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Report Highlights:

FAS New Delhi lowered the marketing year (MY) 2024/2025 forecast for rapeseed area harvested to 8.9 million hectares (HA) and production to 11.7 million metric tons (MMT), due to a shift in cropping pattern toward more lucrative crops. Rapeseed oil production for MY 2024/2025 is revised lower to 4 MMT, driven by the lower oilseed production. Production of rapeseed meal is forecasted lower at 6.2 MMT owing to the availability of other price-competitive meals. Post's sunflower oil import forecast is lowered to 1.9 MMT for the MY 2024/2025, driven by India's increased edible oil import duties.

RAPESEED OILSEED

Table 1: Oilseed, Rapeseed, Production, Supply and Distribution

Oilseed, Rapeseed Market Year Begins	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	8852	8852	9250	9250	8900	8900
Beginning Stocks (1000 MT)	719	719	619	619	569	569
Production (1000 MT)	11200	11200	11600	11600	11600	11700
MY Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	11919	11919	12219	12219	12169	12269
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	10100	10100	10450	10450	10400	10500
Food Use Dom. Cons. (1000 MT)	650	650	650	650	650	650
Feed Waste Dom. Cons. (1000 MT)	550	550	550	550	550	550
Total Dom. Cons. (1000 MT)	11300	11300	11650	11650	11600	11700
Ending Stocks (1000 MT)	619	619	569	569	569	569
Total Distribution (1000 MT)	11919	11919	12219	12219	12169	12269
Yield (MT/HA)	1.2653	1.2653	1.2541	1.2541	1.3034	1.3146
(1000 HA) ,(1000 MT) ,(MT/HA)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

