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National Mission on Edible Oils – Oilseeds (NMEO-Oilseeds)

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National Mission on Edible Oils – Oilseeds (NMEO-Oilseeds)

Practice: 6 MCQs



A mustard field in flower in Haryana. Photo by UnpetitproleX, Wikimedia Commons, CC BY-SA 4.0.

India eats more cooking oil than it grows oilseeds for. Oilseeds are seeds that are pressed to make oil. A seven-year government mission now tries to close that gap. This page explains how it works, how the oil palm mission fits in, and how UPSC asked about it.

- **Approved: 3 October 2024**, for **2024-25 to 2030-31**, outlay **Rs 10,103 crore**.
- **Target:** primary oilseeds from **39 to 69.7 million tonnes** by 2030-31.

- **Five primary crops:** rapeseed-mustard, groundnut, soybean, sunflower, sesamum.
- **Oil palm mission:** approved **18 August 2021**, focus on the **North-East and Andaman and Nicobar Islands**.
- **Exam link:** UPSC CDS (II) 2021, Question 120. Answer: (b).

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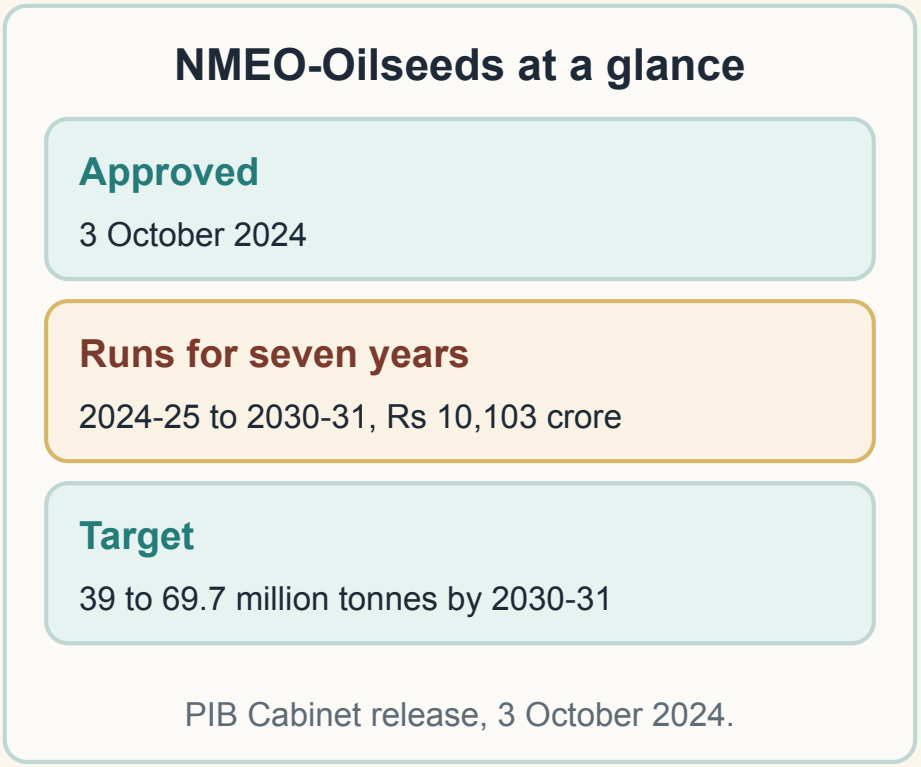
1. What is NMEO-Oilseeds, and why does India need it?

India eats a lot of cooking oil. It grows too little oilseed to make all of it. The gap is filled by imports. A seven-year Central mission now tries to close that gap.

This lesson covers the mission's goals and crops, how it works on the ground, its companion mission for oil palm, and its progress so far.



The target counts primary oilseeds only. Original explanatory diagram.

