

INDIAN VEGOILS IN A POLYCRISIS WORLD

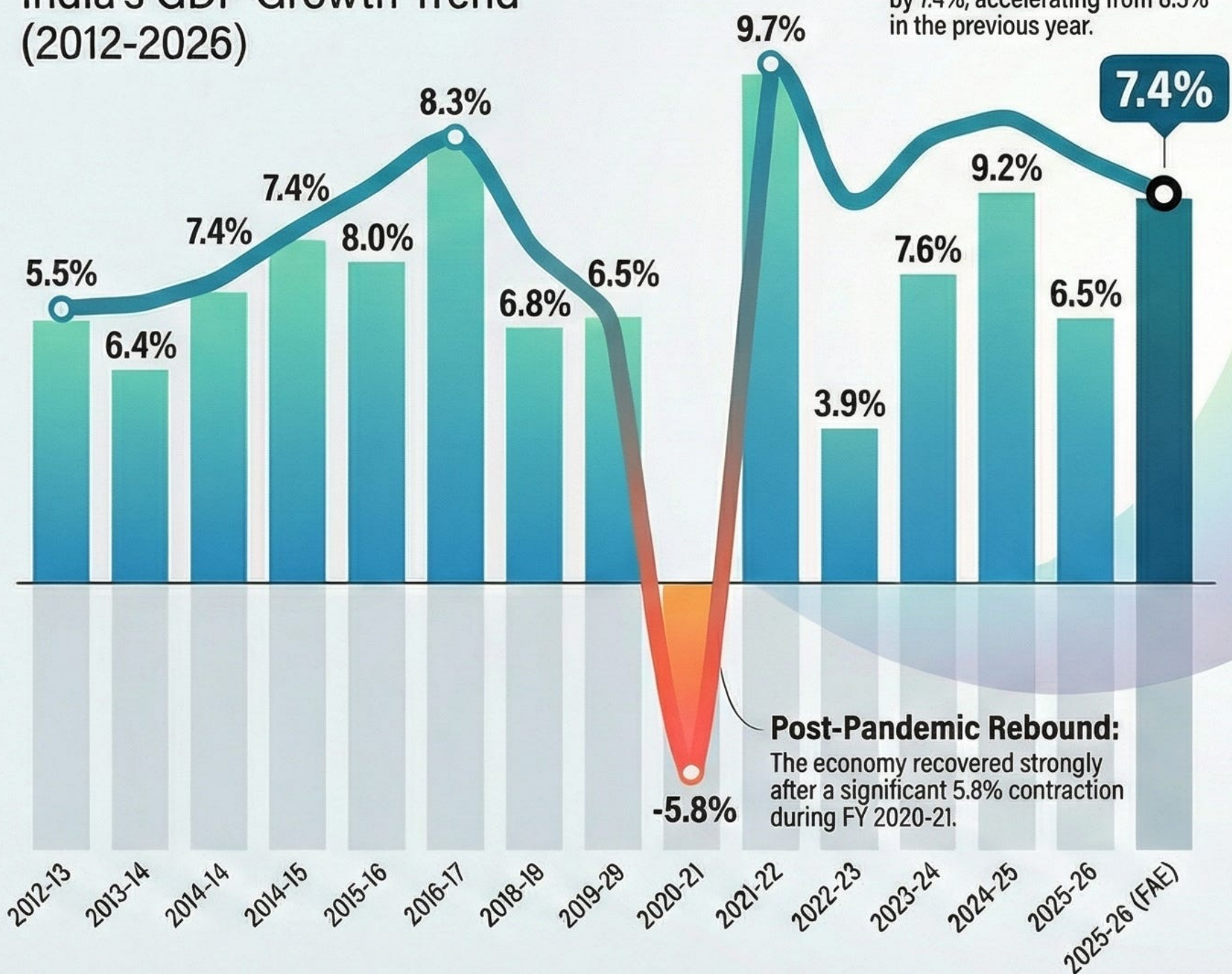
24th International Conference
BLACK SEA GRAIN, KYIV
April 22-23, 2026



