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MONTHLY REPORT - APRIL 2021

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Edible oil  
& Extractions Update

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# PORT ANALYSIS



## Edible oil Traffic at Indian Ports

(Qty in Million Tonnes)

Port Name	Apr- Feb 2020-21	Apr- Feb 2019-20	Variance Y-O-Y
ANGRE	0.042	0.021	0.021
BUDGE BUDGE	0.222	0.462	-0.240
CHENNAI	0.791	0.797	-0.006
HALDIA	2.150	2.131	0.019
HAZIRA	0.293	0.102	0.191
JNPT	1.235	1.480	-0.245
KAKINADA	0.876	0.600	0.276
KANDLA	4.521	4.682	-0.160
KARAIKAL	0.000	0.020	-0.020
KARWAR	0.265	0.090	0.174
KRISHNAPATNAM	1.475	1.407	0.069
MAGDALLA	0.032	0.000	0.032
MANGALORE	0.801	0.524	0.277
MORMUGAO	0.010	0.000	0.010
MUMBAI	0.182	0.109	0.073
MUNDRA	0.838	1.017	-0.179
NAGAPATTINAM	0.023	0.004	0.019
PIPAVAV	0.000	0.012	-0.012
PARADIP	0.333	0.040	0.293
TUTICORIN	0.223	0.364	-0.141
<b>Grand Total</b>	<b>14.311</b>	<b>14.029</b>	<b>0.283</b>



# MAJOR IMPORTERS OF EDIBLE OIL

## MARCH 2021

(Qty in Million Tonnes)

IMPORTERS	CARGO	MARCH - 2021
3F INDUS. LTD.	CRUDE PALM OIL	0.010
AAK KAMANI PVT. LTD.	CRUDE PALM KERNEL OIL	0.001
	CRUDE PALM OIL	0.005
	CRUDE DEGUMMED SOYABEAN OIL	0.039
	CRUDE PALM KERNEL OIL	0.018
	CRUDE PALM OIL	0.058
ADANI WILMAR LTD.	CRUDE SOYABEAN OIL	0.015
	CRUDE SUN FLOWER OIL	0.016
	CRUDE SUNFLOWER SEED OIL	0.005
	PALM STEARIN	0.006
AGRILINK ASIA PVT. LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.003
ANA OILS & FATS INDIA PVT. LTD.	CRUDE PALM OIL	0.004
ATHENA TRADEWINDS PVT. LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.001
AVYUKTA AGRO IMPEX	CRUDE DEGUMMED SOYABEAN OIL	0.001
BBJ REFINARY	CRUDE PALM OIL	0.016
BCL INDUS AND INFRASTRUCTURES LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.002
	CRUDE DEGUMMED SOYABEAN OIL	0.004
BUDGE BUDGE REFINERIES LTD.	CRUDE PALM OIL	0.004
	CRUDE DEGUMMED SOYABEAN OIL	0.006
BUNGE INDIA PVT. LTD.	CRUDE PALM OIL	0.008