1.1 What is the mission, and what does it aim for?

The full name is the **National Mission on Edible Oils – Oilseeds (NMEO-Oilseeds)**. The Union Cabinet approved it on **3 October 2024**. It runs for seven years, from **2024-25 to 2030-31**. The outlay is **Rs 10,103 crore**.

Its main goal is **Atmanirbharta**, which means self-reliance, in edible oils. At the time, imports met about **57%** of what India needed. The mission wants to cut that dependence.

1.2 What numbers does it target?

The mission aims to raise **primary oilseed** output from **39 million tonnes** in 2022-23 to **69.7 million tonnes** by 2030-31.

With the oil palm mission, the target is **25.45 million tonnes** of domestic edible oil by 2030-31. That would meet about **72%** of the projected need.

1.3 Which crops does it cover?

Five crops are called **primary** oilseeds in the Cabinet release. They are rapeseed-mustard, groundnut, soybean, sunflower and sesamum.

The mission also covers **secondary sources**. These are cottonseed, rice bran and tree-borne oils. The mission helps collect and extract more oil from them.

Common mistake: mixing this list with India's nine major oilseeds. The PIB Backgrounder lists nine: groundnut, soybean, rapeseed-mustard, sunflower, sesame, safflower, niger, castor and linseed. The mission names five as primary.

Sources:

- PIB, Cabinet approves NMEO-Oilseeds, 3 October 2024
- PIB Backgrounder, National Mission on Edible Oils, 8 December 2025

NMEO-Oilseeds names rapeseed-mustard, groundnut, soybean, sunflower and sesamum as its primary oilseed crops.

2. How does the mission work on the ground?

A target on paper does not grow oilseeds. The mission uses seeds, clusters and more land.

2.1 How does it improve seeds?

Good seed is the first need. The mission starts an online **five-year rolling seed plan** on the **SATHI** portal. SATHI stands for Seed Authentication, Traceability and Holistic Inventory.

States use it to agree on seed supply early with seed agencies. These include cooperatives, **Farmer Producer Organisations (FPOs)**, and government or private seed corporations.

The Cabinet release also plans **65 new seed hubs** and **50 seed storage units** in the public sector. By August 2026, **60 seed hubs and 50 storage units** were sanctioned for breeder seed.

2.2 What are Value Chain Clusters?

A **Value Chain Cluster** is a group of farms linked to one chain, from field to oil mill. The Cabinet plan is over **600 clusters** in **347 districts**. They would cover more than **10 lakh hectares every year**.

Clusters are run by value chain partners. These are FPOs, cooperatives, and public or private firms. Farmers in them get quality seed, training and weather and pest advice.

2.3 How does it add new land?

The mission wants **40 lakh more hectares** under oilseeds. It points to **rice-fallow** and **potato-fallow** land, which lie empty after those crops. It also backs intercropping and crop diversification.

The idea is to add area, not just squeeze more yield from old fields.

2.4 Who pays?

The Backgrounder gives the funding split. For general States, the Centre and State share **60:40**. For North-Eastern and hill States it is **90:10**. Union Territories and central agencies get **100%** Central funding.



A sunflower field near Kovilpatti, Tamil Nadu. Photo by Mohan Babu V, Wikimedia Commons, CC BY-SA 4.0.

