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Prepared By: Radha Mani

Approved By: Joseph Degreenia

Report Highlights:

FAS New Delhi (Post) forecasts India's market year (MY) 2026/2027 (August–July) almond production lower at 3,900 metric tons (MT) on a shelled basis due to adverse weather conditions, aging orchards, and reduced yields. Almond imports for the same period are projected at 187,000 MT, up eight percent from the revised MY 2025/2026 estimate of 173,300 MT. Walnut and pistachio imports are projected at 69,000 MT and 62,000 MT, respectively. India has minimal commercial production of almonds and walnuts, and virtually no commercial production of pistachios, forcing heavy reliance on imports of all three nuts to meet growing demand. This demand is driven by factors including a growing economy, rising incomes, an expanding middle class, and increasing awareness of health benefits—despite higher prices and tight supplies.

COMMODITY

ALMONDS, SHELLED BASIS

Table 1. India: Commodity, Almond, Production, Supply and Distribution (PSD)

Almonds, Shelled Basis	2024/2025		2025/2026		2026/2027	
Market Year Begins	Aug 2024		Aug 2024		Aug 2025	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	0	48000	0	48000	0	48000
Area Harvested (HA)	0	45000	0	45000	0	45000
Bearing Trees (1000 TREES)	0	2900	0	2875	0	2875
Non-Bearing Trees (1000 TREES)	0	290	0	300	0	300
Total Trees (1000 TREES)	0	3190	0	3175	0	3175
Beginning Stocks (MT)	30680	30680	29000	28680	0	18900
Production (MT)	4150	4150	4000	4000	0	3900
Imports (MT)	178200	178220	180000	173300	0	187000
Total Supply (MT)	213030	213050	213000	205980	0	209800
Exports (MT)	0	340	0	780	0	800
Domestic Consumption (MT)	184030	184030	184000	186300	0	190000
Ending Stocks (MT)	29000	28680	29000	18900	0	19000
Total Distribution (MT)	213030	213050	213000	205980	0	209800
(HA) ,(1000 TREES) ,(MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

PRODUCTION

For marketing year (MY) 2026/2027 (August–July), Post forecasts two percent decline in India's almond production to 3,900 metric tons (MT) on a shelled basis. This drop stems from a structural decline in the almond sector, marked by weather variability, aging orchards, shrinking acreage of bearing trees, and a rise in orchard removals—particularly in the country's top-producing states of Jammu and Kashmir and Himachal Pradesh. Each year, farmers cope with a complex mix of interrelated soil and climate challenges that harm tree health and reduce yields. Additionally, the absence of a formal "*Mandi*" (wholesale almond market), in the region forces farmers to store their produce or sell it in external markets, potentially reducing profits. As a result, many farmers are shifting away from almond cultivation toward apple farming, which offers greater profitability and benefits from government support.

India's Almond Production Locations: The primary almond-producing regions, as shown in Figure I, are the Union Territory of Jammu and Kashmir (accounting for 91 percent of national output), followed by Himachal Pradesh (9 percent) and Maharashtra and Uttarakhand (each contributing less than one percent).

INDIA. Figure 1: Top Almond Producing States of India



Source: FAS Source: FAS New Delhi

Common almond varieties cultivated in India include *Shalimar*, *Pranyaj*, *Makhdoom*, *Waris*, and the thin-shelled *Kagazi*. The Kashmir Horticulture Department actively promotes the *Kagazi* variety for its higher yields, rich oil content, and natural sweetness—qualities consumers favor over the harder, lower-moisture texture of imported varieties. The variety's late-blooming properties also allow it to escape late-winter frosts, further boosting its appeal. In terms of processing, shelling rates typically range from 20 to 30 percent for hard-shell varieties, while thin-shelled varieties like *Kagazi* can yield up to 40 percent.

Government Initiatives: In response to the sustained downturn and the ongoing shift towards apple cultivation, the Horticulture Department introduced a series of measures—including high-density planting techniques, improved processing capabilities, and plans for a centralized dry fruit market—designed to boost productivity, strengthen orchard management, and encourage almond farmers to resume cultivation using modern methods. Despite these efforts, the initiatives are yet to reverse the overall decline in production.

