Redflag Indicators for the month April 2025

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* India opposes inclusion of insecticide Chlorpyrifos at Stockholm Convention despite calls for ban

India has reportedly opposed the inclusion of a hazardous insecticide under the Stockholm Convention on Persistent Organic Pollutants, an international environmental treaty to protect human health and the environment.

The insecticide, Chlorpyrifos, is a chemical linked to adverse effects on neurodevelopment, reduced birth size, lung and prostate cancer upon chronic exposure.

Delegates from across the world gathered at meetings of the conferences of the Parties to the Basel, Rotterdam and Stockholm (BRS) conventions in Geneva, Switzerland, from April 28 to May 9, 2025. Basel and Rotterdam are also multilateral environmental agreements, which share the common objective of protecting human health and the environment from hazardous chemicals and wastes.

Chlorpyrifos is listed as a candidate Persistent Organic Pollutants (POP) under the Stockholm Convention after the European Union nominated it for global phase-out in 2021. POPs are a cause for concern because they remain persistent a long time, widely distributed throughout the environment they accumulate and magnify in living organisms through the food chain and are toxic to both humans and wildlife.

Prior to the meeting, in 2024, the Persistent Organic Pollutants Review Committee (POPRC) — a subsidiary body to the Stockholm Convention established for reviewing chemicals proposed for listing — recommended Chlorpyrifos' inclusion in Annex A to the Convention.

On day one of the negotiations at the BRS Convention, India stressed that since there are no alternatives, the listing could impact food security, according to International Institute for Sustainable Development (IISD).

Others like Tunisia, Pakistan, Serbia, Switzerland, the European Union, the Maldives, Uruguay, Guyana, Venezuela, the United Kingdom, Iraq, and Norway supported listing chlorpyrifos in Annex A.

Nations like Cameroon, Kenya and Zambia, suggested certain exemptions. For example, Cameroon asked that the chemical be continued to be used for pests, crickets, cotton seeds, and locusts while Kenya called for exemptions in veterinarian and termite control applications.

It was then decided that countries would discuss this matter in contact groups, an informal working group. On April 29, the contact group discussed the 11 new exemptions, in addition to the three recommended by the POPRC. The new exemptions are for particular crop pests in cotton, eggplant, sugarcane, wheat, barley, teff, maize and sorghum, sugar beet, chickpea, cabbage, and onion, as well as control of locusts and leaf-cutting ants.

The contact group is working to reduce the number of exemptions. Some parties questioned the need for exemptions.

This is not the first time that India has opposed to the inclusion of a chemical. In 2010, at the sixth meeting of POPRC held in Geneva in October, India rejected the proposal to ban endosulfan globally.

Chlorpyrifos has been registered in India under the Insecticides Act since 1977. In 2016-17, chlorpyrifos was the most frequently used pesticide in India, accounting for 9.4 per cent of the total insecticide consumption, according to a report by the International Pollutants Elimination Network (IPEN).

Previously, the pesticide was mainly produced in North America and Europe. Now, China and India are the biggest producers of chlorpyrifos, according to a 2024 report from the UK government. The report also states that several countries, including India, China and Malaysia, have highlighted the importance of chlorpyrifos in public health applications such as controlling urban pests like cockroaches, and termites, and also potentially in the control of vector-borne diseases

The World Health Organization (WHO) has classified chlorpyrifos as a moderately hazardous pesticide. The chemical inhibits an enzyme called acetyl cholinesterase, which results in adverse nervous system effects.

According to the Pesticide Action Network, over 40 countries have banned Chlorpyrifos.

A 2023 press release from the Union Ministry of Agriculture & Farmers Welfare noted that the ministry has so far banned or phased out 46 pesticides and four pesticide formulations for import, manufacture or use in the country. Chlorpyrifos was not on the list.

In March 2025, the Pesticide Action Network released a report on non-chemical alternatives to chlorpyrifos, which was compiled from official advisories from the Department of Agriculture, Government of India and crop production guides available from state agriculture departments and universities.

In addition to Chlorpyrifos, other chemicals like Medium-chain chlorinated paraffins (used as flame retardants and plasticizers in plastics, as well as lubricants and coolants for metal forming operations) and long-chain perfluorocarboxylic acids (LC-PFCAs), their salts, and related compounds (used in personal care products, cleaning products, and surface treatments for textiles, upholstery, leather, automotive parts, carpet and paper products, and packaging) will be discussed under the Stockholm Convention.

