

Oilseeds and Exports

EXPANDING demand at home, continued high prices, absence of price control on them except for a brief period, reduced exports at a time when they have come to occupy the place held formerly by cotton as a major export item, all these factors have combined to focus attention on oilseeds and oils. As speculation is kept alive by the irregular and uncertain issue of export quotas which has hitherto been the practice followed by the Government, its replacement by a system of well adjusted export duties merits serious consideration. As export duties on oilseeds have recently been stepped up with a view to keep in check internal prices, among other things, the following review of our oil economy should be of some topical interest. As partition did not affect the production of oils and oilseeds except perhaps in the case of cotton seeds, comparability with the position before the war is largely maintained, and it is not necessary to read just the statistics, as in the case of other agricultural produce.

India is not only one of the largest oil seed producing countries in the world, she holds the pride of place in respect of several varieties. It might be news to many that she tops the list in the case of groundnuts. Had the British experiment in Africa succeeded, India's position would have become second. But what is the good of talking about the scheme that failed? Again, it may not be known to many that, our- was the only country which produced castor-seeds on an extensive scale until 1930. Since then, production has increased considerably in other countries, most notably in Brazil and in the Soviet Union. Brazil now tops the list of castor seed producing countries. In the case of coconuts, India may be a large producer, but she not only consumes the whole of her output, but also imports large quantities of coconut oil.

The area under all oilseeds cultivation in India is about 23 million acres and during the last oilseed year, the production of major oilseeds was estimated at about 5 million tons with an aggregate value of more than Rs. 400 crores. Owing to considerable expansion in internal consumption and the establish-

ment of crushing industry in the country, there has been a corresponding fall in our exports, despite an increase in the production of all oilseeds from 4.80 million tons before the war to a little over 5 million tons.

Exports from India of oilseeds and oils in terms of seeds totalled 11.32 lakh tons during the pre-war years as against 2.16 lakh tons in 1948-49, 2.96 lakh tons in 1949-50 and about 3.68 lakh tons in 1950-51. The apparent or the artificial scarcity of oilseeds within the country has necessitated restriction of exports by quotas and the Government have from time to time found it necessary to impose a complete ban on such exports. This gives an idea of the tremendous pressure on the supply of oilseeds in the country and offers a partial explanation of the comparatively higher rise in the prices of the oilseeds in the post-war years.

Oils and fats form an important part of our food, besides being essential for industrial purposes and the only ultimate solution of OUR problem, is to increase production either by bringing additional land under oilseeds, or by adopting improved intensive cultivation methods. As it is difficult to add to the existing acreage, the only alternative left is intensive cultivation. Raising the yield per acre by improved methods of cultivation, further extraction of oils from oilcakes by solvent process and prohibition on the use of edible oils for industrial uses or manufacture of soap are the more obvious means of improving the supply position.

Exports of Groundnut Oil

	(in tons)	
	1949-50	1950-51
United Kingdom	14,259	1,428
Norway	3,855	1,498
Poland	2,992	—
Denmark	10,136	397
Western Germany	23,302	933
Netherlands	25,330	860
Belgium	985	409
France	3,822	6,906
Switzerland	15,911	8,445
Italy	5,014	2,396
Ceylon	308	—
Canada	6,983	9,324
Other countries	13,119	3,614
Total	126,016	36,210

Exports of Groundnut Oil

	(in gallons)	
	1949-50	1950-51
United Kingdom	674,068	423,829
Netherlands	27,814	1,723,747
France	6,116	1,311,770
Italy	355,773	4,100,373
Czechoslovakia	54,108	—
Iraq	152,340	—
Eastern Pakistan	170,238	—
Burma	3,757,478	2,497,636
Mauritius and Dependencies	288,541	281,581
Canada	—	291,478
Other countries	1,562,536	4,292,478
Total	7,049,012	15,552,744