CARGILL INDIA PVT. LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.016
	CRUDE PALM OIL	0.003
EMAMI AGROTECH LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.013
	CRUDE PALM OIL	0.123
FRIGORIFICO ALANA PVT. LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.002
	CRUDE DEGUMMED SOYABEAN OIL	0.008
FRIGORIFICO ALLANA PVT. LTD.	CRUDE PALM OIL	0.026
	RBD PALMOLEIN	0.001
	CRUDE PALM KERNEL OIL	0.004
	CRUDE PALM OIL	0.015
GEMINI EDIBLES AND FATS INDIA PVT. LTD.	CRUDE SUN FLOWER OIL	0.012
	CRUDE SUNFLOWER SEED OIL	0.003
GLOBUS INDUSTRIES LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.001
GODREJ CONSUMER PRODUCT LTD.	RBD PALMOLEIN	0.001
GODREJ INDUS. LTD.	PALM FATTY ACID	0.005
GOKUL AGRO RESOURCES LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.012
GOLDEN AGRI RESOURCES (I) PVT. LTD.	RBD PALMOLEIN	0.001
INDEXONE INFRACON AND LOGISTICS PVT. LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.002
	CRUDE DEGUMMED SOYABEAN OIL	0.008
KANPUR EDIBLES PVT. LTD.	CRUDE PALM OIL	0.007
KUSHAL IMPEX CO.	CRUDE DEGUMMED SOYABEAN OIL	0.001
LOHIA EDIBLE OILS	CRUDE SUNFLOWER SEED OIL	0.008
LOHIYA INDUS.	CRUDE SUNFLOWER SEED OIL	0.006
	CRUDE DEGUMMED SOYABEAN OIL	0.006
MADHURI REFINERIES PVT. LTD.	CRUDE SUN FLOWER OIL	0.003
	CRUDE SUNFLOWER SEED OIL	0.001
	CRUDE DEGUMMED SOYABEAN OIL	0.003
MANTORA OIL PRODUCTS PVT. LTD.	CRUDE PALM OIL	0.004
MGM EDIBLE OILS PVT. LTD.	PALM OIL	0.009
MK AGROTECH PVT. LTD.	CRUDE SUN FLOWER OIL	0.013
NATUREFRESS INDUS. LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.005
PARAKH FOODS LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.010
PARISONS FOOD PVT. LTD.	CRUDE PALM OIL	0.006
	CRUDE SUN FLOWER OIL	0.003

RAMDEO REFINERY LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.001
RATNA PRIYA IMPEX LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.001
	CRUDE PALM KERNEL OIL	0.001
	CRUDE PALM OIL	0.039
RUCHI SOYA INDUS. LTD.	CRUDE SOYABEAN OIL	0.012
	CRUDE SUN FLOWER OIL	0.011
SANGRUR AGRO LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.001
SANTHOSHIMATA EDIBLE OILS REFINERY PVT. LTD.	CRUDE PALM OIL	0.007
SANTOSHI MATHA CO.	CRUDE PALM OIL	0.011
SHREE RIDDHI HEALTH FOODS PVT. LTD.	CRUDE PALM OIL	0.000
SOUTH INDIA KRISHNA OILS AND FATS PVT. LTD.	CRUDE PALM OIL	0.017
SRI ANAGHA REFINERY PVT . LTD.	CRUDE SUN FLOWER OIL	0.001
TATA INTL. LTD.	PALM FATTY ACID	0.001
TRANSOCEANIC AGRO COMM PVT. LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.001
UMIRO RESOURCES PVT. LTD.	CRUDE PALM OIL	0.006
VARIOUS RECEIVERS	CRUDE DEGUMMED SOYABEAN OIL	0.095
	SUNFLOWER SEED OIL	0.015
VRV FOODS LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.001
WEST INDIA CONTINENTAL OILS AND FATS PVT. LTD.	CRUDE DEGUMMED SOYABEAN OIL	0.002



# MAJOR COUNTRY WISE EDIBLE OIL IMPORTS MARCH 2021

(Qty in Million Tonnes)

COUNTRY	CARGO	MARCH 2021
ARGENTINA	CRUDE DEGUMMED SOYABEAN OIL	0.221
	CRUDE SOYABEAN OIL	0.015
	SOYA BEAN OIL	0.005
BRAZIL	CRUDE DEGUMMED SOYABEAN OIL	0.009
EGYPT	CRUDE DEGUMMED SOYABEAN OIL	0.011
INDIA	PALM STEARIN	0.006
	CRUDE PALM KERNEL OIL	0.001
	CRUDE PALM OIL	0.213
	CRUDE SOYABEAN OIL	0.012
	PALM FATTY ACID	0.007
INDONESIA	RBD PALMOLEIN	0.002
	CRUDE PALM KERNEL OIL	0.024
	CRUDE PALM OIL	0.165
	PALM OIL	0.009
MALAYSIA	RBD PALMOLEIN	0.001
	CRUDE PALM KERNEL OIL	0.001
PAPUA NEW GUINEA	CRUDE PALM OIL	0.007
	CRUDE SUN FLOWER OIL	0.078
UKRAINE	CRUDE SUNFLOWER SEED OIL	0.052
	SUNFLOWER SEED OIL	0.015

NOTE: Above Statistics is drawn from data received from Port and Custom Authorities, while all information is believed to be correct, the editors of this compilation or JM Baxi do not guarantee the authenticity of data.