BHAVNA SHAH
VICE PRESIDENT,
INDIAN VEGETABLE OIL PRODUCERS' ASSOCIATION

India's Economic Trajectory: Decoding the GDP Growth Trend

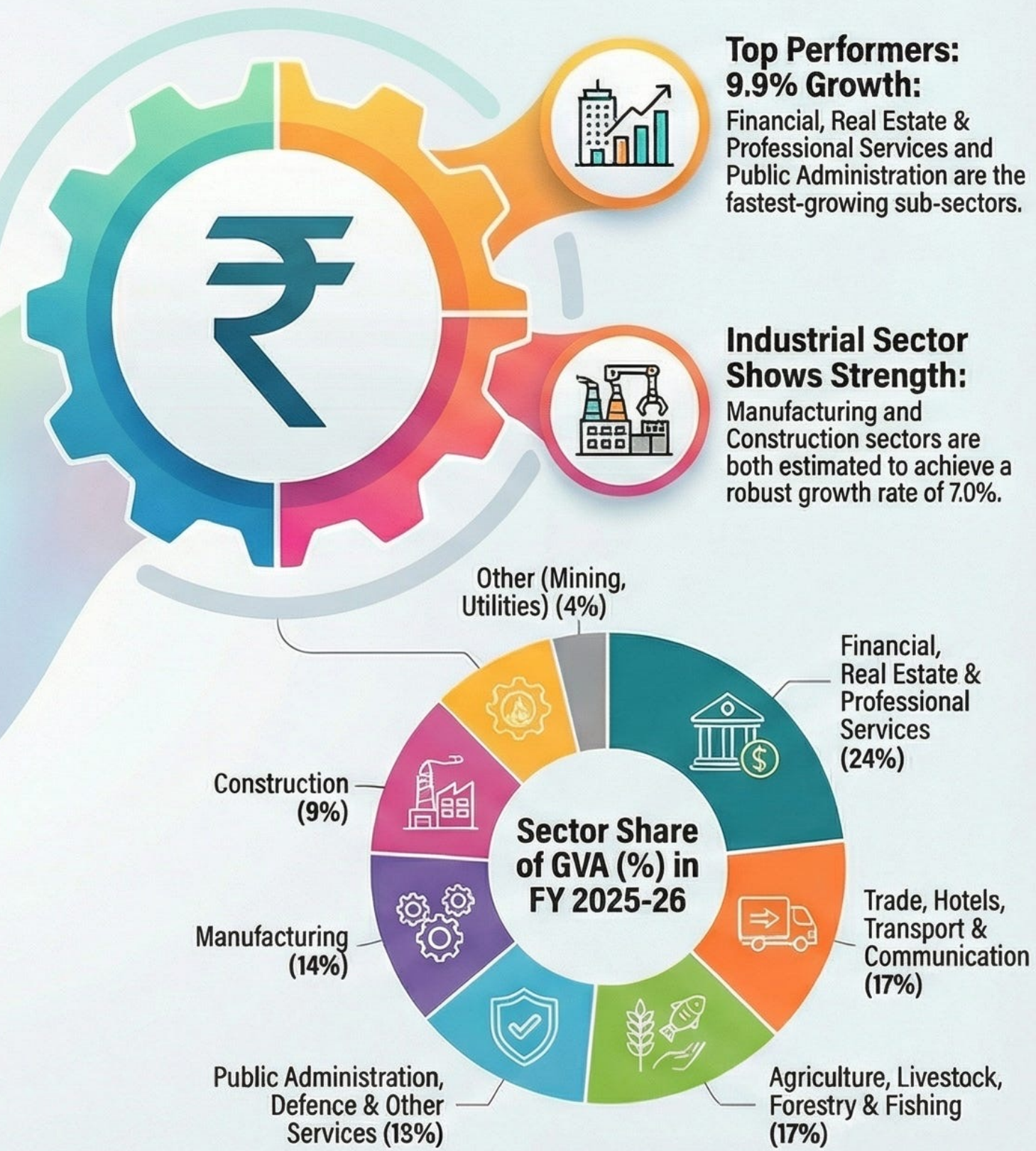
The Big Picture:
India's GDP Growth Trend
(2012-2026)



Strong Growth Forecast for FY 2025-26
Real GDP is estimated to grow by 7.4%, accelerating from 6.5% in the previous year.

Post-Pandemic Rebound:
The economy recovered strongly after a significant 5.8% contraction during FY 2020-21.

Inside the Engine: What's Driving the 2025-26 Growth?



INDIA'S VEGOIL MARKET AT AN INFLECTION POINT



- 2026/27 is a convergence year
- Climate stress + geopolitical shocks + biofuel disruption
- India's edible oil system moving from stable deficit → volatile deficit
- Core question: Can India manage supply shocks without destabilising inflation?

