

# Peanut Blog

An ounce of information



## India's Peanut Oilseeds Surge: Production, Demand, and Policy Impact

**India's peanut oilseed production for MY 2024/2025 is projected to rise by 18%, reaching 7.2 million metric tons (MMT) due to expanded cultivation areas and high-yielding varieties.**

Government policies like increased import duties on edible oils are driving domestic production and crushing rates, with peanut oil output revised to 1.35 MMT. Peanut meal production also sees growth, driven by strong demand from the animal feed industry. However, exports are forecasted to decline as focus shifts to domestic edible oil demand. The rise in peanut consumption as food and animal feed reflects its growing versatility. With improved yields and production, India is poised for significant growth in the peanut oilseed sector.

### Key Highlights

- # Peanut oilseed production for MY 2024/2025 forecasted at 7.2 MMT, an 18% rise.
- # Government policy drives increased crushing rates and higher peanut oil production.
- # Peanut meal production grows due to animal feed industry demand.
- # Exports decline as focus shifts to domestic edible oil needs.
- # Improved yields and cultivation areas bolster sector growth.

India's peanut oilseed sector is set for a significant boost, with production for MY 2024/2025 estimated at 7.2 MMT, an 18% increase from the previous year. This growth stems from a rise in the cultivation area to 5.6 million hectares and the adoption of high-yielding peanut varieties. States like Gujarat and Rajasthan have witnessed a shift from cotton to peanuts, driven by favorable market prices and better returns. Improved yields of 1.33 MT per hectare further highlight the sector's potential.

Supporting this growth is the Indian government's decision to impose higher import duties on edible oils, creating a favorable environment for domestic crushing and production. Peanut oil production is forecasted to rise to 1.35 MMT, a 12% increase, meeting rising domestic demand. Concurrently, peanut meal production is expected to grow to 1.6 MMT, fueled by affordability and its increasing use in the animal feed sector.

Exports, however, are set to decline by 6%, with a forecast of 750,000 metric tons, as domestic demand takes precedence. The versatile nature of peanuts, used in various food and feed applications, underscores their importance in India's agricultural landscape. Increased research and the introduction of disease-resistant varieties like GJG 39 have further strengthened the sector's outlook.

### Finally

India's peanut oilseed industry is thriving, driven by increased production and supportive policies. Rising domestic demand for oil and meal reinforces a robust outlook. Which stock should you buy in your very next trade?

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