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Edible oil prices up due to West Asia crisis, but availability 'adequate': Govt tells Parliament

Global and domestic edible oil prices have risen due to the West Asia crisis. Higher crude oil prices and biofuel demand reduced export availability significantly. However, India's edible oil availability remains adequate through usual import routes. Retail prices for groundnut and mustard oils have seen notable increases recently. The government monitors prices and is prepared for market interventions if needed.

New Delhi: The West Asia crisis has impacted global and domestic edible oil prices, but local availability remains "adequate" as imports from major supplying countries continue through the usual trade routes, the government told Parliament on Wednesday.

In a written reply to the Lok Sabha, Minister of State for Food and Consumer Affairs Nimuben Jayantibhai Bambhaniya said India relies on imports to meet a significant portion of its domestic edible oil requirement. Consequently, domestic edible oil prices are dependent on international market trends.

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"Higher crude oil prices have also diverted more palm and soybean oil towards biofuel production, reducing export availability and pushing up both global and domestic edible oil prices," the minister said.She said the availability of edible oils in the country remains adequate, as imports from major supplying countries continue through the usual trade routes.

"Adequate stocks are available, and imports from major supplier countries continue without significant disruption," she said. The average retail price of groundnut oil (packed) has increased to Rs 206 per kg on July 22 from Rs 190 per kg six months ago. Mustard oil has increased to Rs 196 per kg from Rs 186 per kg, soybean oil to Rs 164 per kg from Rs 151 per kg, sunflower oil to Rs 189 per kg from Rs 169 per kg, and palm oil to Rs 148 per kg from Rs 133 per kg in the same period, according to data provided to the House.

The minister said the government is closely monitoring the prices and availability of edible oils in the domestic market. The government remains prepared to undertake appropriate market intervention measures, including a review of import duty and other trade-related measures, as and when required, to ensure adequate availability and to stabilise prices in the interest of consumers, she added.

Source: https://economictimes.indiatimes.com/industry/cons-products/edible-oil-prices-up-due-to-west-asia-crisis-but-availability-adequate-govt-tells-parliament/articleshow/133184298.cms