CONSUMPTION

For MY 2026/2027, Post forecasts almond consumption will rise to 190,000 MT, driven by the expanding middle class, rising household incomes, and growing availability through e-commerce platforms. Post is revising up MY 2025/2026 consumption estimate to 186,300 MT on account of an expanding consumer base. Despite high domestic prices for Californian almonds, consumption remained remarkably resilient. The country is highly dependent on its imports, primarily from California, to meet the domestic demand. Price-sensitive consumers will likely reduce purchase volumes or trade smaller packs, cheaper domestic alternatives, or alternative nut varieties. However, market demand is not expected to collapse because almonds are deeply embedded in Indian households as a health necessity and festival staple rather than a discretionary snack.

Per-capita consumption roughly doubled since 2019/20, though it remains low in absolute terms—0.23 kg compared with 8.7 kg in Australia and 5.9 kg in Spain—implying substantial headroom for growth as snacking and processed-food adoption continue. This growth potential is reflected in India's healthy snacks market, which expanded from USD 2.47 billion in 2020 to USD 3.13 billion in 2025, and is projected to reach USD 3.95 billion by 2030 and USD 4.77 billion by 2034¹. Much of this growth is driven by shifting consumer demographics-- interest in health and wellness is rising among India's population, half of which is under 30, who have adopted almonds as an on-the-go snack rather than a festive product. Considered a "superfood," almonds are increasingly featured in everyday dietary patterns, moving beyond their traditional role as an occasional treat. Structural shifts in retail access, particularly the expansion of e-commerce platforms, have further broadened the consumer base. Globally, India now ranks second in almond consumption, trailing the United States.

Tier II and III cities are driving a major consumption boom and are expected to power 66 percent of future market growth. Rising disposable incomes, digital access, and shifting health perceptions are prompting consumers in these smaller cities to move away from treating almonds as a traditional gifting item, adopting them instead as a daily functional snack and lifestyle product. This shift is fueling rising demand for value-added almond products—such as Indian sweets, breakfast cereals, granola bars, chocolates, cookies, and ice cream—across smaller cities.

Generational differences are also contributing to this demand – Gen-Z consumers strongly associate almonds with skin health benefits, while Millennials and Gen-X view them primarily as a high-protein snack. Imports of almond derivatives, such as almond milk, flour, and butter, are expected to grow, supporting the expansion of food processing industries. The rise of

¹ <https://www.imarcgroup.com/india-healthy-snacks-market>

metropolitan coffee culture, for instance, has spiked demand for almond milk lattes and other processed almond ingredients. Beyond individual consumption, bulk sales—particularly for corporate and business gifting—are also contributing to overall market growth.

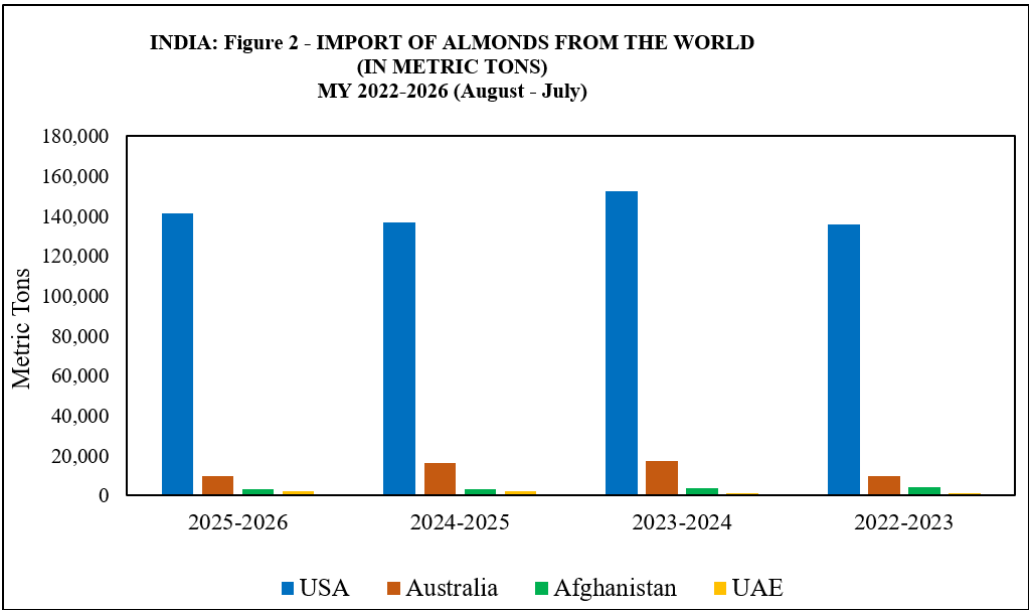
STOCKS

Ending stock levels for MY 2025/2026 are lowered by 43 percent to 18,900 MT from the five-year average of 33,163 MT, driven by reduction in import volumes and cautious inventory management by importers.