Exports of Linseed

	(in tons)	
	1949-50	1950-51
United Kingdom	30,412	—
Sweden	2,385	1,200
Australia	18,639	17,825
New Zealand	1,704	1,951
Other countries	18,526	46,123
Total	71,666	67,099

Production of Oilseeds in India

Oilseeds	Acreage		Production			
	1948-49	1949-50	1950-51	1948-49	1949-50	1950-51
	(In thousand acres)		(In thousand tons)			
Groundnut	9,165	9,703	10,472	2,901	3,408	3,331
Linseed	3,761	3,712	3,503	423	413	385
Castorseed	1,383	1,391	1,255	108	118	106
Sesamum	4,644	4,614	5,245	335	379	421
Rape or Mustard	4,633	4,677	5,505	735	774	826

Oilseeds Prices through Four Years

	13-8-47	13-8-48	13-9-49	11-8-50	11-8-51
Groundnuts Khandesh (per cwt.)	34- 8	32-10	42- 4	47-12	38- 0
Linseed bold (per cwt.)	31- 0	27- 2	31- 4	41-12	33- 0
Castor seeds (per cwt.)	31- 0	30- 8	28- 0	33- 8	34-12
Groundnut oil (per qr.)	20-14	18-12	23-14	25- 9	21- 0

Exports of Linseed Oil
(in gallons)

	1949-50	1950-51
United Kingdom	34,614	—
Italy	89,572	39,888
Egypt	51,137	9,840
Mauritius and Dependencies	35,219	4,352
Australia	805,206	699,692
New Zealand	60,712	91,930
Other countries	696,911	513,586
Total	1,773,371	1,359,289

Castorseeds Exports
(in tons)

United Kingdom	—	16,959
Other countries	5,245	61,356
Total	5,245	78,315

Exports of Castor Oil
(in gallons)

United Kingdom	355,591	2,314,494
USSR	122,941	—
Sweden	74,292	249,719
Netherlands	33,939	499,685
France	—	416,982
Western Pakistan	2,939	45,516
Egypt	110,371	93,542
Canada	3,600	125,398
Australia	59,781	725,976
Other countries	375,349	1,387,356
Total	1,137,993	5,848,356

Oilseeds have also become an increasingly important factor in the industrial economy of the country. Tin: oil crushing industry has undergone a substantial expansion as a result of increased demand for edible oils, partly as a result at ghee, going out of reach of certain sections of the population. The production of vanaspati has increased from about 48,000 tons during the pre-war period to about 2 lakh tons at present. Requirement:- of soft oils for the soap industry has gone up. Industrial consumption of other oils such as linseed and castor oil has increased from 21,000 tons before the war to 75,000 tons at present.

During the past our year, price-of oilseeds and oil in India reached all time high levels, following the stock-piling programme in the wake of the Korean war and the spectacular demand for Indian castor seeds and castor oil. Groundnuts bold ready were taken upto Rs. 51, linseed to Rs. 49.8 and castor seeds to Rs. 60 per cwt. During the last few months the market developed a lower tendency on export, curbs, improvement in the international supply of oils and fats, fall in export demand following cease fire talks in Korea. Hoarders who were

sitting tight on their holdings came to unload the goods at declining prices with the result that the apparent scarcity gave way to a glut. The position of groundnut oil appeared to be highly comfortable and despite pressure from the Madras interests, the Government has not seen its way to release a portion for exports. The Saurashtra Government's decision to allow free exports at the fag end of the season following a belated realisation of the correct legal position also brought in its wake heavy pressure.

Imports into Germany

The West German Interim Ministerial Import Advisory Committee has approved the import of 21,200,000,000 dollars worth of industrial and agricultural goods. The biggest are 15,000,000, dollars for cotton from the USA; one million for gram from Persia; 1,900,000 sugar from Columbia; 1,540,000 lard from France and over half a million cheese from Sweden and France. Rubber is to be imported from Ceylon and Indonesia.

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