FGV Signs MOU with Strategic Business Partner to Explore India Market



Felda Global Ventures Holdings Berhad (FGV) signed a memorandum of understanding (MoU) today with Trimex Industries Private Limited (Trimex), with the aim to explore the feasibility of supplying and distributing various palm oil products to penetrate India's midstream and downstream market.<!–more–>

Trimex is a subsidiary of India's Trimex Group, one of the region's largest mineral and metal conglomerates involved in the business of mining and trading of industrial minerals with a logistical footprint in key ports in India.

FGV's Group President and Chief Executive Officer, Dato' Zakaria Arshad said, India is our biggest crude palm oil (CPO) and refined, bleached & deodorised (RBD) export market with a total of 600,000 MT annually. In-line with our market expansion strategy, we are looking at diversifying our product offerings to small & medium (SME) business and consumer markets.

"With this MoU we hope to explore the possibility of supplying and distributing FGV's palm oil to India in partnership with strategic industry players such as the Trimex Group," he said.

As the world’s largest importer of palm oil, India accounts for 10-12% share of global consumption. However, growth in production of domestic edible oil has not been able to keep pace with growth of consumption and the gap continues to become wider as their disposable income increases.

This gap is being met by the imports of edible oils for almost 55-65% of the total consumption during past five years. More than 14 million tonnes of edible oil was imported in 2015 with a ratio of 89% crude edible oil and 11% refined oil. CPO is the largest edible oil imported by India at about 54% followed by soybean oil and sunflower oil contributing about 21% and 11% respectively.

End.