TRADE

Imports: For MY 2026/2027, Post forecasts almond imports at 187,000 MT, up eight percent from the revised MY 2025/2026 estimate. Latest trade data for MY 2025/2026 (August–June) show imports lower at 158,475 MT, compared to 160,848 MT for the same period in MY 2024/2025. Post therefore revises its MY 2025/2026 estimate lower, to 173,300 MT. According to trade sources, importers face higher landed costs from a strong U.S. dollar and tighter supplies from California, prompting a shift to hand-to-mouth buying rather than aggressive stockpiling.

India is the top export market for U.S. almonds (See, Figure 2). In MY 2025/2026, U.S. origin almonds accounted for 89 percent of market share, while Australian-origin almonds held a distant second with 6 percent (Table 2). Almond imports from the United States and Australia are typically in-shell varieties, such as Nonpareil or Carmel, and are shelled locally through machine-cracking and hand-sorting processes. This local shelling adds value within the country, expands domestic employment opportunities, and aligns with the government's "Make in India" initiative, which promotes local manufacturing and production. In contrast, most other origins supply shelled almonds.



Note: Trade data for MY 2025/2026 is for the August-June period.
Source: Trade Data Monitor, FAS New Delhi research.

Table 2: India: Commodity, Almond, Imports, MY 2025/2026 (August-July) (MT)

Country	In-Shell	Shelled	Total Kernel	% Share
World	150,871	7,604	158,475	100
United States	140,427	977	141,404	89
Australia	8,312	1,448	9,760	6
Afghanistan	475	2,831	3,306	2
United Arab Emirates	1,570	859	2,429	2
Iran	2	1,097	1,099	<1

Note: In-shell almonds are converted to a shelled basis by multiplying by a factor of 0.6. Trade data is for the August 2025-June 2026 period.

Source: Trade Data Monitor, FAS New Delhi office research.

Exports: India's almond exports primarily consist of small quantities of branded almond snack products to Sri Lanka, Nepal, and Bhutan.

POLICY

Following the removal of retaliatory tariffs in Customs notification No. [53/2023-Customs dated September 5, 2023](#), India expanded market opportunities for U.S. agricultural producers and manufacturers. The applied duty rate for in-shell almonds was reduced from USD 420/MT to USD 370/MT.

Table 3. India: Almonds, Tariffs

Commodity HS Code	Description	Basic Customs Duty
0802.11.00	Almonds In-shell	USD 370/MT (Indian Rupees 35 per kilogram)
0802.12.00	Almonds Shelled	USD 1,040/MT (Indian Rupees 100 per kilogram)

*Social Welfare Surcharge is not applicable; Exchange rate: 1 Rupee equals USD 95.4 (August 27, 2026)
Source: FAS New Delhi.

On September 3, 2025, the Government of India (GOI) announced revised Goods and Services Tax (GST) rates which covered various food and agricultural products, including all dried fruit and nuts, such as almonds. GST rates for almonds were lowered from 12 percent to five percent. The new rates took effect on September 22, 2025. A comprehensive list of food products, including their Harmonized System codes and updated GST rates, is provided [here](#):

India's Non-Tariff Barriers: Non-tariff barriers include stringent almond kernel quality standards prescribed by the Food Safety and Standards Authority of India (FSSAI).² According to local trade sources, these standards are overly strict and difficult to apply across multiple commercial grades, creating challenges such as unnecessary customs clearance delays.

² See, GAIN-INDIA | [IN2020-0103](#) | India Almond Kernel Standards and other Various Food Products Published in the Indian Gazette.

Traders seek greater flexibility in grading, arguing that it should reflect diverse commercial factors—such as varietal differences, crop quality variability, and pricing differentials—rather than focusing primarily on physical parameters, including damage or the presence of foreign material.

