



COMMODITY AT A GLANCE: COTTON SEED OIL CAKE

Overview



Commodity overview

- When raw cotton (Kapas) is ginned the lint and seed gets separated. When cotton seed is crushed for extraction of oil, the by-product which remains after extraction of oil is called Cotton Seed Oil Cake or Kapasia Khali in hindi. This is mainly used as cattle feed. Cotton seed oil cake fresh production starts after the cotton arrivals in different regions of India.

Major production states of cotton seed oil cake in India are Gujarat, Maharashtra, Telangana, Andhra Pradesh & Punjab and major consumption states are Rajasthan, Delhi, Punjab, & Haryana. The total annual production figure in India is about 75-90 lakh MT. Cotton seed oil cake has 6% oil content in general and greater the oil% in cotton seed oil cake better is the quality. Sound jute bags are used for its packing. Bag packed of cotton seed oil cake contains 50 kg by weight.

Uses

- Cotton seed oil cake is majorly used as cattle feed since it has around 25% protein content. Consumption of cotton seed oil cake by cattle does add viscosity to the milk. As consumption of milk will increase in India year on year, the market of cotton seed oil cake will also grow.

Trade Synopsis



Domestic

- Major production states.
Major Cotton Seed Oil Cake producing states are Gujarat, Maharashtra, Telangana, Andhra Pradesh and Punjab. States such as Madhya Pradesh, Karnataka, Rajasthan and Haryana contributes in production with lesser quantity.
- Major consumption states.
Cotton Seed Oil Cake is mainly used as cattle feed. The major consuming states are Rajasthan, Punjab, Delhi, Telangana/AP, Haryana, Gujarat, Maharashtra and MP.
- Fundamentals.
India is one of the largest producer of cotton seed oil cake in the world with annual production of around 75 to 90 Lakh MT. There is no export or import of this commodity. The total quantity is produced and consumed domestically. Due to increasing demand of milk year on year the demand for this commodity has increased tremendously in last few years.

Factors influencing the price



- ❑ Weather condition in cotton producing areas especially at sowing, flowering and harvesting stage.
- ❑ Demand for Cotton Seed Oil Cake from farmers, dairy and feed industry.
- ❑ Demand-Supply and price of other competitive feeds like Guar churi & korma, Maize, Pulses churi, mustard seed oil cake, other oil cakes, green fodder, etc.
- ❑ Price movement in cotton, especially cotton seed.
- ❑ Quality of cotton seed oil cake especially the oil%
- ❑ International production of cotton

Contract details



Commodity	Ticker Symbol	Basis	Additional delivery center		
Uncorticated Cotton seed oilcake – Akola	COCUDAKL	Akola	Kadi (Gujarat)		
Quotation	Trading and Delivery Unit	Tick Size	Expiry date		
Rs. per quintal	10 MT	50 paisa	20 th of the delivery month		
Delivery Logic	Position Limits (Aggregate)		Near Month		Sales tax
	Member	Client	Member	Client	
Compulsory delivery	8,00,000	80,000	2,00,000	20,000	Exclusive
Quantity Variation	Packaging		Standard Allowances		Sampling
	Bag Pack Size	Type of Bag	Lot Size	Sample Size	
+/- 2%	50 Kg (Gross)	Clean, dry, sound, single, unmented Jute bags in merchantable condition or any other industry accepted standard material with minimum 7 hand stitches at the mouth of the bag disallowing oozing/spillage	0.25%	10 MT	50 gm from each opened bag. 5% to 10% bags to be opened.
Quality Specifications	Moisture content	9% (Max)			
	Oil Content	6% (Min)			
	Fibre	27% (Max)			
	Sand and Silica	2.5% (Max)			
	Protein	22% (Min)			
	Colour	Greenish Yellow			
Free from adulterants like Rice Bran cake, Rice Bran husk, Castor seed husk, safflower cake (Kardi cake)					