* India’s dry fruits likely to get costlier due to border closure with Pakistan

The coming festival season may see the dry fruit prices shoot up in the domestic market. The closure of borders amid the mounting tension with neighbouring Pakistan will likely disrupt supplies from Afghanistan. Afghanistan is one of the largest nuts and dry fruit exporters to India with an estimated 20,000 tonnes annually. The current trade restrictions between the two countries and closing down of the borders is likely to impact the flow of products such as dried apricots, almonds, black and green raisins, pistachios, walnuts, increasingly imported by India to meet the rising consumption. Already some of the products to India including those imported from the US are coming via Dubai and there is a chance of cost escalation if the trade relations between India and Pakistan further worsen. A leading dried fruit trader in New Delhi, who did not wish to be identified, said the closure of the Atari border will adversely affect the transit of products from Afghanistan as reportedly around 30 trucks are waiting on the other side of the border, seeking permission to enter India. Currently, the domestic market has enough stock to meet the demand for the wedding season in North India from May. The demand is expected to surge from the current slowdown due to fag end of the season and with the commencement of the new crop by July-August before the festivals. Supply delay compounded by the limited availability of cargo flights from Kabul may lead to deterioration of quality of dry fruits with high medicinal value such as figs and raisins . The only option now for Afghan dried fruits to reach India is through Chabahar Port in Iran, with a long transit journey of nearly a month compared with 3-4 days by road, which, together with the scarcity of refrigerated containers, will cause damage. The trade from Afghanistan is presently duty free because of SAARC rules and it is not clear whether such exemptions are granted to consignments diverted through Iran., he said.

* Record Myanmar crop, higher rabi and zaid output to weigh on urad prices

Prices of urad or black matpe continue to trend lower on weak demand. This comes amidst good rabi crop arrivals and expectations of higher imports from Myanmar, which has harvested a record crop this year. Also, with summer crop set to hit the markets in state such as Gujarat and Madhya Pradesh in the weeks ahead, the prices are likely to come under further pressure, trade sources said. The new crop from Myanmar has already started coming to the Indian market .A section of the trade has pegged the Myanmar crop at 9-10 lakh tonnes. India's imports of urad during 2024-25 is expected to have increased by 32 per cent to over 8.23 lakh tonnes from 6.24 lakh tonnes in 2023-24 .Since November last year, urad prices have crashed by 25 per cent on weak demand and rise in imports from countries such as Myanmar and Brazil. From around ₹95 a kg in November last, the urad prices have come down to the level of ₹72 a kg. The bearish price trend is seen hurting the confidence of the trade. Urad production during the kharif 2024 cropping season was impacted by excess rain. The urad output was down by about 20 per cent at 12.82 lakh tonnes against 16.04 lakh tonnes in the previous year, as per the government estimates. The Rabi output, as per the second advance estimates, is projected higher at 5.17 lakh tonnes over 4.87 lakh tonnes a year ago. The Rabi crop in Andhra and Tamil Nadu was good this year. The higher summer crop is also seen weighing on the urad prices, which are already ruling below the minimum support price of ₹7,400 per quintal. The prices of Myanmar urad have witnessed significant fluctuations. Prices of SQ grade, which had earlier touched $1,200 per tonne, have now consistently declined and stabilised between $880-890 per tonne. The major reason for this decline is the record production in Myanmar, leading to increased competition among the exporters. The India Pulses Grains Association, in its market update, said on Monday that trade expects urad prices to stay under pressure due to weak buying and no sales of processed urad. The market may face additional pressure as the new summer crop from MP and Gujarat will arrive soon, followed by Brazil shipments starting mid-June.