COMMODITY

WALNUTS, IN-SHELL BASIS

Table 4. India: Commodity, Walnuts, Production, Supply and Distribution (PSD)

Walnuts, Inshell Basis	2024/2025		2025/2026		2026/2027	
Market Year Begins	Sep 2024		Sep 2025		Sep 2026	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (MT)	13005	13005	6305	6305	0	8500
Production (MT)	34000	34000	33500	33500	0	33000
Imports (MT)	62600	62600	75000	65600	0	72000
Total Supply (MT)	109605	109605	114805	105405	0	113500
Exports (MT)	3800	3000	2500	2000	0	1500
Domestic Consumption (MT)	99500	100300	103000	94905	0	103250
Ending Stocks (MT)	6305	6305	9305	8500	0	8750
Total Distribution (MT)	109605	109605	114805	105405	0	113500
(HA) ,(1000 TREES) ,(MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

PRODUCTION

For MY 2026/2027 (September–August), Post forecasts in-shell walnut production lower to 33,000 MT, 500 MT lowered from the MY 2025/2026 estimate of 33,500 MT. This decline is attributed to aging, low-yield traditional trees; severe climate shifts that hinder productivity and quality; and a lack of modern post-harvest processing infrastructure. Walnut production is inherently cyclical, with yields varying by up to 20 percent depending on weather conditions during the flowering (February–April) and harvesting (August–September) stages.

Walnut Landscape: Walnut production is concentrated mainly in the northwest Himalayan region, led by Jammu and Kashmir, which accounts for over 96 percent of national output. Popular varieties grown in the region include Lake English, Drainovsky, Opex Caulchry, Chandoshy, and Manregian. Other contributing regions include Himachal Pradesh (Gobind, Eureka, Placentia, Wilson, Franquette, and Kashmir Budded varieties), Uttarakhand (Chakrata varieties), and the northeastern states of Sikkim and Arunachal Pradesh.

Indian walnuts vary in size and characteristics and are categorized as paper-shelled, thin-shelled, medium-shelled, and hard-shelled. Harvest typically occurs from late August through September;

however, heat stress and sunburn caused by excessive temperatures can significantly reduce yields during this period.

Walnut Cultivation Shortcomings: The walnut industry, despite its rich legacy and natural advantages, faces significant challenges with low returns due to erratic weather patterns, outdated processing methods, absence of grading systems, fluctuating market prices, and competition from imports. There is a pressing need for improved tree varieties with faster fruiting periods, drip irrigation systems, and modern post-harvest infrastructure. Most walnut trees currently in production are over 40 years old, leading to declining productivity. Field experts highlight the need for innovative farming techniques, including planting high-density walnut trees, to revitalize the walnut industry.

CONSUMPTION

For MY 2026/2027, Post forecasts an increase of walnut consumption to 103,250 MT and increase of eight percent. This is driven by a growing economy, an expanding middle class and its rising health consciousness, and a shift toward everyday snacking rather than festive season use. As these factors continue to evolve, walnut consumption is likely to remain robust, particularly among health-conscious and urban consumers. Post has revised MY 2025/2026 consumption estimates lower to 94,905 MT due to lower imports.

Consumer Preferences

The country is experiencing growing demand for nuts, including walnuts, fueled by rising interest in plant-based diets. Consumers perceive walnuts as a high-value nutritional powerhouse and a vital source of plant-based Omega-3 fatty acids. With convenience foods gaining popularity, preference for packaged walnuts, flavored varieties, and walnut-based products such as walnut oil and walnut flour is growing. Walnuts are gaining popularity across industries, including bakery and confectionery, nutritious snacking, packaged food, and cosmetics.

About 70–75 percent of walnut consumption occurs at the household level, with over half taking place during the festive season from October to November. The convenience and reach of e-commerce and quick-commerce platforms have further boosted walnut sales across India's geographic regions, and supermarkets are increasingly dedicating shelf space to meet rising demand for tree nuts, including walnuts.

In-shell walnuts remain in high demand, primarily sold in traditional markets and retail outlets, though fluctuations in exchange rates and price swings affect demand for this segment. Shelled walnut kernels, however, are more popular for snacking and household cooking.