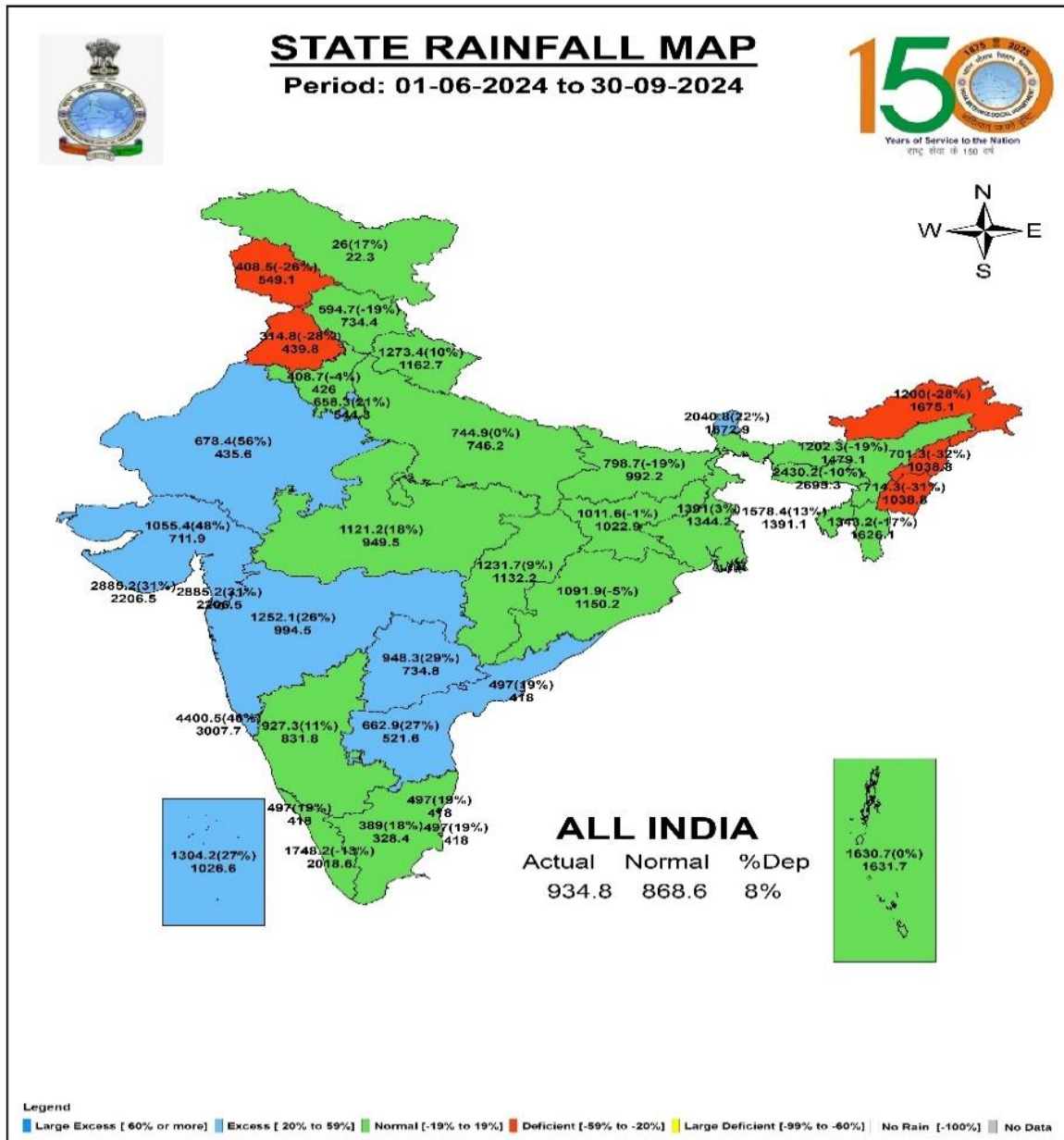
AREA HARVESTED AND PRODUCTION

Area and Production Lowered for 2024/2025 Rapeseed Season

FAS New Delhi (Post) is reducing its forecast for rapeseed harvested area to 8.9 million hectares (MHa) for 2024/2025, down from the previous estimate of 9.3 MHa. This is a five percent decrease from the initial forecast, due to a shift in cropping patterns across the major growing areas for rapeseed. As indicated by the [Ministry of Agriculture and Farmers Welfare's progressive crop area sown report](#), growers invested in alternative crops over rapeseed due to more lucrative returns.¹ Post observed this shift during a recent crop tour in Rajasthan and around the adjoining borders of Uttar Pradesh and Haryana. Growers reduced planting in rapeseed and turned to more wheat and pulses. The 2024 southwest monsoon, which replenished major reservoir dams and groundwater tables incentivized more planting of these crops over rapeseed as they benefited more from the higher levels of rainfall (**Figure 1**). Ultimately, the average yield of wheat, which is approximately 3.5 metric ton per hectare (MT/HA), is more lucrative and higher compared to rapeseed-mustard's 1.2 to 1.4 MT/HA.

¹ Ministry of Agriculture & Farmers Welfare. Press Information Bureau, Release ID: [2079804](#)

Figure 1: 2024 Southwest monsoon from June 1 to September 30, 2024



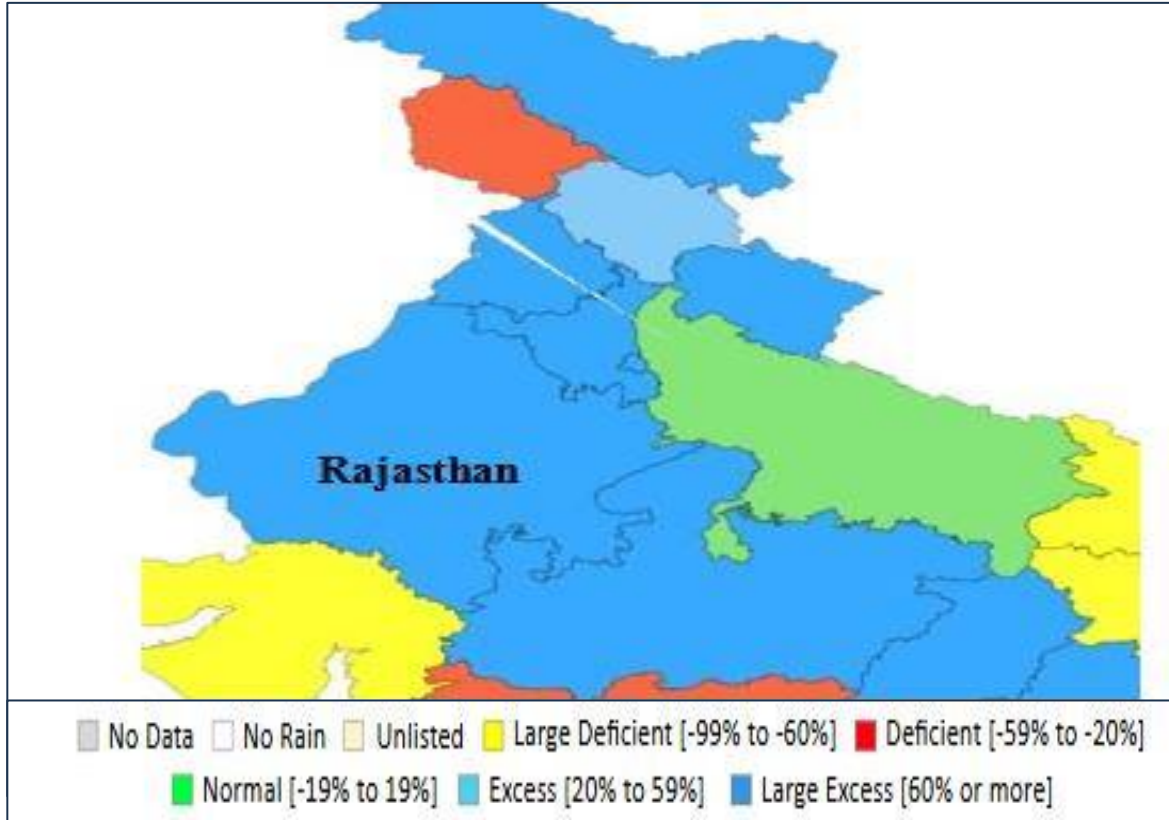
Source: [India Meteorological Department](https://www.imd.gov.in)