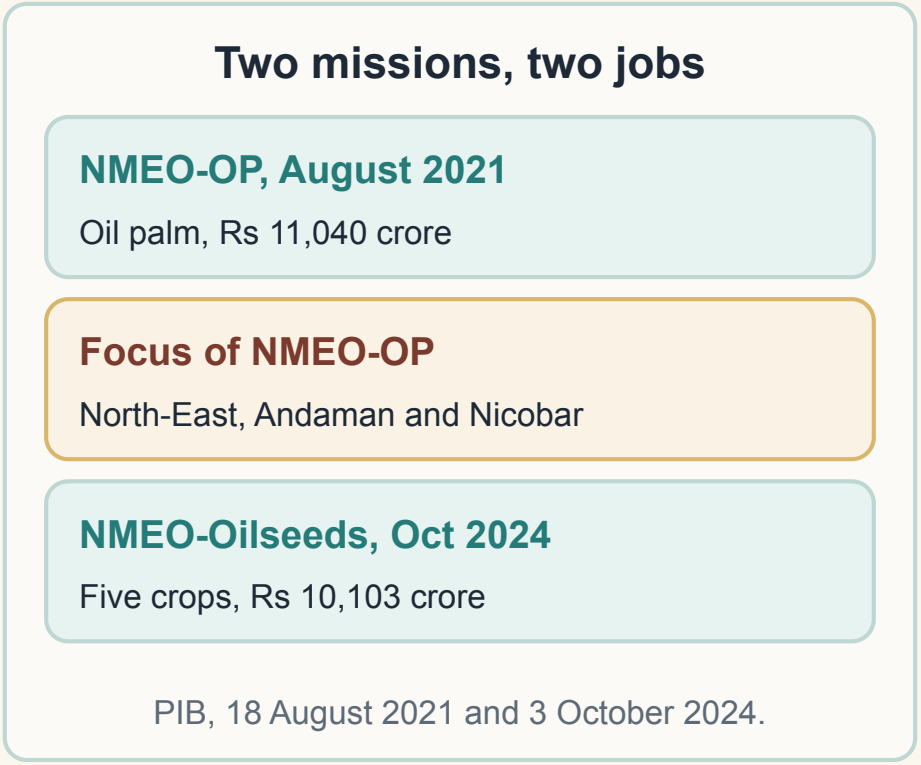
Sources:

- PIB, Cabinet approves NMEO-Oilseeds, 3 October 2024 (section 2)
- PIB, Rajya Sabha reply, 7 August 2026
- PIB Backgrounder, National Mission on Edible Oils, 8 December 2025 (section 2)

The Value Chain Clusters are meant to cover 10 lakh hectares only once, not every year.

3. What is the companion mission for oil palm?

Oil palm is a tree crop. It needs its own plan. India already had one before 2024.



Do not swap the two missions' features. Original explanatory diagram.

3.1 What is NMEO-OP?

The **National Mission on Edible Oils – Oil Palm (NMEO-OP)** got Cabinet approval on **18 August 2021**. It is a Centrally Sponsored Scheme. The outlay is **Rs 11,040 crore**.

Its **special focus** is the **North-East Region** and the **Andaman and Nicobar Islands**.

3.2 What does NMEO-OP promise?

The plan was to add **6.5 lakh hectares** of oil palm by 2025-26. That would reach a target of 10 lakh hectares. Crude palm oil output was to reach **28 lakh tonnes by 2029-30**.

Farmers get a price promise called the **Viability Price** for their fresh fruit bunches. The scheme has a sunset date of **1 November 2037**.

3.3 How do the two missions compare?

Point	NMEO-Oilseeds	NMEO-OP
Approved	3 October 2024	18 August 2021
Outlay	Rs 10,103 crore	Rs 11,040 crore
Crops	Five primary oilseeds plus secondary sources	Oil palm only
Special focus	All States and UTs	North-East and Andaman and Nicobar Islands

Common mistake: giving the North-East focus to NMEO-Oilseeds. It belongs to the oil palm mission.

Sources:

- PIB, Cabinet approves NMEO-OP, 18 August 2021
- PIB, Cabinet approves NMEO-Oilseeds, 3 October 2024 (section 3)

The North-East and the Andaman and Nicobar Islands are the special focus of NMEO-Oilseeds.

Think it through: why two different missions for edible oils?

A palm tree takes years to bear fruit. It grows well in few regions. Farmers need a price promise to take that risk. So the oil palm mission came first, in 2021, with its own regional focus. The oilseeds mission followed in 2024.

4. How has it done so far, and what about imports?

Numbers matter here. Note which year each one belongs to.



