

# Agriculture Ministry seeks to boost oilseeds output

Targets 45 mt from nine crops by 2022

## OUR BUREAU

Bengaluru, September 17

After giving a fillip to the production of pulses through various strategies, the Agriculture Ministry is focussing on boosting oilseeds production over the next four years.

The Ministry has proposed various strategies, including promoting the cultivation of oilseeds in non-traditional areas and cropping seasons besides targeting rice fallows to boost the domestic output, which could help reduce import dependence for edible oils by 2022. The Ministry will be deliberating on these strategies with the States at the National Conference on Agriculture for Rabi Campaign 2018-19 in New Delhi on Tuesday and Wednesday.

The Ministry has pegged the country's total vegetable oil requirement at 33.2 million tonnes by 2022 as per the agenda note circulated for the rabi conference.

The current annual vegoil requirement is about 23 mt. The increase in the demand estimates by the Ministry assumes a per capita consumption of about 22 kg by 2022 from the level of 19 kg per person per annum during 2015-16.

The production of nine annual oilseed crops (primary source) has been targeted at 45.65 mt from which availability of vegetable oils would be about 13.69 mt by 2022 as against the current annual output of 7.31 mt.

Similarly, vegetable oil availability from secondary sources such as coconut, cotton seed, rice bran,

## An ambitious target

(Estimated area, production and yield of nine oilseeds crop by 2022)

	Area (million hectares)	Production (million tonnes)	Yield kg/ha
2017-18*	24.65	31.31	1,270
2018-19	28.50	38.00	1,335
2019-20	29.41	40.50	1,379
2020-21	30.30	43.10	1,423
2021-22	31.20	45.65	1,463

\*4<sup>th</sup> Advance estimates



solvent extracted oil (SEO) of tree and forest origin has been estimated at 5.22 mt by 2022 from the present level of 3.58 mt.

## Big part of import basket

Total output of nine oilseeds (groundnut, soyabean, sunflower, rapeseed & mustard, castorseed, sesamum, nigerseed and linseed) is pegged at 31 mt for 2017-18 according to the fourth advanced estimates. Edible oil is among the largest items in India's import basket after crude oil and gold.

Rising population and income levels are fuelling the demand for edible oil in India. Production of domestic edible oils has not kept pace with the growing demand, necessitating huge imports. India imports around 70 per cent of its edible oil requirement — about 14 million tonnes, valued at over ₹73,048 crore in 2016-17.

The area under oilseeds has experienced a deceleration in general and this is due to their relatively lower profitability against competing crops such as maize, cotton and chickpea under the prevailing crop growing and marketing situations.

Besides, the majority of the oil-

seeds — around 70 per cent — are cultivated in the rainfed areas.

The Agriculture Ministry believes that there is scope for introducing different oilseeds crops in different zones and non-traditional areas. These include sunflower and groundnut during the spring season in the Indo-Gangetic plains and Uttar Pradesh; safflower in Gujarat and Madhya Pradesh; mustard in Andhra Pradesh, Telangana and Karnataka; and soyabean in Telangana and Jharkhand, among others.

It proposes to formulate a separate project 'Oilseeds in Non Traditional Areas' in consultation with States, targeting a production of 1.5 million tonnes from an area of 1 million hectares.

Further, the Ministry also proposes to expand the scheme of 'Targeting Rice Fallow Areas' (TRFA) for cultivation of oilseeds such as soyabean and groundnut in States such as Andhra Pradesh, Tamil Nadu, Karnataka, Maharashtra, Gujarat, and the North East and Himalayan States, where large area of rice fallows are available. Presently, the TRFA is being implemented in about six eastern states.

## Oil higher as US sanctions on Iran raise supply concerns

REUTERS

London, September 17

Oil prices rose on Monday as investors focused on the impact of US sanctions on Iran despite assurances by Washington that Saudi Arabia, Russia and the United States could together raise output fast enough to offset falling supplies.

US Energy Secretary Rick Perry said in an interview with Reuters on Friday that he did not expect any price spikes and that the world's top three oil producers could between them raise global output in the next 18 months.

Brent crude oil was up 70 cents a barrel at \$78.79 by 1345 GMT. US light crude was up 55 cents at \$69.54.

"Oil is pushing higher on widespread expectations of Iranian supply shortages," said Stephen Brennock, analyst at London brokerage PVM Oil.

Iran's oil exports have been falling in recent months as more buyers, including its second-largest buyer India, cut imports ahead of US sanctions that take effect in November. Washington aims to cut Iran's oil exports down to zero to force Tehran to re-negotiate a nuclear deal.

"Iranian crude oil export loadings have declined by 580,000 barrels per day in the past three months," Bank of America Merrill Lynch analysts said in a note to clients on Monday.

A leading Iranian official said on Saturday that Saudi Arabia and Russia had taken the oil market "hostage" and accused other producers of turning the Organization of the Petroleum Exporting Countries into "a US tool".

Iran is the third-largest OPEC producer.