



**SPEECH OF SHRI ATUL CHATURVEDI, PRESIDENT,
SEA AT 30th AWARDS FUNCTION ON 13th Sept. 2017,
Mumbai.**

Dear Friends,

It is a wonderful feeling to have such a galaxy of dignitaries from across the Globe attending SEAAwards Function. We are grateful that they could find time to come to India and attend our Function. Their presence is a sign of coming of age of our Association.

Friends, please join me in welcoming our **Chief Guest Shri Arjun Ram Meghwal**, Hon'ble Union Minister of State for Parliamentary Affairs and Water Resources, River Development & Ganga Rejuvenation and **Guests of Honour Datuk Seri Mah Siew Keong**, Hon'ble Minister of Plantation Industries & Commodities (MPIC), Govt. of Malaysia, **Madam Musdhalifah Machmud**, Hon'ble Deputy Minister of Food & Agriculture, Coordinating Ministry of Economic Affairs, Govt. of Indonesia, **Our Old friend Mr. Jesus Silveyra**, Joint Secretary Government of Argentina and **Farmer Leader Shri Pasha Patel**, Chairman Maharashtra State Agriculture Cost & Price Commission.

Please also welcome our **Special Guests Mr. Joko Supriyono**, Chairman GAPKI, Indonesia, **Mr. Guillermo García** from CIARA, Argentina, **Mr. Odarda**, National Director of International Affairs for Agrofood, Govt. of Argentina, **Dr. Shatadru Chattopadhyay**, Managing Director, Solidaridad, and our friend Philosopher & guide **Mr. Dorab Mistry**, and other dignitaries from India and Abroad.

Friends, Indian Economy during the last two decades has been on an upward curve and we have been clocking GDP growth of more than 6% on an average. With the Economy doing well and income levels going up, Edible Oil consumption was bound to rise. If my memory serves me right, during the early nineties, our dependence on imports was only about 3% which has now risen to about 70%. We are extremely thankful to countries like Indonesia, Malaysia, Argentina and Ukraine who have risen to the challenge of increasing production of Palm as well as Soya and Sunflower oils to meet the rising demand not only of India but also China and rest of world. Between China and India, we practically constitute 40% of the World Population and it is no mean task to meet their rising per capita edible oil consumption. I salute these Nations for helping us maintain our supply chain as far as Edible Oils are concerned.

The wonderful job of maintaining the supply chain done by these nations has lulled us into complacency. The net result of our laissez faire attitude has been that we have practically forfeited our Edible Oil Security. No nation can afford to be dependent to the extent of 70% of their oil requirement on imports. It is a matter of food security of the Nation. Our

Oilseed production has been allowed to stagnate during the last two decades which has resulted in this alarming situation.

It is high time we did something to arrest this decline in Oilseed cultivation and make it interesting for our farmers. Over the years many suggestions have been given, like improving agronomic practices, using better seed etc. but with little or no impact. The need of the hour is to think out of the box and implement policies which can be a game changer.

We feel the following five suggestions if implemented in right earnest can go a long way in reviving our oilseed economy of our country.

First Suggestion...Land Consolidation..

One of the biggest hurdles facing Indian Agriculture is small land holdings which does not allow mechanization and big investment to improve yields to International levels. In our view the time is ripe for encouraging Corporate Farming. We understand it's easier said than done due to our land laws and fear that our poor farmers would be deprived of their land by unscrupulous land grabbers. Due to these fears, consolidation of land holdings does not take place and advantages of mechanization and investment in raising yields take a back seat. We have the following three suggestions which would ensure all round acceptability for land consolidation.

- Allow farmers to lease their land to corporates for long periods, without losing ownership .
- Lease rentals should be fixed in such a manner that

the farmers income is more than his current returns from that land.

- This will allow land consolidation and encourage investment in Agriculture.

The farmer gains and so does the country and the political fallout will also not be there as the farmer is not being deprived of the ownership. Moreover it is quite possible that the same farmer maybe engaged for cultivation on the land, thus doubling his income. It's a case of eating your cake and having it too.

For Corporates, also it works well as their investment in land buying comes down. Needless to say, our current land costs even in rural areas are such that no farming can be done profitably if you include replacement cost of land in your costing.

This system has been tried successfully in case of Solar Projects in Punjab and is working wonderfully well. Need of the hour is to give this a serious try in restructuring our Agriculture.