Market Size

The walnut market, valued at \$300 million in 2025, is projected to reach \$490 million by 2034, reflecting a compound annual growth rate (CAGR) of 5.33 percent from 2026 to 2034³. Some industry sources point to even stronger near-term growth potential, citing annual increases as high as 50 percent. Despite this growth trajectory, per capita walnut consumption remains low, estimated at approximately 0.04 kg (40 grams), or roughly two whole walnuts per person per year.

STOCKS

Ending stock levels for MY 2025/2026 are lowered by 36 percent to 8,500 MT from five-year average of 13,285 MT, due to lower import volumes than anticipated.

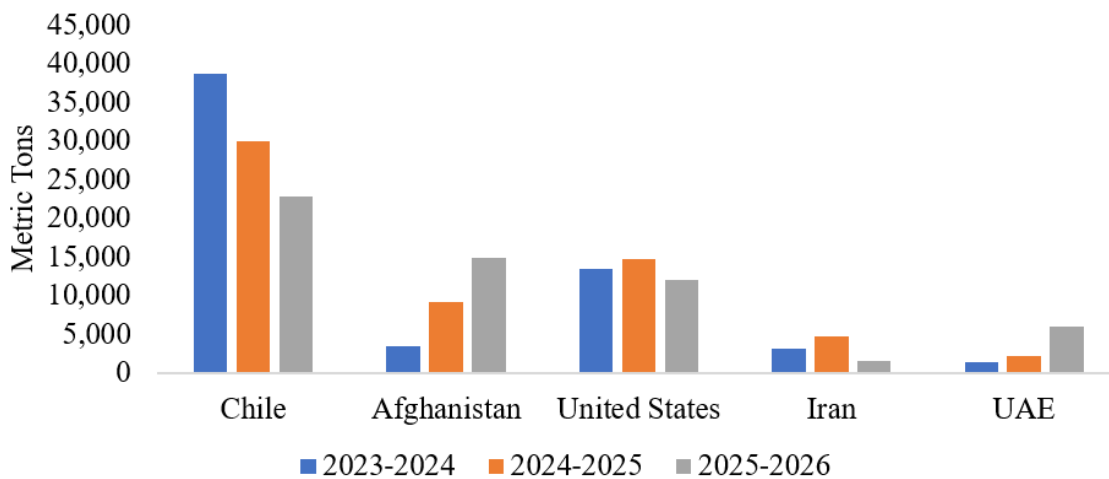
TRADE

Imports: For MY 2026/2027, Post forecasts walnut imports higher by ten percent at 72,000 MT, driven by rising domestic consumption and flat-to-declining local production. MY 2025/2026 import estimates are revised downward to 65,600 MT, based on latest official trade data. Trade sources indicate that stringent enforcement measures and regulations by Indian Customs to curb rampant under-invoicing and tax evasion have contributed to reduced walnut import activity during MY 2025/2026. However, traders feel optimistic that legal channels will stabilize and import flows will become normal in the forecast year.

India remains a net importer of walnuts, especially kernels. Significant demand is met through imports than domestic production. Chile dominates imports with 39 percent of the market share (See Figure 3 and Table 5). Afghanistan follows with 26 percent, while the United States accounts for 21 percent.

³ <https://www.tradologie.com/blogs/walnut-akhrot-import-from-india/>

Figure 3: India. Imports of Walnuts from the World



Source: Trade Data Monitor, FAS New Delhi research
Trade data is from September 2025-June 2026

Table 5. India Walnut Imports, MY 2025/2026 (September-August) (MT)				
	In-Shell	Shelled	Total Kernel	Percentage Share
World	45,184	12,726	57,910	
Chile	22,381	412	22,793	39
Afghanistan	5,505	9,428	14,933	26
United States	11,992	0	11,992	21
UAE	4,474	1,556	6,030	10
Iran	621	894	1,515	3

Note: Shelled walnuts conversion rate to in-shell basis = 2.34.
Trade data is from September 2025-June 2026.
Source: Trade Data Monitor, FAS New Delhi research.

Exports: Exports remain negligible compared to imports, with the UAE and Thailand as the primary export destinations. For MY 2026/2027, India's walnut exports are forecast lower at 1,500 MT due to declining domestic production yields. Post has revised MY 2025/2026 and MY 2024/2025 export estimates to 2,000 MT and 3,000 MT, respectively, based on the latest official trade data.