* Global rice price heads up as Thailand, Pakistan stocks drop

Rice prices have begun to rise after falling to two-year lows in the global market, as stocks with some exporters such as Thailand and Pakistan have declined."Prices have begun to rise over the past couple of days, particularly in Thailand, as stocks have declined," said Rajesh Jain Paharia, a New Delhi-based exporter. On the other hand, Myanmar's price is more competitive than India, though the neighbouring nation has limited stocks. Countries such as Benin have huge inventories of Indian rice that they are not looking to import the cereal from here now. However, India's re-entry into the rice market after curbs on exports were lifted has affected competitors. Currently, India's 5 per cent broken white rice is quoted at $379 a tonne, down $3 from three weeks ago. Pakistan and Vietnam, too, have cut their prices by $3 and $4 a tonne, but Thailand has increased rates by $8. It is in the parboiled section that India holds a huge advantage of $31/tonne over Pakistan and $55 over Thailand. Initially, Vietnam and Pakistan lowered their prices, but they have now raised them. Reports from Vietnam said short-term pressure on prices has eased as its domestic supply has been limited due to saline intrusion in the Mekong Delta. In addition, China is now expected to import over 5 million tonnes (mt) of rice, while the Philippines around 4.5 mt. Vietnam expects prices to rebound because of this. A New Delhi-based trade analyst said prices had declined initially because buyers hammered them down on surplus production. According to the US Department of Agriculture (USDA), India's rice exports are expected to be around 22.5 mt this year after lifting curbs on shipments. In September 2022, India imposed 20 per cent duty on white rice exports and banned shipments of broken rice. In July 2023, it banned exports of white rice and came up with a 20 per cent duty on parboiled rice exports. It also fixed a minimum export price of $950 a tonne on basmati. However, all these curbs were lifted between October 2024 and March 2025. This is because India's rice production has been estimated at a record high of 137.82 mt in 2023-24. During the current crop year to June, the output is expected to reach a fresh high of 140 mt. According to the Food Corporation of India, rice buffer stocks with the government are at a record high of 38.01 mt as of April 1 in addition to 37.15 mt of paddy (equivalent to 24.89 mt of rice).Meanwhile, Thailand has reported a 30 per cent drop in exports in the first quarter this year. Its white rice exports have dropped by 50 per cent since India has resumed exports, while countries such as the Philippines have adopted a “wait and watch” policy to import.

<u>* India’s fertiliser stocks at 3-year low, may pose problems to meet kharif demand</u>

Fertilizers stocks in India were at a three-year low as of April 1, with their consumption registered a 9 per cent growth in the 2024-25 fiscal. This could be a challenge for the government. It could pose problems to meet the demand during the ensuing kharif (monsoon sowing) season. The demand has been pegged 3 per cent higher from actual kharif sales of 2024.The 2025 kharif season’s (April-September on basis of fertilizer sales) fertilizers demand has been pegged at 330.03 lakh tonnes (lt), which comprises 185.4 lt of urea, 56.99 lt of di-ammonium phosphate (DAP), 11.13 lt of Muriate of Potash (MOP) and 76.51 lt of complex (combination of all nutrients). The total estimated demand is, in fact, 3.2 per cent higher from 320 lt actual sales registered during kharif 2024.On the other hand, amid the rising demand for chemical fertilizers despite the government’s best efforts to reduce it, the opening stock as of April 1 this year dropped more than 25 per cent to 107.98 lt from 144.1 lt a year ago. The current year opening stock is also the lowest since 2022, when it was 71.08 lt, official data show. Experts said that there will be pressure on import, which the government has been trying to manage by trying to bring in more supplies from long term agreement with some countries. But official sources said between April and September last year, India had produced over 150 lt of urea and imported about 17 lt. So, meeting the 185 lt of demand this season may not be an issue due to similar production and higher expected import in addition to the carryover stock of 56 lt. In case of DAP, where there is always complaints from farmers about its timely availability, the government may find it hard to meet demand since there is a gap of 48 lt (57 lt demand against 9 lt opening stock). Last year, the domestic production and import together had generated an availability of 42 lt during April-September. However, the government should soon start raising the urea prices marginally in tranches as it is not good for the soil the way demand is growing. The urea demand pegged for the ensuing Kharif season is 2 per cent lower than the actual sales of 189.12 lt during April-September 2024. The consumption in FY25 showed a 8.2 per cent jump, year-on-year. The DAP demand for kharif 2025 has been pegged higher by 23.6 per cent from the actual sales of 46.1 lt since there was a shortage last year. The consumption of DAP in 2024-25 dropped 12.3 per cent to 96.28 lt.In case of complex fertilizers, the demand for which has been fast rising due to better awareness among farmers, the demand for kharif season is a tad higher from the actual sales during kharif 2024. There may not be an issue with regard to MOP as farmers have reconciled to pay higher and its sales have registered 34 per cent rise in FY25 due to low base effect.