# Market Overview And Trends



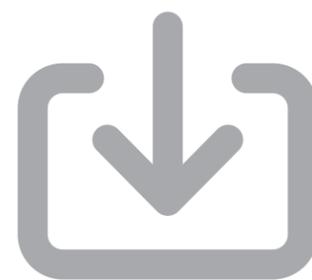
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# HIGHLIGHTS



- India's palm oil imports drop 27% in Feb: SEA
- Vegoil imports to be higher at 13.75 mt this season
- India needs to make palm oil production sustainable
- GEF sees big shift to rice bran oil

# India's palm oil imports drop 27% in Feb: SEA



- The overall import of vegetable oils during February was down by 25% at 8,38,607 tonnes, compared to 11,12,478 tonnes in the year-ago month. It consisted of 7,96,568 tonnes of edible oils and 42,039 tonnes of non-edible oils.

India's palm oil imports fell 27% to 3,94,495 tonnes in February from the year-ago period, mainly due to factors like sluggish demand and higher import of crude palm oil in the previous two months, industry body SEA said. The palm oil imports during February 2020 stood at 5,40,470 tonnes, the Solvent Extractors' Association of India (SEA) said in a statement. The overall import of vegetable oils during February was down by 25% at 8,38,607 tonnes, compared to 11,12,478 tonnes in the year-ago month. It consisted of 7,96,568 tonnes of edible oils and 42,039 tonnes

of non-edible oils. The overall import of vegetable oils during November 2020 to February 2021 dropped by 3.7% to 43,94,760 tonnes as against 45,63,791 tonnes in the year-ago period. "Import of edible oil is down during February mainly due to disparity in refining of palm oil, lesser demand due to cold weather and also excessive import of CPO in previous two months," the SEA said. Sunflower oil import fell as it has become too expensive with the ruling international prices and consumers are switching over to alternatives, mainly soybean oil, it added. According to SEA data, import of RBD palm oil declined to 6,000 tonnes in February this year from 33,677 tonnes in the year-ago month, while that of Crude Palm Oil (CPO) fell to 3,83,995 tonnes from 4,88,354 tonnes. Similarly, import of crude palm kernel oil (CPKO) declined to 4,500 tonnes in February this year from 18,439 tonnes earlier.

Source: Livemint

# Vegoil imports to be higher at 13.75 mt this season



- “Indian Veg Oil Outlook”, organised by UOB Kay Hian of Malaysia, he said the imports had declined from 15.82 mt in 2018-19 to 13.64 mt in 2019-20 due to the impact of novel Coronavirus (Covid-19) pandemic.

Vegetable oil imports are likely to be around 13.75 million tonnes (mt) during the current oil year (November 2020 to October 2021) against 13.64 mt in the previous oil year, according to Sudhakar Desai, President of Indian Vegetable Oil Producers’ Association (IVPA) and CEO of Emami Agrotech Ltd. Speaking at a webinar on “Indian Veg Oil Outlook”, organised by UOB Kay Hian of Malaysia, he said the imports had declined from 15.82 mt in 2018-19 to 13.64 mt in 2019-20 due to the impact of novel Coronavirus (Covid-19) pandemic. He did not see that drop coming during this year. Giving the oil-wise import projection for 2020-21, he estimated the import projections for palm oil at 8.6 mt (7.7 mt). The shortfall of palm oil import happened mostly during the lockdown months of April-June, as the demand shifted from the HoReCa (hotels, restaurants, catering) to the household consumption. Estimating the import demand of sunflower oil at 1.62 mt for 2020-21 against 2.51 mt in 2019-20, he said sunflower has become \$300-500 more expensive than soya oil. He estimated the demand for soya oil at 3.46 mt (3.38 mt).