A small fall. Imports are still large. Original explanatory diagram.

4.1 What did the Government report in August 2026?

On 7 August 2026 the Minister of State gave a written reply in the Rajya Sabha. It says:

- **13.52 lakh hectares** got free seed in Value Chain Clusters during 2025-26.
- Another **4.44 lakh hectares** were covered in kharif 2026 so far.

- **Oilseed output** was **430.59 lakh tonnes** in 2025-26. This is the third advance estimate.
- Output was 413.55 lakh tonnes in 2022-23.

An advance estimate can change later.

4.2 What happened to imports?

The same reply says edible oil imports fell from **165.00 lakh tonnes** in 2022-23 to **160.72 lakh tonnes** in 2024-25. Domestic availability rose from 124.23 to 126.30 lakh tonnes.

India still buys a large share of its oil from abroad. A small fall does not end the dependence.

4.3 Why was the import duty cut in 2025?

On **11 June 2025** the Centre cut the basic customs duty on crude sunflower, soybean and palm oil. It fell from **20% to 10%**. The aim was to bring down the landed cost and retail prices.

The gap between crude and refined oil duty rose from 8.75% to **19.25%**. This favours refining crude oil inside India.

4.4 Which production figures can a student mix up?

Three figures sound alike. The first is the 39 million tonne base for the mission's **primary** oilseed target. The second is total oilseed output of 413.55 lakh tonnes in 2022-23. The third is 430.59 lakh tonnes in 2025-26.

Total output covers all oilseeds. The 39 million tonne base counts primary oilseeds only. Do not compare them as if they were one series.

Common mistake: reading 430.59 lakh tonnes as progress against the 69.7 million tonne target. The two use different bases.

Sources:

- PIB, Rajya Sabha reply, 7 August 2026 (section 4)
- PIB, Centre reduces Basic Customs Duty on crude edible oils, 11 June 2025
- PIB, Cabinet approves NMEO-Oilseeds, 3 October 2024 (section 4)

The 430.59 lakh tonne figure for 2025-26 is a final estimate.

Explain it back: why can production rise while imports stay high?

Demand for cooking oil is far larger than what India grows. Output rose to 430.59 lakh tonnes in 2025-26. Imports still stood at 160.72 lakh tonnes in 2024-25. A small fall in imports does not end the gap.

5. How did UPSC test this?

The oil palm mission has been asked in a defence exam.

5.1 What did UPSC CDS ask?

UPSC CDS (II) 2021, General Knowledge, Question 120 asked which States, Union Territory or region are in **special focus** under NMEO-OP. The answer is **(b)**, the North-East Region and the Andaman and Nicobar Islands.

5.2 What is the pattern?

Examiners test which mission owns which feature. The North-East focus is for oil palm. The five primary crops and the 69.7 million tonne goal are for the oilseeds mission.

Sources:

- UPSC CDS (II) 2021, General Knowledge paper, Question 120
- PIB, Cabinet approves NMEO-OP, 18 August 2021 (section 5)
- PIB, Cabinet approves NMEO-Oilseeds, 3 October 2024 (section 5)

Your understanding checks

Your 4 quick checks Answered 0 of 4 · Correct 0

This score resets when the page reloads.

