

Retail prices of edible oils expected to come down further: Govt

By TIOL News Service

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to the series of proactive and preemptive measures taken by the Government to augment domestic availability and stabilise prices of essential food commodities, the price of essential commodities, especially edible oils, reported a decline in September this year compared to previous years.

The past trend of Prices shows that in the period preceding the festival seasons which is generally from August to December, there is an increase in prices of edible oils. In the year 2020, the increase in the edible oils prices was in the range of 7-12% and in the year 2019, it was in the range of 3-8%. However in the current year, this trend has reversed with the domestic prices starting to show a declining trend of 2-9% in the month of August, 2022.

In the last two months, all India average domestic retail of Refined Sunflower Oil 1 litre pack had decreased to Rs. 168 from Rs. 187 and for Refined Soyabean 1 litre pack from Rs. 158 to Rs. 150. All India average domestic retail of RBD Palmolein 1 litre pack has decreased to Rs. 138 from Rs. 121. The reduction in oil prices came as a result of the Central Government reducing the import duty on edible oils making them cheaper. The industry has been asked to ensure that the complete benefit of the reduced duty is passed on to the consumers invariably.

The All India retail prices of RBD Palmolein, Refined Soyabean Oil, Refined Sunflower Oil and Mustard Oil decreased by 23%, 12%, 13% and 8% during the last 5 months. All India Wholesale prices of RBD Palmolein, Refined Soyabean Oil, Refined Sunflower Oil and Mustard Oil decreased by 25%, 13%, 14% and 9% during the last 5 months.

Presently the prices of edible oil in the international market are witnessing a decline. The continuous monitoring by the Government and interactions with the edible oil industry, has ensured that the benefit of the decline in the international prices of edible oil is being passed on to the consumers. The industry has informed that the global prices of different edible oils have fallen by USD 400-500 per ton in the last two months and it is starting to reflect in the retail markets and the retail prices are expected to come down further in the coming days.

The Government is closely monitoring the price situation of all major commodities in wake of geo-political scenarios including extreme weather conditions around the globe. A Committee is in place in the Department of Food & Public Distribution which reviews the prices of all major commodities and appropriate timely measures are taken to keep a check on the prices in view of the interest of the farmers, industry and consumers. Various measures like reduction in import duties and cess on pulses, rationalisation of tariff, imposition of stock limits on edible oils and oilseeds, buffer stock maintenance of onion and pulses have helped in keeping the commodity prices under control.

The government has taken a number of other steps to ensure consumers get relief from high prices. As per the trend from the DoCA centres, prices of various commodities have decreased as compared to the last nine months; Gram Dal (-?3), Onion (-?10), Tomato (-?5), Tea (-?7). As compared to last year price decrease was, Gram Dal (-?5), Onion (-?5)

If the commodity-price moderation seen in recent weeks continues, along with an easing of supply-chain pressures, then there will be more relief for consumers.

The Government's timely intervention in curbing the mounting export of wheat and Sugar through export regulations has insulated the prices of these commodities from increase in contrast to the prices prevailing in the global market. Wholesale prices of wheat in the domestic mandis have declined and the Wheat prices in India stabilised as the Central Government effected a series of policy interventions on the export of foodgrains.