Post also lowered the forecast for the 2024/2025 rapeseed production from 12.3 million metric tons (MMT) to 11.7 MMT. This was due to the aforementioned reduction in the planted and harvested area for rapeseed and the impact of the southwest monsoon which incentivized more water intensive crops like wheat, rice, and chickpeas.

However, despite the five percent reduction in acreage and the five percent drop in the production forecast, yields have been observed to be consistent at 1.3 MT/Ha. This is due to the conducive weather that supported soil moisture, efficient fertilizers, and high yielding varieties (HYVs) like Pioneer which has a higher yield rate of 1.2 to 1.4 MT/Ha.

Additionally, in a rare occurrence of events, the rapeseed crop in Rajasthan received three incidents of northeast monsoon between December 2023 and January 2024, which is expected to help provide better pod production as well as support consistent yields (**Figure 2**).

Figure 2: Northeast rainfall received from December 1 to December 31, 2024



Source: [India Meteorological Department](#)

Further, during Post's crop tour, field sources from Rajasthan highlighted a shortage of one of the most widely used phosphorus fertilizers, Di-Ammonium Phosphate (DAP), during the sowing period. The shortage prompted farmers to use the alternate Single Super Phosphate (SSP) - a boon in disguise. The sulfur content in the SSP is expected to be a contributing factor for maintaining the yield at 1.3 MT/Ha

Figure 3: Rapeseed field from January 20 to January 24, 2025



Source: FAS crop survey in Bharatpur, Rajasthan

2023/2024 Rapeseed is Estimated at 11.6 MMT

Post lowered its estimate for MY2023/2024 production to 11.6 MMT, a 3 percent drop from the earlier forecast of 12 MMT due to the volatility in the temperatures that stalled growth across the major growing areas.

CONSUMPTION

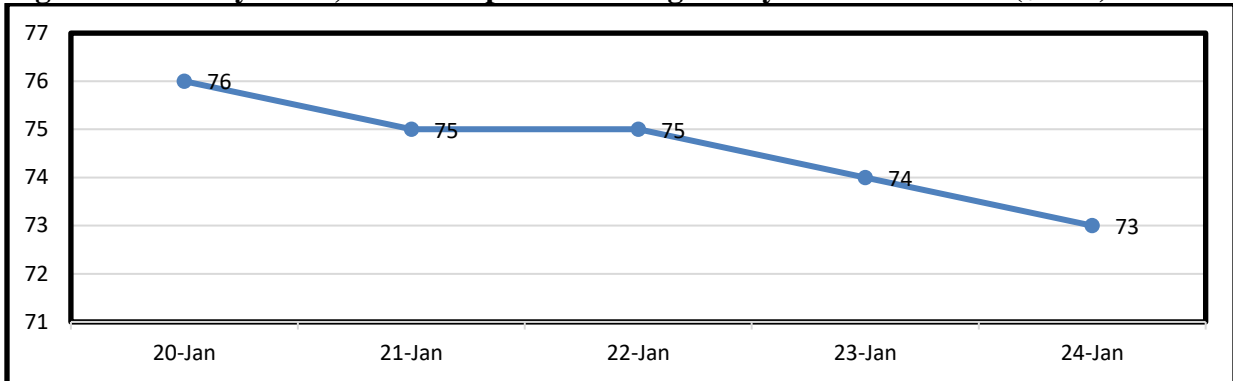
Post maintains rapeseed crushing at 10.5 MMT which is attributable to the consistent demand by crushers and millers that are addressing the Indian consumers traditional use of rapeseed oil. Specifically, rapeseed oil consumption has remained steady due to its continued popularity as a traditional cooking oil in urban markets and rural areas. Due to a post correction to food use and feed waste, total domestic consumption is revised down from 12.3 MMT to 11.7MMT.