## Domestic production

Pegging the domestic production at 8.02 mt for 2020-21 against 7.38 mt, Desai said domestic oil

availability is increasing in line with rise in production of mustard oil. The crop is about 8.32 mt as of now, he said. There have been increases in the production of rapeseed/mustard oil and ricebran oil, and some increase in soya oil. All these will be about 8 mt, he said. Because of this, some of the domestic oils such as ricebran oil and cottonseed oil have actually become cheaper than palm oil in the last one and-a-half month, leading to the diversion of demand. “That is why you will realize that the palm oil demand, at least in the last couple of months, has been low because India started using some of the ricebran oil and other oils more aggressively,” he said. The high palm oil prices started hurting consumption even at the institution level also. The prices of some of the domestic oils, including mustard oil, have converged and thereby the consumption got scattered. He said palm oil, which used to be cheap, is no longer so. The industry had not seen mustard refined oil be trading below imported soy refined oil. Added to the import costs, there is a domestic logistic cost from the ports to take these oils into the interior markets. There the domestic oil, which is already there at the similar prices, will attract more demand, he said.

## Palm futures

Stating that the palm oil futures are at their peak now, he said it may come down to MYR 3,400-3,700 a tonne during July-September quarter on higher production. It may come down to 3200-3500 Malaysian ringgit per tonne during October-December quarter, he added.

Source: The Hindu Business Line

# India needs to make palm oil production sustainable



- As India takes steps to increase edible oil production, sustainable practices such as controlling deforestation while boosting palm oil production will help it meet its Paris Climate Agreement pledges

The edible oil industry is poised for a transformation in India. The Indian government wants to increase the production of edible oils in line with its approach of *aatmanirbharta* (self-reliance). India is the largest importer of palm oil in the world; increasing domestic production will reduce its dependence on imports. Prime Minister Narendra Modi has stressed on the edible oil sector on several occasions. In February, he noted that India imports edible oil worth around INR 650 billion (USD 8.93 billion) every year. “It can be stopped,” he had said at a meeting of Niti Aayog, the government’s think tank. “This money can go into the accounts of farmers. For this, we will have to formulate plans. There are many agricultural products that farmers can produce not only for the country but the world. For this, it is essential that all states formulate their strategy for agro-climatic regional planning and help farmers accordingly.” This approach provides an opportunity for sustainable palm oil production in India. Sustainability should be embedded from the very beginning of the production line in the new plantations as per agro-climatic regional planning. The existing oil palm plantations that have been in India for over 20-30 years also must make an effort to improve their sustainable agriculture practices. All plantations need to adopt best practices recommended by the Indian Institute of Oil Palm Research and adopt sustainability standards like the Roundtable on Sustainable Palm Oil (RSPO) that focuses on environmental and social aspects like impact on water tables, farmers’ welfare and market connectivity.

## Sustainable practices

RSPO certification would be an important step in the move towards sustainable palm oil production. The certification aims to work towards no deforestation,

no use of fire, no destruction of endangered species’ habitats, no new planting on peat and no exploitation of indigenous people. RSPO principles and criteria include third party certification, a system of accreditation for certification bodies, supply chain certification to the end user, traceability provided via the PalmTrace system, and an open and transparent grievance mechanism. These mandatory requirements are in place to protect primary and secondary forests, and to ensure the habitats of wildlife are not harmed, thus creating a space where palm oil agriculture and the environment can co-exist. RSPO has already begun its work in India. Two private mills and one state government mill in Andhra Pradesh and Telangana have been trained in RSPO Independent Smallholder Standard (RISS). A training programme for oil palm farmers has been initiated keeping in mind state laws and local environmental and social realities. The development of the overall process of the smallholder standard has been guided by the need to strike a balance between promoting greater inclusion of smallholders and ensuring that core sustainability requirements are upheld. Through a simplified approach to certification, RISS presents an easy entry for smallholders into the RSPO certification system through a phased process of reaching and verifying compliance. Some 50,000-60,000 farmers in India depend on oil palm for their livelihood. RSPO wants to support more farmers to become certified in order to produce more oil using less land, to improve livelihoods and reduce the risk of land conversion, which threatens forest and biodiversity.

