk: The Cabinet Committee on Public Purchase has approved three proposals to purchase some 2.9 crore litres of soybean oil spending Tk 334 crore from different local and foreign companies. The approval was given at the 39th meeting of the Cabinet Committee on Public Purchase on Thursday (December 29, 2022) held with Finance Minister AHM Mustafa Kamal in the chair. Cabinet Division's additional secretary Sayeed Mahbub Khan briefed reporters about the approval.

The first of three proposals is import of 1.10 crore litres of soybean oil from Zaad Al Raheel International of Oman. The government will have to spend Tk 151.73 crore to buy the oil from the company. Each litre of soyabean oil will cost Tk 152.85. The oil will be procured through the direct purchase system. Besides, the government will procure 44 lakh litres of soyabean oil from Gazipur-based Sena Edible Oil Industries Limited (SEOI), a subsidiary of Sena Kalyan Sangstha of the Bangladesh Army, under the direct purchase method. The government will have to spend Tk 81.18 crore to procure the oil from SEOI. Each litre of soyabean oil will cost Tk 184.50.

Moreover, the government will procure another 55 lakh litres of soyabean oil from local Shun Shing Edible Oil Limited, a subsidiary of Bangladesh Edible Oil Industries Limited (BEOL), under the direct purchase method. The government will have to spend Tk 101.47 crore for purchasing 55 lakh litres of soyabean oil from Bagerhat-based company. Each litre will cost Tk 184.50. Earlier, the government procured soyabean oil at Tk 185 a litre from local companies. So, this time the government will spend Tk 0.50 less to buy each litre of soyabean oil.

The soybean oil will be procured through the Trading Corporation of Bangladesh (TCB) and will also be distributed through it at a subsidised rate to the poor. Two other proposals are linked to procuring about one-crore litre of soybean oil from local market under the direct purchase method. Besides, the TCB will procure 8,000 metric tonnes of red lentil through the international open bidding method. The government will have to spend Tk 81.57 crore to procure the red lentil at Tk 101.91 a kg. Sources said the TCB requires some two crore litres of soybean oil to run the current programme of distributing the essential daily kitchen item to about 1 crore family card holders amid the high inflation.

The TCB has been selling two crore litres of soybean oil monthly to one crore family card holders at a subsidised rate since September, one of the sources said. The amount of soybean distributed by the TCB accounted for 10 per cent of the monthly demand for the most essential item. The monthly demand for soybean oil is about 2 lakh tonnes that depend on import by a handful number of refiners. The TCB also sells sugar and red lentil among its items at a subsidised rate to the poor.