PRICE

In October 2024, the Indian government increased the Minimum Support Price (MSP) of rapeseed by 6 percent to \$71.6/quintal (INR 5,950/quintal).² Industry sources expect that the increased MSP and a low stock from 2023/2024 will keep the prices elevated in 2024/2025. Higher domestic market prices are already seen in the third week of January 2025, where rapeseed prices range from to \$76 to \$73/quintal (INR 6,050 to 6,300/quintal) in major markets (**Figure 4**). Though the prices declined, they are still higher than the same period in 2024, when the prices were in the range of \$62.6 to \$67.4/quintal. It was during the sowing stage when rapeseed growers were observing weather patterns that led them to switch to other crops and reduce the rapeseed planting area that in turn led to the drop in production and increased prices.

² “Cabinet approves MSP hike for wheat, mustard, lentil and other three Rabi crops.” [Times of India](#). Published on October 16, 2024

Figure 4. January 20-24, 2025 – Rapeseed Average Daily Domestic Prices (\$/MT)



Source: [NCDEX](#)

STOCKS

Rapeseed ending stocks are forecasted lower at 569 thousand metric tons (TMT) compared to the last estimate of 1 MMT. This is due to the low production year, consistent crush demand, and the aforementioned correction in food use and feed waste consumption. Additionally, according to field sources, the low supply in marketplaces also known as mandi is evidence of last year's limited stocks which is likely to keep the oilseed prices higher (**Figure 5**).

Figure 5: 2023/2024 Rapeseed stock's mandi arrival on January 23, 2025



Source: FAS crop survey - Alwar mandi, Rajasthan

RAPESEED OIL

Table 2: Oil, Rapeseed, Production, Supply and Distribution

Oil, Rapeseed Market Year Begins	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	10100	10100	10450	10450	10400	10500
Extr. Rate, 999.9999 (PERCENT)	0.3802	0.3802	0.3804	0.3804	0.3804	0.381
Beginning Stocks (1000 MT)	247	247	402	402	393	393
Production (1000 MT)	3840	3840	3975	3975	3956	4000
MY Imports (1000 MT)	6	6	6	6	5	5
Total Supply (1000 MT)	4093	4093	4383	4383	4354	4398
MY Exports (1000 MT)	11	11	10	10	10	10
Industrial Dom. Cons. (1000 MT)	80	80	80	80	80	80
Food Use Dom. Cons. (1000 MT)	3600	3600	3900	3900	3925	3950
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	3680	3680	3980	3980	4005	4030
Ending Stocks (1000 MT)	402	402	393	393	339	358
Total Distribution (1000 MT)	4093	4093	4383	4383	4354	4398
(1000 MT) ,(PERCENT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Data source for oil table: OAA New Delhi historical data series. Post forecast for 2024/25; 2022/23 and 2023/2024 are estimates.

PRODUCTION

Post revises rapeseed oil production for MY 2024/2025 down to 4 MMT, a five percent drop from the earlier forecast of 4.2 MMT, driven by the lower oilseed production. However, as observed during the crop tour and according to field sources, favorable temperature and rainfall benefitted the rapeseed grain and podding stage which is likely to help in maintaining the oil content and extraction rates.