Over 95 percent of walnut exports consist of shelled kernels in vacuum packs, with 35–40 percent classified as “light halves,” 35–40 percent as “amber halves/light broken,” and the remainder as “amber halves.” Market sources indicate that Indian origin walnuts are competitively priced compared to other origins, including those from the United States, Chile, Türkiye, and China.

POLICY

India permits walnut imports without quantitative restrictions under its Open General License program. To protect the domestic walnut industry, both in-shell and shelled walnut imports face a basic customs duty of 100 percent.

Table 6. India: Walnuts, Tariffs			
Commodity HS Code	Description	Basic Customs Duty	Social Welfare Surcharge
0802.31.00	Walnuts In-Shell	100 Percent	Not Applicable
0802.32.00	Walnuts Shelled	100 Percent	Not Applicable

Post understands from trade sources that the walnut import sector is currently facing significant issues with customs duty evasion, leading to intensified document verification for importers. This issue dates to February 2020, when the GOI levied a 100 percent tariff on both shelled and in-shell walnuts. The walnut industry continues to advocate for a shift from the current ad valorem duty structure (based on invoice value) to a fixed duty based on quantity, such as per kilogram, similar to the duty structure for almonds. A quantity-based duty system is expected to protect the domestic industry from the unfair price advantage enjoyed by other origins and to prevent genuine import duty revenue losses for the Indian government.

Non-Tariff Barriers:

India permits only Methyl Bromide fumigation treatment for walnuts imported from California, U.S.A. The U.S. government is negotiating with the Indian government to secure approval for Sulfuryl Fluoride or Phosphine as alternate fumigants for use either at the point of origin or upon re-export.

COMMODITY

PISTACHIOS, IN-SHELL BASIS

Table 7. India: Commodity, Pistachios, Production, Supply and Distribution (PSD)

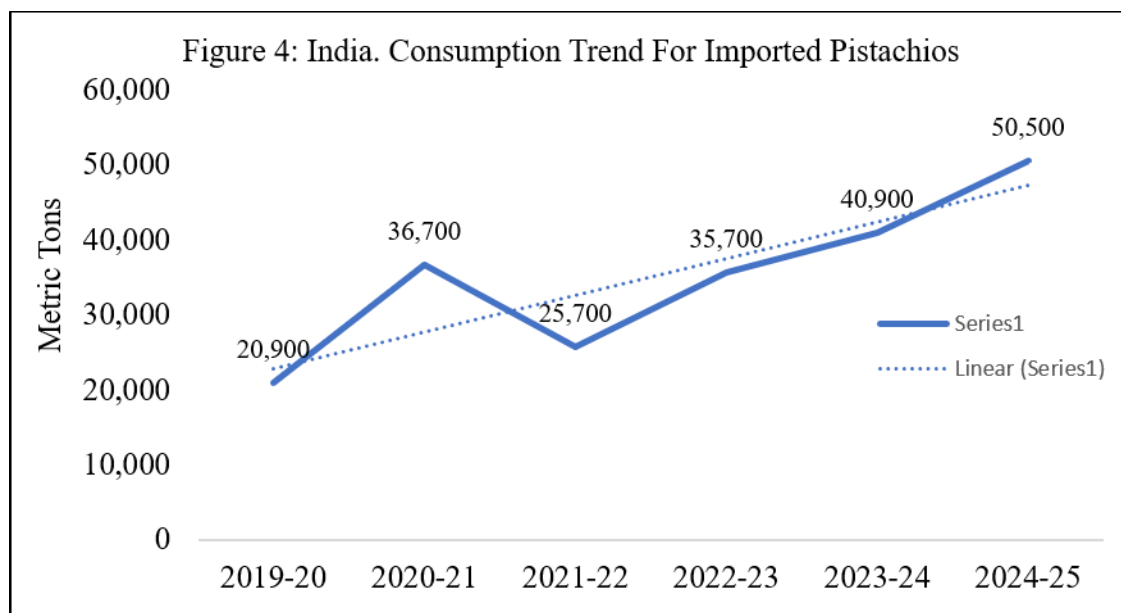
Pistachios, Inshell Basis	2024/2025		2025/2026		2026/2027	
Market Year Begins	Sep 2024		Sep 2025		Sep 2026	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	0	0	0	0	0	0
Area Harvested (HA)	0	0	0	0	0	0
Bearing Trees (1000 TREES)	0	0	0	0	0	0
Non-Bearing Trees (1000 TREES)	0	0	0	0	0	0
Total Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (MT)	0	0	0	0	0	0
Production (MT)	0	0	0	0	0	0
Imports (MT)	50500	50500	60000	50000	0	55000
Total Supply (MT)	50500	50500	60000	50000	0	55000
Exports (MT)	0	0	0	0	0	0
Domestic Consumption (MT)	50500	50500	60000	50000	0	55000
Ending Stocks (MT)	0	0	0	0	0	0
Total Distribution (MT)	50500	50500	60000	50000	0	55000
(HA) ,(1000 TREES) ,(MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

