

## Why Does India Import Sunflower Oil From Other Countries?

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Sunflower oil is one of the most widely used vegetable oils in India, which is one of the countries with the highest vegetable oil consumption rates in the world. India is one of the producers of sunflower seeds, yet it still imports a sizable amount of sunflower oil. Since its indigenous supply is insufficient to fulfil demand, India imports sunflower oil from other nations. One of the most popular edible oils in India is sunflower oil, and use has been rising gradually in recent years as a result of things like shifting dietary preferences, rising health consciousness, and an expanding population.

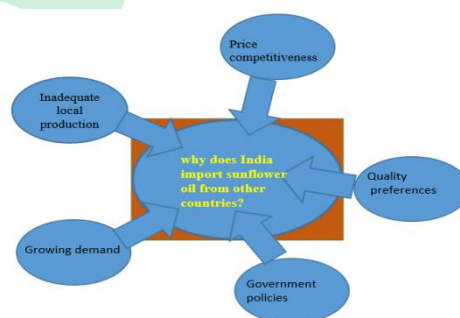


Sunflower oil production in India is constrained by a variety of reasons, including unfavourable meteorological conditions, low yields, and constrained land. In addition, India's domestic output of sunflower oil has been expanding considerably more slowly than its domestic consumption, creating a considerable disparity between the two. India has been importing sunflower oil from other nations, including Malaysia, Argentina, Malaysia, Ukraine, and Russia, among others, to fill this shortfall. These nations are the world's top producers of sunflower oil and are able to provide substantial volumes at affordable costs. Additionally, in order to control edible oil costs and guarantee a consistent supply for

customers, the Indian government has decreased import taxes on vegetable oils. Because of this, it is now more affordable for Indian enterprises to import sunflower oil from other nations than to manufacture it there.

### Why does India import sunflower oil from other countries?

- I. **Inadequate local production:** Although being a significant producer of sunflower seeds, India's domestic output of sunflower oil is not enough to satisfy the nation's rising demand for the oil. As a result, imports are now necessary to complement home output.
- II. **Price competitiveness:** Because imported oil is frequently less expensive than domestically produced oil, price competitiveness is a major factor in the importation of sunflower oil. This is brought on by a number of elements, including reduced manufacturing costs, improved economies of scale, and government subsidies in the exporting nations.
- III. **Quality preferences:** Consumers in India have particular preferences for sunflower oil, and imported oils frequently better satisfy these tastes than oils made in-country. The flavour, colour, and texture qualities of imported oils may differ from those chosen by Indian customers.
- IV. **Government policies:** To safeguard indigenous producers, India charges taxes on vegetable oil imports. To fulfil demand, imports are still required since these tariffs are occasionally insufficient to encourage home production.
- V. **Growing demand:** Due to factors including population increase, rising disposable incomes, and altered eating practises, the demand for vegetable oils, notably sunflower oil, has been expanding quickly in India. Due to a rise in imports, the demand for sunflower oil has been growing faster than local output.



India imports sunflower oil from other nations due to a variety of issues, including a lack of indigenous production, price competition, consumer preferences for quality, and government laws.

### **Sunflower oil is imported into India from a number of nations.**

India imports sunflower oil from a number of different countries, including Malaysia, Argentina, Ukraine, and Russia. More than half of India's total imports of sunflower oil come from Ukraine, making it the country's biggest supplier of the oil. The next-largest supplier is Russia, followed by Malaysia, Argentina, and Malaysia.

These nations are the main producers and exporters of sunflower oil, which is why India buys it from them. Due to advantages in the production of sunflower oil that these nations have, including good climatic conditions, high-quality seeds, cutting-edge technology, and advantageous government regulations.

For instance, Ukraine now produces and sells more sunflower oil than any other country in the world, making up over 60% of all exports. Further notable producers and exporters of sunflower oil include Malaysia, Argentina, and Russia. These nations are dependable sources of supply for India's expanding demand for the oil since they have well-established supply chains and infrastructure for the production, processing, and export of sunflower oil.

### **Criteria for importing sunflower oil?**

There are a number of key qualities that importers often look for when importing sunflower oil. Some of the important criteria that are examined while importing sunflower oil include:

- I. **Oil quality:** Oil quality is one of the most crucial considerations when importing sunflower oil. Normally, importers search for high-quality oil that satisfies their particular standards for quality. This covers parameters such as the oil's purity, acidity level, colour, and odour.
- II. **Price:** Pricing is another essential issue when importing sunflower oil. Typically, importers want competitive pricing that is in line with market prices. Companies also evaluate additional aspects such as transportation expenses, insurance, and customs when determining the entire cost of importing sunflower oil.
- III. **Volume:** Another key consideration is the amount of sunflower oil that may be imported. Typically, importers search for oil suppliers who can deliver the appropriate quantity in the required amount of time.



- IV. **Packaging:** The way the sunflower oil is packaged is very crucial. Importers often choose oil that is packaged in high-quality, food-grade containers that prevent the oil from contamination and assure its freshness and integrity.
- V. **Delivery schedule:** Importers should also take the sunflower oil's delivery schedule into account. In order to guarantee that the oil will arrive in excellent condition and fulfil the necessary criteria, they normally search for suppliers that can supply the oil on time.

In general, importers search for high-quality oil at affordable prices when importing sunflower oil,

**There might be a number of reasons why commercial and public entities are not generating a finite amount of sunflower oil.**

Private and governmental organisations could not be generating restricted amounts of sunflower oil for a number of reasons. One explanation is that there are alternative crops that may be more lucrative or in more demand, making it difficult to justify investing in manufacturing facilities for sunflower oil in India.

Another option is that the cost of production, which includes the price of the land, the labour, and inputs like pesticides and fertilisers, may be too expensive. Also, there can be logistical or legal obstacles that prevent certain commercial and public entities from entering the market with sunflower oil manufacturing and distribution.

It's also important to remember that India already produces sunflower oil, even if it might not be as commonly used or as well-known as other forms of oil like soybean or palm oil. Sunflower oil is largely cultivated in the states of Karnataka, Andhra Pradesh, and Telangana, and is used in a range of applications including cooking, baking, and as a salad dressing. Yet, compared to other significant oilseeds like soybean and mustard, sunflower oil output in India is still rather low.

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