CONSUMPTION

Post is also revising down the consumption of rapeseed oil from the initial forecast of 4.1 MMT to 4MMT to reflect the relatively stable food use consumption habits over the years due to consumer's continued awareness of the health benefits and its popularity as a traditional cooking oil across the urban market and rural areas. However, the preference for other oils like sunflower and refined oils has been on the rise in more urban areas due to their lighter taste and cooking properties. Whereas in the rural areas, rapeseed oil is still the preferred oil due to its strong flavor

and versatility in traditional cooking. Almost all India's rapeseed oil is consumed locally, and trade is negligible.

PRICE

India's implementation of higher import duties on edible oils in September 2024 followed by a global price hike of crude edible oils, increased India's retail prices for palm, soybean, and sunflower oils by over 20 percent from September to November 2024. Similarly, rapeseed oil saw a 29 percent price hike in the same period. The rise in price is mostly attributed to the increased domestic demand for rapeseed oil, coupled with a lower yield of rapeseed compared to soybean, and its significance in regional cooking. According to industry sources, the food department has asked associations to avoid further price hikes until edible oil stocks that were imported at the lower or zero duty, are used up.

STOCKS

Post revised its rapeseed oil ending stock lower from the initial estimate of 490 TMT to 358 TMT. This is due to a low rapeseed production year and the continued demand for edible oil. The Indian government's ongoing hike on edible oil import duties is expected to increase the demand for domestic edible oils and lead to a depleted stockpile of rapeseed oil.

RAPESEED MEAL

Table 3: Oil meal, Rapeseed, Production, Supply and Distribution

Meal, Rapeseed Market Year Begins	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	10100	10100	10450	10450	10400	10500
Extr. Rate, 999.9999 (PERCENT)	0.5955	0.5955	0.5951	0.5951	0.5951	0.5905
Beginning Stocks (1000 MT)	450	450	197	197	225	225
Production (1000 MT)	6015	6015	6219	6219	6189	6200
MY Imports (1000 MT)	2	2	17	17	2	2
Total Supply (1000 MT)	6467	6467	6433	6433	6416	6427
MY Exports (1000 MT)	1920	1920	1608	1608	1500	1500
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	4350	4350	4600	4600	4600	4600
Total Dom. Cons. (1000 MT)	4350	4350	4600	4600	4600	4600
Ending Stocks (1000 MT)	197	197	225	225	316	327
Total Distribution (1000 MT)	6467	6467	6433	6433	6416	6427

1000 HA) ,(1000 MT) ,(MT/HA)
OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Data source for meal table: OAA New Delhi historical data series. Post forecast for 2024/25; 2022/23 and 2023/2024 are estimates.

PRODUCTION

Post forecasts India's rapeseed meal production lower by three percent in MY 2024/2025, from 6.4 MMT in the initial forecast to 6.2 MMT([India: Oilseeds and Products Annual](#)). Previously, India's rapeseed crushing was driven by both oil and meal demand. According to industry sources, this year crushing is driven by oil demand due to India's goal to achieve self-sufficiency in edible oil production and its implementation of higher import duties on edible oils. Further, demand for rapeseed meal in the domestic market is expected to be lower due to availability of cheaper meal options like maize, dried distiller's grains with solubles (DDGS) and rice bran meal. Additionally, Bangladesh was the largest importer of Indian rapeseed meal, however, the geopolitical tension and the present uncertainty reduced the demand and is expected to impact the production.

CONSUMPTION

Post has also reduced India's rapeseed meal consumption by 2 percent from 4.7 MMT to 4.6 MMT due to the availability of other cheaper meal options for the livestock industry. There is a growing supply of DDGS at significantly lower prices, driven by India's higher corn-based ethanol production in India.³ Additionally, the export ban of rice bran resulted in a surplus, which is a cheaper alternative for livestock producers. These other meal options are shifting domestic demand away from rapeseed meal.

TRADE

Post forecasts rapeseed meal exports at 1.5 MMT, a 12 percent decline from the previous forecast. Historically, India has been a major exporter of rapeseed meal, primarily used as cattle feed. This decrease is largely attributed to India's higher pricing of rapeseed meal in the international market. Furthermore, a global surplus of soybean meal, driven by a rise in global soybean production, is also contributing to rapeseed meal's lower price-competitiveness in the international market. Higher demand for soybean oil has led to increased crushing activities, creating an oversupply of soybean meal in Brazil and Argentina. This surplus is putting downward pressure on the prices compared to all Indian meals, including rapeseed meal.

