Indian Economy · GS - III

Analyse the factors affecting the global competitiveness of India's agricultural exports, with reference to the decline in oilmeal exports. Suggest measures to improve their export performance.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 09/11/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
10	~150 words

Answer Hint

Domestic input costs, international price competition, soybean processing, animal-feed demand, export diversification, agricultural value chains, productivity, quality standards, trade infrastructure.

Model Answer

Introduction

Agricultural exports contribute to farmers' incomes, foreign exchange earnings and rural employment. India's declining oilmeal exports highlight the challenges of maintaining competitiveness in global markets.

Factors Affecting Competitiveness

1. **High input costs:** Expensive domestic soybeans can raise the cost of Indian soymeal compared with supplies from Brazil and Argentina.
2. **Global competition:** Major producers benefit from economies of scale and competitive pricing.
3. **Demand fluctuations:** Changes in international demand for soymeal and rapeseed meal affect export volumes.
4. **Value-chain constraints:** Processing inefficiencies, logistics costs and quality inconsistencies can weaken export performance.

Measures to Improve Exports

- Improve soybean productivity through better seeds, irrigation and modern farming practices.
- Strengthen oilseed processing and storage infrastructure.
- Promote quality certification and compliance with international standards.
- Diversify export destinations and develop new markets.
- Support research, technology adoption and efficient agricultural supply chains.

Conclusion

India needs a productivity-driven and value-added agricultural export strategy. Competitive pricing, improved processing and diversified markets can strengthen its position in global oilmeal trade.