Second Suggestion.. Allow GM Seeds..

The dilly dallying regarding introduction of GM seeds needs to end. In case of mustard, when the highest decision making body like GEAC has cleared the introduction after years of research and scientific scrutiny, our dithering is difficult to accept. Why should the country be deprived of technological

innovations due to opposition from a vociferous minority. This needs to end as it is doing great harm to our Nation and becoming a major stumbling block in our efforts at self sufficiency .

Third Suggestion.. Encourage Mustard Cultivation.

Someone rightly said Agricultural production should be demand driven. In India the case has been different. We need Oilseeds but continue to flog the production of Wheat and Rice much in excess of our demand and straining our storage system. It is high time Punjab & Haryana farmers are encouraged to divert part of their land to Mustard by giving suitable incentives. At our level, we have written to the Prime Minister to start Mission Mustard as that would give it the required thrust and go a long way in reducing our import dependence. Needless to say, Mustard is a high oil yielding crop and a large part of our population prefers this oil. The response from Government has not been very encouraging till now but we would continue our efforts towards expanding mustard cultivation.

Fourth Suggestion....Support Producer instead of Consumer..

Our Prime Minister is committed to doubling farmers income by the year 2022. His seriousness cannot be doubted but somehow we do not see too much action happening at the ground level. For far too long we have pampered our consumers at the cost of the poor farmers and the results have been disastrous as far as oilseed cultivation in our country is concerned. Our import duties have been kept very

low as far as Edible Oils is concerned which has ensured our dependence keeps growing on imported oils. It is high time decision makers change the policy bias in favor of farmers as opposed to Consumers by increasing Import duties to levels which make growing in India interesting for farmers.

The policy of high MSP did wonders in case of Wheat and Rice in India and its high time the same income protection is given to Oilseed farmers by higher MSP. Further to ensure Govt does not end up buying all the oilseed produced in our country, the import duties on Edible oils should be suitably tweaked to ensure price level goes up in domestic market. Needless to say Edible Oil inflation during the last decade has been woefully low and need of the hour is to allow it to go up.

Fifth Suggestion.....Bury Essential Commodities Act

One of the biggest relic of the Socialist Era of Sixties has been the Essential Commodities Act. In a Globalised world, when trade barriers are breaking and our own country has moved towards a Single National Market concept with the introduction of GST, it is incomprehensible that we still allow ECA to exist. We have to come out of this Socialist Era mindset. It would not be incorrect to say that this law has done more harm in hindering the development of Free Market and stifling the supply chain and free flow of goods than any other law in our country. What surprises us is, this law is still allowed to exist even though it is massively anti farmer and does not allow price discovery. Moreover, the power it gives to

inspectors is unimaginable and also results in unethical practices.

What amuses me is the fact that even though domestic oils/ Oilseeds constitute only 30% of our consumption, they are covered under Storage Control Order and the balance 70% which is imported is exempt. It is funny to say the least.

We should allow ECA to die a natural death and allow private trade to stock and operate without fear or favour. This will go a long way in fulfilling our Prime Ministers dream of doubling farmers income.

These are some of the suggestions, which coupled with other ongoing efforts, we feel should help rejuvenate Oilseed cultivation in our country.

Awards

Now, coming to the main event of the Awards Function, I congratulate all the Processors for their meritorious performance despite the industry passing through extremely challenging times. I also compliment the exporters who have worked hard to try to keep India's share of deoiled meals in the International market under stiff competition.

I also urge the processors of oil seeds and oil cakes to assist and encourage farmers in the vicinity of their plants and in their Talukas to follow good farming practices. The high yield obtained from such model farms can be showcased to the other farmers to demonstrate the benefits of using good planting material and farm practices.

I firmly believe that achieving higher oil seed productivity through good farming practices should be our prime concern, not only for food security and for providing raw material for the industry, but also for the welfare of marginal farmers. Let us appreciate that the livelihood of a marginal farmer depends on the quantum of his produce and through our initiatives, if we can improve his productivity, we are actually helping him to improve the quality of life of his family.

I therefore appeal to one and all to make this a part and parcel of our Corporate Social Responsibility under the statute.

Lastly, Friends, I am a firm believer in the Cosmic Theory of evolution. After destruction comes reconstruction. Being an incorrigible optimist I am sure 'Achhe Din' are round the corner for our Edible Oil Sector.

Thanks once again.

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13th September, 2017