Practice: 6 MCQs

Practice MCQs

1. What is the primary goal of the National Mission on Edible Oils – Oilseeds (NMEO-Oilseeds)?

A. Achieving self-reliance in edible oils

B. Expanding cotton cultivation

C. Promoting organic pesticide use

D. Increasing India's rice exports

See answer ↓

2. The Union Cabinet approved the National Mission on Edible Oils – Oilseeds in which month and year?

A. August 2021

B. September 2024

C. December 2025

D. October 2024

See answer ↓

3. Which of the following are the primary oilseed crops named by the Cabinet for NMEO-Oilseeds?

A. Rapeseed-mustard, groundnut, soybean, sunflower and sesamum

B. Cottonseed, rice bran and tree-borne oils

C. Oil palm, coconut and olive

D. Castor, linseed and niger

See answer ↓

4. Which feature belongs to the National Mission on Edible Oils – Oil Palm and not to NMEO-Oilseeds?

A. Value Chain Clusters in 347 districts

B. A target of 69.7 million tonnes of primary oilseeds

C. The SATHI portal for seed plans

D. A Viability Price for fresh fruit bunches

See answer ↓

5. SATHI, the portal introduced under the NMEO-Oilseeds, stands for which of the following?

A. Soil Analysis, Testing and Harvest Information

B. State Agricultural Trade and Handling Initiative

C. Seed Authentication, Traceability and Holistic Inventory

D. Sustainable Agriculture Technology and Hybrid Inputs

See answer ↓

6. Consider the following statements about edible oil policy in India:

1. NMEO-Oilseeds aims to raise primary oilseed production to 69.7 million tonnes by 2030-31.

2. In May 2025 the basic customs duty on crude sunflower, soybean and palm oil was cut from 20% to 10%.

3. Value Chain Clusters under NMEO-Oilseeds are meant to cover 10 lakh hectares only once, not every year.

Which of the statements given above are correct?

A. 1 only

B. 1 and 2 only

C. 2 and 3 only

D. 1, 2 and 3

See answer ↓

Answer Key

1. **A.**
   The correct answer is **Achieving self-reliance in edible oils**. The Cabinet approved the mission on 3 October 2024. Its aim is Atmanirbharta, or self-reliance, in edible oils. It wants to cut imports, which then met about 57% of demand.
   Rice exports, organic pesticides and cotton are not the mission's goals. Cottonseed appears only as a secondary source of oil.
   Memory hook: Oilseeds mission, oil self-reliance.
   ↑ Q1
2. **D.** The correct answer is **October 2024**. The Union Cabinet approved NMEO-Oilseeds on 3 October 2024. September 2024 is when the customs duty on edible oils was raised, not the mission. August 2021 is wrong because the separate oil palm mission was approved in 2021, not NMEO-Oilseeds. December 2025 is wrong because the mission was already running by then. Memory hook: duty in September, mission in October. ↑ Q2
3. **A.** The correct answer is **Rapeseed-mustard, groundnut, soybean, sunflower and sesamum**. The Cabinet named these five as the primary oilseeds. Cottonseed, rice bran and tree-borne oils are secondary sources, not primary crops. Castor, linseed and niger are not in the primary list. Oil palm, coconut and olive are not covered; oil palm has its own mission. Memory hook: five primary crops, three secondary sources. ↑ Q3
4. **D.**
   The correct answer is **A Viability Price for fresh fruit bunches**. The 2021 oil palm mission promised farmers a Viability Price for fresh fruit bunches. It protects them from swings in world palm oil prices.
   The 69.7 million tonne target, the SATHI portal and the 347-district clusters all come from the 2024 oilseeds mission.
   Memory hook: Price promise: palm. Seed portal: oilseeds.
   ↑ Q4

5. **C.**
   The correct answer is **Seed Authentication, Traceability and Holistic Inventory**. SATHI hosts an online five-year rolling seed plan. States use it to agree on seed supply early with seed agencies.
   The other expansions are made up. None of them describes a seed portal.
   Memory hook: SATHI is about seed.
   ↑ Q5
6. **B.** The correct answer is **1 and 2 only**. Statement 1 is true: the mission targets 69.7 million tonnes of primary oilseeds by 2030-31. Statement 2 is true: the Finance Ministry notified on 30 May 2025 that the basic customs duty on crude edible oils fell from 20% to 10%. Statement 3 is false: the clusters cover more than 10 lakh hectares annually, not once. Memory hook: the target and the duty cut are true; the one-time cluster is the trap. ↑ Q6

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