SUNFLOWER OILSEED

Table 4: Oilseed, Sunflower, Production, Supply and Distribution

Oilseed, Sunflowerseed	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	364	364	290	290	290	290
Area Harvested (1000 HA)	364	364	150	150	180	180
Beginning Stocks (1000 MT)	0	0	0	0	0	0

³ [“Maize diversion for ethanol raises poultry feed edible oil prices, sparking concerns for sugar industry, soybean farmers.”](#) The Economic Times. Published on December 01, 2024

Production (1000 MT)	215	215	112	112	113	113
MY Imports (1000 MT)	4	4	6	6	6	6
Total Supply (1000 MT)	219	219	118	118	119	119
MY Exports (1000 MT)	2	2	2	2	1	1
Crush (1000 MT)	190	190	95	95	95	95
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	27	27	21	21	23	23
Total Dom. Cons. (1000 MT)	217	217	116	116	118	118
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	219	219	118	118	119	119
Yield (MT/HA)	0.5907	0.5907	0.7467	0.7467	0.6278	0.6278
(1000 HA) ,(1000 MT) ,(MT/HA)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Data source for oilseed table: OAA New Delhi historical data series. Post forecast for 2024/25; 2022/23 and 2023/2024 are estimates.

PRODUCTION

Post's MY 2024/2025 forecast for sunflower oilseed production has been lowered to 113 TMT compared to the previous forecast of 221 TMT. India's production is typically small, and the reduction is due to a lack of high yielding variety seeds and poor post-harvest management. According to field sources, production cost is higher than other oilseeds and the lack of a price support mechanism discourages farmers to grow the oilseed. Furthermore, due to the availability of cheaper imported sunflower oil, famers are shifting to more profitable crops like corn.

SUNFLOWER OIL

Table 5: Oil, Sunflower, Production, Supply and Distribution

Oil, Sunflowerseed Market Year Begins	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	190	190	95	95	95	95
Extr. Rate, 999.9999 (PERCENT)	0.3737	0.3737	0.3789	0.3789	0.3789	0.3789
Beginning Stocks (1000 MT)	230	230	530	530	534	534
Production (1000 MT)	71	71	36	36	36	36
MY Imports (1000 MT)	2988	2988	3516	3516	1900	1900
Total Supply (1000 MT)	3289	3289	4082	4082	2470	2470

MY Exports (1000 MT)	9	9	23	23	10	10
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	2750	2750	3525	3525	2125	2125
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	2750	2750	3525	3525	2125	2125
Ending Stocks (1000 MT)	530	530	534	534	335	335
Total Distribution (1000 MT)	3289	3289	4082	4082	2470	2470
(1000 MT) ,(PERCENT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Data source for oil table: OAA New Delhi historical data series. Post forecast for 2024/25; 2022/23 and 2023/2024 are estimates.

PRODUCTION

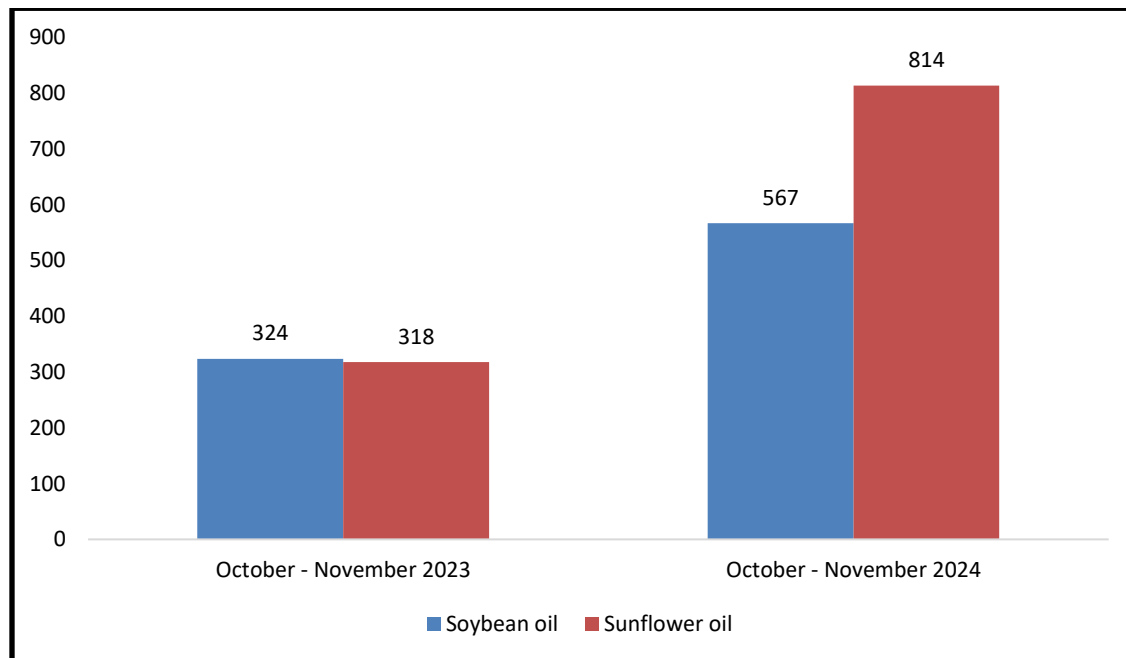
Post has revised sunflower oil production down to 36 TMT. This is due to the lower supply of the sunflower oilseed and access to imported sunflower oil at a discounted price.

