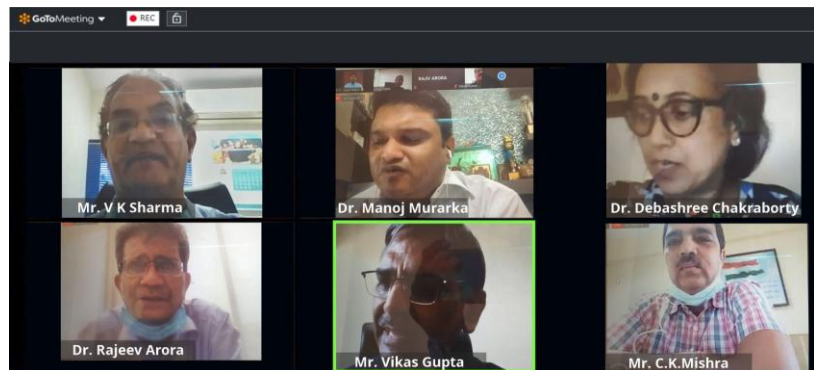


Need for strengthening the production capacity in the edible oil industry

Import substitution is a strategy under trade policy that ultimately serves the objective of encouraging the production of goods in the domestic market. The purpose of any policy aimed at advocating production of goods domestically to substitute imports is to change the economic edifice of the country. Post-Independence India adopted the policy of import replacement by imposing higher tariffs on import duty. The strategy which was ultimately termed as import substitution, with the aim to boost domestic production and shield domestic products from international competition has now come in vogue where local entrepreneurs are encouraged to make India self-sufficient by establishing new manufacturing and processing units.

With the objective to encourage greater domestic activity in Edible Oil sector and to further augment the agenda of “Make in India”, World Trade Center Jaipur in association with MSME Development Institute Jaipur, Ministry of MSME, Government of India and National Oils and Trade Association organized a



webinar on ‘Import Substitution for Edible Oil Industry’. The webinar generated interest from manufacturers, traders and associations, to brainstorm with an eminent group of panelists comprising of office bearers of DGFT, DGTR, FSSAI, Sector Trade Associations, Manufacturers, Importers, Exporters, Traders, Retail Chain Operators, R&D Institutions, Testing Labs and Packaging Manufacturers.

In his key note address, Mr. V.K.Sharma, Director, MSME Development Institute Jaipur, Ministry of MSME, Government of India revealed that continuous imports in the sector is weakening domestic production capacities. Despite having good units, manufacturers are struggling and looking for support to survive in a scenario which is now dominated by competition from overseas manufacturers.

Dr. Manoj Murarka, Director, Manishankar Oils Pvt. Ltd. in his speech informed about the present alarming scenario where 70% of our total requirements in this field are met by imports. He suggested that in such a situation we must rethink, reassess and redefine our domestic manufacturing competencies. Mr. Murarka also urged government agencies to keep a check on parameters set for manufacturing blended oils.

Mr. Vikas Gupta, Deputy Director, MSME DI Jaipur, while sharing the objective of hosting the webinar said the time has come to revisit and analyze our position in terms of tariff barrier set, policy framework, research and development capabilities and need for technology upgradation.

Dr. Rajiv Arora, Additional DG (FT), DGTR, Ministry of Commerce and Industry, New Delhi, in his speech highlighted that the role of DGTR was essentially that of an interventionist. One of its primary purpose is to keep a check on increased imports. He also mentioned that at times under justifiable grounds DGTR also recommends anti-dumping duty or countervailing duty, thus curtailing unfair trade practices.

Mr. C. K. Mishra, Joint DGFT, Jaipur, suggested that oil palm cultivation should be increased and a core government group should be formed to curtail imports.

Dr. Debashree Chakraborty, R & D, Mahindra and Mahindra, Mumbai, recommended that we should promote the consumption of our original oils that have historically been in use in India. She further advocated the need to stop rampant adulteration in products and mentioned that a strong technical team should be set up to keep a check on the system.

Mr. Anil Kapoor, Joint Director, FSSAI (Food Safety and Standards Authority of India), New Delhi, mentioned that FSSAI has constantly been upgrading the in-progress standards for oils and fats and that sample collection and quality checks are an ongoing process. He also shared that FSSAI is making constant efforts to support the home-grown industries by developing robust standards and sharing new parameters such as labelling for edible oil industry.

During the webinar Mr. Anil Kumar Gupta from Shri Shakun Oils Ltd., Mr. Girish Acharya from Hasti Petro chemicals & Shipping Ltd., Mr. Nitin Suhasaria, Suhasaria Agency, Mr. Himanshu Saraf, MPS Packers Pvt. Ltd., Mr. Varinder Singh and Mr. Vivek Jagwayan from S R Proteins Pvt. Ltd shared their industrial experience and deliberated upon various ways to curtail imports and encourage exports of edible oil from India.

The webinar concluded with Mr. Vikas Gupta, Deputy Director, MSME-DI Jaipur proposing a formal vote of thanks.

The webinar was held on September 15, 2020