

# Govt may announce a special fund for oilseeds buffer stocks in Budget

**AIMING FOR SELF-SUFFICIENCY.** Centre mulls corpus funds to stabilise prices, boost production

**Our Bureau**  
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The government is considering the creation of an oilseed buffer corpus, much like the pulses buffer.

The development comes even as the purchase of oilseeds is allowed by the Centre at the minimum support price (MSP) after the approval of the Agriculture Ministry.

A separate fund may help the States to undertake oilseed procurement and store the same for some time to help prices stabilise before selling them in the open market.

## STABLE PRICES

“If the proposal is accepted, a ₹500-crore revolving fund may be announced in the Budget, exclusively for oilseed procurement so that farmers never feel distressed, particularly when market rates in the harvesting period plunge 20-30 per cent below MSP,” said a source.

The price stabilisation fund on tur has helped, to some extent, stabilise prices after they crossed ₹200/kg in 2015-16, the source said, adding a similar model may help oilseed farmers to at least stick to the crop even if they do not want to increase the area.

The plan will help farmers get MSP for their oilseed crops while also ensuring that the government is able to achieve the objective of the National Oilseeds Mission.

The government is keen on increasing the production of oilseeds.

## SHIFTING TO MAIZE

In the case of soyabean and mustard, farmers have shifted to maize and chana (gram) this year, partly due to the weather and partly due to the prices, raising concerns over the national mission that targets increasing output to 69.7 million tonnes (mt) by 2030-31 from the current 39 mt.

“So many grain-based distilleries have come up in the



**FARMERS FIRST.** The plan will help farmers get MSP for their oilseed crops while also ensuring that the government is able to achieve the objective of the National Oilseeds Mission

last few years, some even without government subsidy. The growth has impacted maize prices. Since hybrids can help farmers reap 5-5.5 tonnes of maize from one hectare, at ₹2,400/quintal rate, a farmer can earn ₹1.32 lakh from one season only from maize whereas from soyabean, he/she can earn ₹67,500 from one hectare at the productivity level

of 1.5 tonne/hectare,” said an industry source.

The minimum support price of maize is ₹2,225/quintal whereas its all-India average selling price in agriculture produce marketing committee yards in January (1-23) was ₹2,273.

In Uttar Pradesh, on average, maize farmers have realised over ₹2,400 and in Rajasthan over ₹2,375/quintal

this month. The all-India average rate in October 2024 was about ₹2,100/quintal, official sources said, attributing the below MSP sales to higher moisture content.

The mustard acreage in the current rabi season has dropped 5 per cent to 89.3 lakh hectares (lh) while in the last kharif season, the soyabean area fell over 2 per cent to 129.35 lh.

## NMEO OUTLAY

The government, in October 2024, announced the National Mission on Edible Oil (Oilseeds) with an estimated cost of ₹10,103 crore to be implemented over the next six years with a target to increase the production of primary oilseed crops to 69.7 million tonnes (mt) by 2030-31 from about 39 mt in 2022-23.

Together with NMEO-OP (Oil Palm), the Mission targets to increase the domestic edible oil production to 25.45 mt by 2030-31, meeting around 72 per cent of our projected domestic requirement.