

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

LOK SABHA  
UNSTARRED QUESTION NO.3377  
TO BE ANSWERED ON 23<sup>RD</sup> MARCH, 2022

INCREASE IN PRICES OF EDIBLE OILS

†3377. SHRI HEMANT SRIRAM PATIL:

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

- (a) whether the prices of edible oils and such other commodities have increased due to the gap between their demand and supply and as a result the dependency on their import has increased;
- (b) if so, the details thereof;
- (c) the details of production, demand, import and prices of edible oils during the last three years;
- (d) the steps taken/proposed to be taken by the Government to increase domestic production and to control prices of edible oils;
- (e) whether the Government proposes to supply edible oils at subsidized rates to consumers; and
- (f) if so, the details thereof?

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

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(a) and (b). The prices of essential commodities including edible oils are impacted by various factors such as gap between the demand and supply, weather conditions, logistics issues, international prices etc. Domestic production of edible oils is unable to meet domestic demand. The gap between demand and supply of edible oils is around 56% and is met through imports. The increase in the international prices of edible oils have an impact on domestic prices of edible oils in the country.

(c): The details of production, demand and import of edible oils during the last three years is given below:

Year (Nov.-Oct.)	Domestic Production/Availa bility of edible oils (in LMT)*	Import of edible Oils (in LMT)**	Demand (in LMT)
2018-19	103.52	155.7	259.22
2019-20	106.55	134.16	240.71
2020-21	111.51	134.52	246.03

\* Directorate of Sugar and Vegetable Oils

\*\* Department of Commerce

The details of All India average domestic retail prices (in Rs/Kg) of edible oils during the last three years is given below:

Name of edible oil	2019 (Jan.-Dec.)	2020 (Jan.-Dec.)	2021 (Jan.-Dec.)
Groundnut oil	130	147	176.28
Mustard oil	109.85	123.34	170.67
Vanaspati	80.52	92.27	131.02
Soyabean oil	92.29	102.76	147.26
Sunflower oil	99.84	114.23	164.36
Palm oil	76.34	92.14	128.28

Source: Department of Consumer Affairs

(d): The Government of India has been implementing a Centrally Sponsored Scheme, National Food Security Mission- Oilseeds & Oil palm (NFSM-OS&OP) from 2018-19 to augment the availability of vegetable oils and to reduce the import of edible oils by increasing the production and productivity of oilseeds and area expansion of Oil Palm & Tree Borne Oilseeds in the country.

Now, the Government has launched a separate Mission for Oil Palm, which is the National Mission for Edible Oils (Oil Palm) - NMEO (OP) to promote oil palm cultivation for making the country Atmanirbhar in edible oils with special focus on North-Eastern States and Andaman and Nicobar Islands.

In order to improve the domestic availability and to keep prices of edible oils under control, the Government has been rationalizing the duty structure on edible oils during 2021-22 to reduce the price burden of common man. The following measures have been taken:

- In a bid to control the rise in cooking oil prices, the Central Government has cut the basic duty on Crude Palm Oil, Crude Soyabean Oil and Crude Sunflower Oil from 2.5% to Nil. The Agri-cess on these Oils has been brought to 5% .
- The basic duty on Refined Soyabean oil and Refined Sunflower Oil has been slashed to 17.5% from the current 32.5% and the basic duty on Refined Palm Oils has been reduced from 17.5% to 12.5%.
- The Government has extended the free import of Refined Palm Oils for a period upto 31.12.2022
- The current basic rate of import duty of zero percent on Crude Palm Oil, Crude Soyabean oil and Crude Sunflower Oil has been extended upto 30<sup>th</sup> September, 2022 and the rate of import duty on Refined Palm Oils at 12.5%, Refined Soyabean oil and Refined Sunflower Oil at 17.5% has also been extended up to 30<sup>th</sup> September, 2022.
- To control prices of edible oils, futures trading in mustard oil on NCDEX has been suspended and stock limits have been imposed.
- The Department of Food and Public Distribution had imposed stock limits on Edible Oils and Oilseeds w.e.f. 8<sup>th</sup> October, 2021 for a period up to 31<sup>st</sup> March, 2022.
- Further, an amended Order "The Removal of Licensing Requirements, Stock Limits and Movement Restrictions on Specified Foodstuffs (Amendment) Order, 2022" has been notified w.e.f 03<sup>rd</sup> February, 2022 specifying the quantities of stock limits of edible oil & oil-seeds , to be implemented by all States/UTs. This Order has been issued to ensure the smooth availability of edible oils and oil-seeds in the country.

(e) and (f): At present, there is no proposal by the Union Government to supply edible oils at subsidized rates to consumers.

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