## Support for smallholder farmers

In addition to learning the best management practices, smallholders who are certified to produce sustainable palm oil gain improved access to markets. In an effort to support and encourage smallholders to achieve certification, RSPO provides funding to smallholders through its Smallholder Support Fund. Besides the production of sustainable palm oil, RSPO also offers alternatives for the market to support the production of certified sustainable palm oil (CSPO). As an independent smallholder,

trading in RSPO credits provides direct access to the sustainable palm oil market through the online PalmTrace platform. More widespread use of sustainability standards and tools would benefit all stakeholders. Some consumer goods firms, mills and refiners are already supportive of CSPO made in India. “We have a responsibility to ensure that raw materials are being sourced sustainably. We need to build awareness within our value chains for the demand of sustainable palm oil,” said Bhawna Yadav, regional social and human rights manager (South Asia and ASEAN) at Reckitt Benckiser (maker of Dettol products). “To do this we need to engage more with palm oil sourcing colleagues in procurement and finance, as they play a critical part in getting consensus from within the company to create the demand for sustainable palm oil. It is not just about responsible sourcing and production, but also about responsible consumption.”

#### **Ubiquitous palm oil**

According to the World Wide Fund for Nature (WWF), more than 50% of products we use everyday have palm oil or its derivatives and fractions. India’s

agriculture ministry has recently proposed a budget of INR 190 billion (USD 2.61 billion) for the national mission on edible oil. The mission entails a five-year plan aimed at achieving self-sufficiency in production of cooking oil while cutting down on imports. Local production may also ease the prices of cooking oil. “We import around 15 million tonnes of cooking oil, which caters to 70% of our annual requirement of 23 million tonnes,” a ministry official said. “In the next five years, we are aiming at zero import, which will not only help the domestic oil industry but also ensure availability of cooking oil to consumers at economical cost.” There is now a window for India palm oil to become more sustainable, with consensus at different levels, from farmers to refiners, buyers, retailers and consumers. Sustainable palm oil is necessary. It’s not just a “good to have” option, but should be embedded into our production and consumption patterns, making India a global leader in sustainability practices. It will also help us meeting our 2015 Paris climate agreement targets.

Source: India Climate Dialogue

# GEF sees big shift to rice bran oil



- To strengthen market presence in Telangana, AP, Karnataka and Chhattisgarh

Hyderabad-based edible oil company Gemini Edibles & Fats (GEF) India is seeing big potential in the rice bran oil segment, as it offers less expensive alternative to consumers to sunflower and palm oil. The company is planning to fully convert one of its existing units for rice bran oil production to increase capacities. P Chandra Shekhara Reddy, VP, Sales & Marketing, GEF India told Telangana Today, "Rice bran oil has a lot of potential in India. Today only one million tonnes of rice bran oil is produced in the country and there is a potential to double it to two million tonnes if additional infrastructure of milling, solvent extraction and refineries is created in the next 4-5 years." "Since sunflower oil is becoming expensive, there will be a gradual shift to rice bran oil. Edible oil makers will also see better margins and demand, which will further lead to increased investments and technology in the rice bran oil segment," he added. GEF, Reddy said, is going to tap opportunities in Telangana and AP to cater to rice bran oil demand. The company will also make

inroads into Karnataka and Chhattisgarh with a range of edible oil offerings. There are plans to set up a new unit and enhance capacities at Nellore. Covid impact On the impact of pandemic, he said, palm oil demand saw almost 50 per cent dip in south India during the Covid-19 induced lockdown period as the HoReCa (hotel, restaurant and catering) segment was affected. Post-unlock, the recovery has begun. Globally, domestic edible oil consumption has increased in the last one year, but the production has fallen from core oil producing nations such as Indonesia and Malaysia, particularly in the palm oil segment. Similarly, soya and sunflower production fell, which led to a surge in price by 40-50 per cent. This is driving a shift in demand to other oils in the last 4-5 months. "Indian government has identified the need to increase the GDP by enhancing contribution from agriculture, and thus has increased import duty on palmolein, soya and sunflower to encourage domestic farmers to cultivate oil seeds. This in the long run may help reduce import dependency. States such as Telangana have already taken a lead by encouraging oil seeds cultivation, backed by irrigation projects," added Reddy.

Source: Telangana Today



## Reports for April 2021

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