STRUCTURAL REALITY: THE CORE IMBALANCE



Weak Monsoon is Triggering a Structural Domestic Supply Shock

Crude Oil Volatility is Directly Driving Edible Oil Inflation

Black Sea Disruptions Destabilising India's Import Basket

Biofuel Mandates are Structurally Tightening Global Palm Oil Supply

SnD Imbalance is Deepening Import Dependence

- Consumption: ~25–26 MMT
- Domestic availability: ~40–45%
- ~55–60% import dependence = permanent structural gap
- High exposure to:
- Global vegoil prices
- Energy markets
- Currency movement

Escalating US–Iran tensions are disrupting global energy flows—especially through key chokepoints—driving crude price spikes, freight volatility, and currency pressure, which are rapidly transmitting into higher edible oil prices and increased market uncertainty for import-dependent countries like India.

Conclusion: India is structurally vulnerable to external shocks

DOMESTIC EDIBLE OIL PRODUCTION

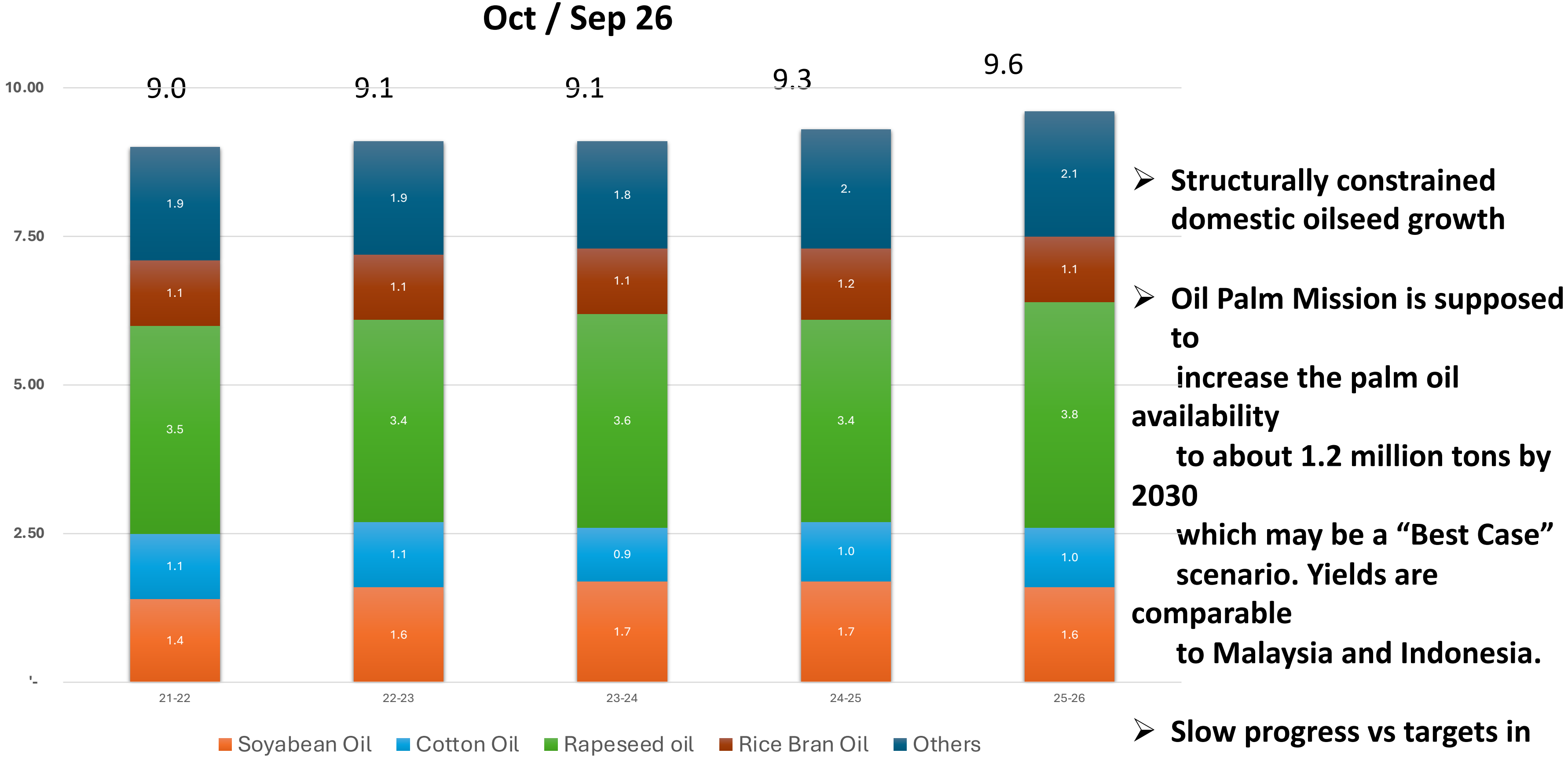


Fig are in MMT.