PRODUCTION

India has no commercial pistachio production.

CONSUMPTION

With no organized domestic pistachio production, India relies entirely on imports to meet its growing demand. Post forecasts MY 2026/2027 (September–August) pistachio consumption to be higher by 10 percent at 55,000 MT.



Source: FAS New Delhi research

In Figure 4, a comparison of consumption numbers from 2019 to 2025 reflects a 142 percent increase in demand for pistachios imported mainly from the U.S, driven by several factors, including rising middle-class disposable income and a shift toward health-conscious eating. This demand peaks seasonally around traditional uses in sweets, ice creams, and festive gifts. Pistachios are no longer limited to traditional holiday sweets and toppings; they are now major ingredients in commercial ice creams, bakeries, and upscale chocolates. Packaged and branded roasted/salted pistachios are increasingly consumed year-round as a healthy protein snack. The peak import and sales window aligns with major regional festivals such as Diwali and the winter wedding season, when pistachios feature prominently in premium dry-fruit gifting.

Pistachio Preferences: . In recent years, American pistachios have become more visible in organized retail, premium segments, and online grocery channels. California's U.S. Grade 21–25 No. 1 pistachio is the preferred American variety.

TRADE

Imports: FAS New Delhi forecasts India's MY 2026/2027 pistachio imports at 55,000 MT, up ten percent from the MY 2025/2026 estimate. Post has revised the MY 2025/2026 import estimate to 50,000 MT, based on the latest official trade data. A year-over-year comparison of the September–June period shows pistachio import volumes declining to 32,275 MT in MY 2025/2026 from 45,640 MT in MY 2024/2025. India's two dominant suppliers—the U.S. and Iran—are facing export challenges. Globally, pistachio production dropped by roughly eight percent in the MY 2025/2026 season, resulting in low carryover stocks in the U.S., while Iran faces geopolitical supply disruptions and shipping bottlenecks. Indian buyers may need to anticipate these shortfalls and proactively adjust import timing and volumes to meet growing consumption in the forecast MY.

The U.S. remains India's largest supplier of in-shell pistachios, commanding a 37 percent market share (See Table 8). Iran follows with 33 percent, while the United Arab Emirates, Afghanistan, and Türkiye account for the remaining share. Pistachios imported from the United States are typically in-shell varieties.

Table 8. India: Commodity, Pistachios, Import Trade 2025/2026) (MT)				
Partner Country	In-Shell	Shelled	Total Kernel	% Share
World	20,624	14,933	35,557	---
United States	12,587	519	13,106	37
Iran	4,841	6,863	11,704	33
UAE	2,986	4,509	7,495	21
Turkey	171	264	435	1
Afghanistan	0	2,685	2,685	8

Note: Shelled pistachios conversion rate to in-shell basis = 2.0.

Trade data is from September 2025-June 2026.

Source: Trade Data Monitor, FAS New Delhi research.

Exports: India is predominantly a net importer of pistachios to meet its high domestic demand as there is no domestic production.

POLICY

India imposes a 10 percent basic customs duty (BCD) on raw pistachios (in-shell and shelled) and a 30 percent duty on roasted pistachios. Additionally, a Goods and Services Tax of 12 percent was applicable to the customs and freight value. However, on September 3, 2025, the GOI announced revised Goods and Services Tax (GST) rates which covered various food and agricultural products, including all dried fruit and nuts such as pistachios. GST rates for pistachios were lowered from 12 percent to five percent with effect from September 22, 2025. The Social Welfare Surcharge of 10 percent on customs duty is also applicable.

Attachments:

No Attachments