TRADE

Post's sunflower oil import is projected at 1.9 MMT for the MY 2024/2025, a 32 percent drop from the initial annual forecast. This revision is based on the higher import duty on edible oils introduced by the Indian government in September 2024. The policy change raised the import duty on crude palm, soybean, and sunflower oils to 20 percent from zero percent and to 32.5 percent from 12.5 percent for refined sunflower and soybeans oils. In the past, the influx of discounted imports of these oils had caused domestic oilseed prices to fall. In the longer run, this measure could potentially further reduce the import of edible oils and increase the focus on domestic edible oil production to meet the rising demand.

However, in the shorter term, Post notes that India might continue to have significant imports of sunflower oil and soybean oil due to notable price discounts amidst a surplus production year in Brazil, Argentina, and Ukraine. This was coupled with an increase in palm oil prices in the international market. As such, India imported 814 TMT of soybean oil from October to November 2024, compared to 318 TMT during the corresponding period of previous year – majorly from Argentina, followed by Brazil (**Figure 6**). Similarly, India's import for sunflower oil increased by 43 percent during the same period from Russia and Ukraine.

Figure 6: Comparative Analysis of Select Oil Import (in TMT) During Corresponding Period



Source: FAS New Delhi. Trade Data Monitor

Post revised up its MY 2023/2024 forecast to 3.5 MMT of sunflower oil. This was driven by the benchmark palm oil price hike in Malaysia by 30 percent which decreased India's imports of palm oil by 11 percent (See: [India: Oilseeds and Products Update](#)). As a result, the gap was filled up by the cheaper and discounted imports of sunflower oil which increased by 20 percent in the current MY, compared to the previous MY.

SUNFLOWER MEAL

Table 6: Meal, Sunflower, Production, Supply and Distribution

Meal, Sunflowerseed	2022/2023		2023/2024		2024/2025	
	Market Year Begins		Market Year Begins		Market Year Begins	
	Oct 2022		Oct 2023		Oct 2024	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	190	190	95	95	95	95
Extr. Rate, 999.9999 (PERCENT)	0.4842	0.4842	0.4842	0.4842	0.4842	0.4842
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	92	92	46	46	46	46
MY Imports (1000 MT)	68	68	128	128	140	140
Total Supply (1000 MT)	160	160	174	174	186	186
MY Exports (1000 MT)	0	0	0	0	0	0

Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	160	160	174	174	186	186
Total Dom. Cons. (1000 MT)	160	160	174	174	186	186
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	160	160	174	174	186	186
(1000 MT) ,(PERCENT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Data source for meal table: OAA New Delhi historical data series. Post forecast for 2024/25; 2022/23 and 2023/2024 are estimates.

PRODUCTION

India produces a minimal amount of sunflower meal (**Table 6**). Post reduced its forecast from 110 TMT to 46 TMT in accordance with the reduction in the forecast for the domestic supply of sunflower oilseeds (**Table 4**). The lower availability of the oilseed in turn is reducing the production of the meal. There is also a declining trend in production for the last few years due to the lower availability of total supply of sunflower oilseeds.

Attachments:

No Attachments