INDIA VEGOILS IMPORT TREND (OIL YEAR)

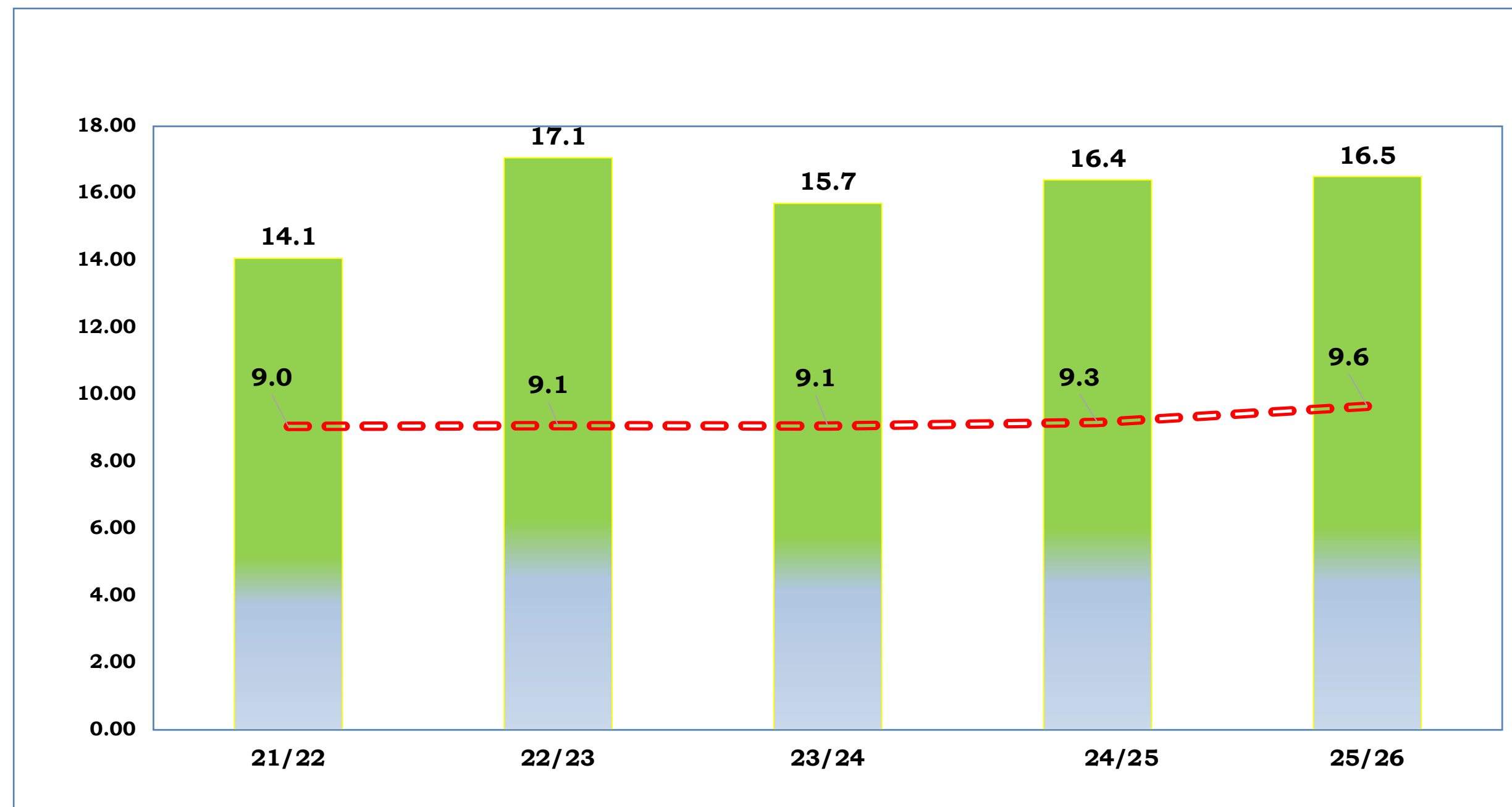


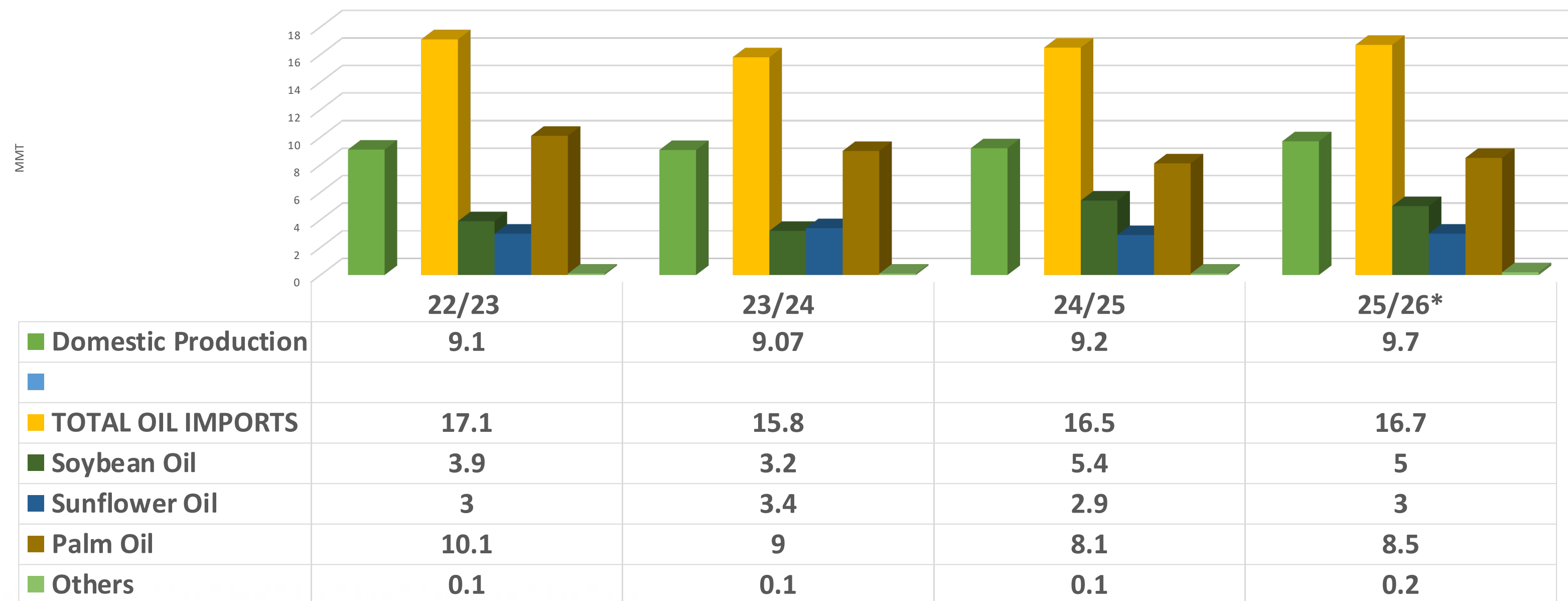
Fig are in MMT.

- Imports range-bound at 15–17 MMT; stability driven by supply factors.
- Per capita growth normalized post Covid; now sub-2%, indicating slower demand
- High prices capping consumption; import growth limited to ~2.5–3%

	21/22	22/23	23/24	24/25	25/26
Per Capita Consumption growth	2.8%	7.4%	3.9%	0.2%	1.9%

INDIA VEGOILS IMPORTS: COMPOSITION & TREND ANALYSIS

INDIA VEG-OIL S&D



*Estimates

Post April 26, both Soya and Palm may compete for India import market share.



The evolving import mix indicates a transition from price-optimised sourcing to supply-driven procurement, increasing cost pressures and reducing India's flexibility in managing edible oil inflation.

INDIA VEGOILS: STRUCTURAL TRADE-OFFS

Domestic constraints, global linkages and policy levers shaping India's vegoil equilibrium



THE ERA OF STRUCTURAL TIGHTNESS

India remains the largest structural demand hub, anchoring global vegetable oil flows.

Structural Reality (Market Forces)

Demand Anchor
India remains the largest global demand center, dictating trade flows more than supply shifts

Persistent Import Dependence
Consumption growth continues to outpace domestic productivity

Price & Policy Sensitivity
India's scale makes it a key driver of global price discovery and volatility

Strategic Shift (Policy Response)

National Mission Acceleration
National Mission on Edible Oils – Oilseeds & Oil Palm (NMEO-OP) driving acreage expansion and yield improvement

Clear GoI Intent
Strategic push toward import substitution + self-reliance, backed by incentives, MSP support, and ecosystem development

Transition Phase Reality
Structural tightness persists in medium term despite long-term supply-side interventions

India is moving from a pure demand anchor to a policy-driven market shaper—tightness will remain, but its nature will evolve.

“Thank You”



Write to us: info@ivpa.in