

Ministry seeks stakeholders' ideas for better oilseed prices

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The Ministry of Agriculture and Farmers' Welfare has asked various industry stakeholders on how to ensure better prices for oilseed growers, particularly soybean and groundnut.

The development follows a *businessline* report that palm oil has become costlier than soybean and sunflower oil due to fears of supply shortage and Indonesia's plans to raise export taxes and in-

crease palm oil share in biodiesel to 40 per cent.

The concern is also because imports of edible oil increased by 38 per cent in November. Solvent Extractors Association of India (SEA) Executive Director BV Mehta told *businessline* that excess import of soybean oil has impacted soybean prices in the domestic market.

SOYA BELOW MSP

"Bean prices are ruling ₹500-600 a quintal below the minimum support price of ₹4,892. Our seeds are not being crushed and imports are



increasing," he said.

Low soybean prices in the global market are also affecting exports of soyameal, with India being outpriced by \$50-\$60 a tonne by competing nations.

Sources said the Agriculture Ministry is concerned because the Centre wants oilseed production to increase and has launched the National Mission on Edible Oils-Oilseeds to encourage growers.

The objective of the mission is to increase oilseed production to 69.7 million tonnes (mt) by 2030-31 from the current 39 mt.

HIKE IN IMPORT DUTY

The Centre has increased the minimum support price for oilseeds and increased the duty on the import of edible oils. On September 14, the

Centre raised the duty on crude oils such as palm, soya and sunflower to 20 per cent from zero and for refined oils to 32.5 per cent from 12.5 per cent.

The effective duty on crude and refined oils is currently 27.5 per cent and 35.75 per cent, including agriculture infrastructure and development cess and social welfare surcharge.

As of December 12, the landed price of crude palm oil was \$1,280 a tonne, that of RBD palmolein was \$1,245, degummed soybean oil \$1,150 and crude sunflower oil \$1,235.