

Agriculture

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④ steps to raise oilseeds output through area expansion & improved productivity in the country must be accompanied by import curbs. Discuss

India has been importing $\frac{2}{3}$ rd of its annual consumption of vegetable oil. despite of large geographical area best suited for oil seed production.

In order to increase domestic oil production. Government came up with policy measures like increase MSP through PM-ASHA scheme, ensuring area expansion, diversifying raw material for oil products.

However this seems to be short term approach, because decrease in domestic oil production majorly attribute to liberal import policy towards oil seed sector. over last 20 years

Unrestricted imports of edible oil-finished or semi-finished products have hurt domestic producers, growers, etc.

Thus we need an approach that will once encourage domestic product while discouraging imports, in following ways

- * Review of extent of import policy & tariff structure
- * Placing an annual ceiling on edible oil import
- * Closely monitoring imports by mandating a system of contract registration & tracking physical arrivals
- * Long credit period currently enjoyed by importers should be restricted to 30 days

This import restriction will short run push domestic oil seed prices & provide much needed boost to growers with multiple benefits

Way forward

- * Commerce ministry should initiate "zero-import of edible oil" & restrict volume of import
- * Finance ministry must proactively change custom duty & not succumb to lobby pressure