

Centre suspends duty-free import of soya oil for FY24

Our Bureau

Chennai

The Union Commerce Ministry has suspended duty-free imports of soyabean oil under the tariff rate quota (TRQ) regime for the 2023-24 fiscal in a notification issued late on Wednesday evening. However, duty-free imports of sunflower oil under the TRQ regime will continue. In the case of soyabean oil, imports under TRQ will continue until June 30, the notification said.

TAMING INFLATION

On May 24 last year, the Directorate-General of Foreign Trade issued a notification announcing the TRQ allowing duty-free imports of soyabean and sunflower oil until March 2024. The Centre decided to

permit 20 lakh tonnes of both soft oils each for the current and next fiscal. The measure was undertaken in a bid to control soaring edible oil prices in the domestic market and to tame inflation. Now, the Centre has suspended duty-free imports of soyabean oil under the TRQ regime as edible oil prices across the globe have cooled down and Indian soyabean farmers are holding huge inventory.

This is a measure to counter any adverse reaction to the Indian government extending the suspension on derivatives trading of soyabean and its products. According to the Solvent Extractors Association of India, prices of palm group of oils have declined by about 30 per cent year-on-year, while soybean oil rates have dropped 10 per cent. Sunflower oil prices have slid by 7 per cent.