Aspect	Details
Current Fertilizer Stocks	Three-year low as of April 1, 2024 (107.98 lakh tonnes, down from 144.1 lakh tonnes in 2023)
Consumption Growth	9% growth in FY25

Aspect	Details
Kharif 2025 Demand Estimate	330.03 lakh tonnes, a 3% increase from actual kharif 2024 sales
Breakdown of Kharif 2025 Demand	- Urea: 185.4 lakh tonnes - DAP: 56.99 lakh tonnes - MOP: 11.13 lakh tonnes - Complex: 76.51 lakh tonnes
Kharif 2024 Actual Sales	320 lakh tonnes
Opening Stock Comparison (April 1)	2024: 107.98 lakh tonnes (lowest since 2022) 2023: 144.1 lakh tonnes 2022: 71.08 lakh tonnes
Urea Production/Imports (April-September 2023)	Production: over 150 lakh tonnes Imports: about 17 lakh tonnes Availability: 42 lakh tonnes
Urea Demand for Kharif 2025	Pegged at 185 lakh tonnes (2% lower than actual sales of 189.12 lakh tonnes in 2024)
DAP Demand for Kharif 2025	Pegged at 57 lakh tonnes (23.6% higher than actual sales of 46.1 lakh tonnes in 2024)
Opening Stock for DAP	9 lakh tonnes, leading to a gap of 48 lakh tonnes
Complex Fertilizer Demand	Expected to be slightly higher than kharif 2024 sales due to increased farmer awareness
MOP Sales Growth	34% rise in FY25 due to farmers' willingness to pay higher costs
DAP Consumption in FY25	Dropped 12.3% to 96.28 lakh tonnes

*SEA projects sharp decline in castorseed production due to weather factors

The Solvent Extractors’ Association of India (SEA) has forecast a drastic reduction in castorseed production for 2024-25.The second estimate of castorseed production for the 2024-25 season, which was conducted by Indian Agribusiness Systems Ltd (AgriWatch), has assessed the castorseed production at 15.6 lakh tonnes (lt) in major producing States against 18.2 lt in its first estimates. India’s castorseed production was estimated at 19.76 lt in the 2023-24 season. The rising temperatures since February have severely impacted crop yields, especially late- and re-sown crops. Lower yields were recorded in key growing districts across Gujarat and Rajasthan. Castor acreage in the country decreased to 8.68 lakh hectares (lh) in the 2024-25 season from 9.88 lh in 2023-24, registering a decline of 12 per cent. SEA has estimated the yield at 1,796 kg per hectare in the country during the 2024-25 season (2000 kg per hectare in 2023-24).The area under castorseed in Gujarat, which is the major producer in the country, is expected to decline to 6.46 lh in 2024-25 from 7.24 lh in 2023-24. Castorseed production in Gujarat is expected to be at 12.26 lt in 2024-25 (15.74 lt), a decrease of 22 per cent. Rajasthan’s production is revised downward to 2.71 lt in 2024-25 (3.13 lt), which is a decrease of 13.41 per cent than last year. The area under the crop is estimated at 1.70 lh (1.92 lh). SEA has estimated the yield at 1,594 kg per hectare in Rajasthan during the 2024-25 season (1,630 kg per hectare).Andhra Pradesh and Telangana are expected to produce 54,000 tonnes of castorseed in 2024-25 as against 80,200 tonnes in 2023-24. This decline is due to decrease in the area under the crop from 60,100 hectares in 2023-24 to 37,500 hectares in 2024-25.Final estimates will be updated after the next round of survey scheduled for May 2025.

***World Bank's food price index may drop 7% in 2025 on dip in grains prices**

The World Bank's food price index is projected to fall by 7 per cent in 2025 on a year-on-year basis and edge down in 2026 on declining prices of grains such as rice and wheat amidst ample supplies and weaker demand for grains such as maize as energy feed stocks. In its latest Commodity Markets Outlook, the World Bank said all three components of the food price index are expected to decline in 2025 – grains by 11 per cent, oils and meal by 7 per cent and other foods by 5 per cent. Food prices are projected to decline by 7 per cent in 2025 over the previous year, driven by weaker demand for grains as energy feedstocks and ample supplies, before stabilising in 2026.The projected downturn in grains for 2025 is primarily driven by an expected 29 per cent plunge in rice prices, reflecting ample supplies and also the relaxation of export restrictions by India, which accounts for about 40 per cent of the global exports. The global rice output in 2024-25 is expected to increase by 2 per cent, with production in India forecast to rise by 5 per cent, it said. Further, rice prices are projected to be stable in 2026 as preliminary estimates for the 2025-26 season from the International Grains Council indicate that a small increase in global supply will be matched by a similar increase in consumption, the Bank said. The wheat stocks are forecast to edge down in 2025-26, as downward demand pressure related to trade tensions is partially offset by tight supply conditions. Near record wheat production is expected to be narrowly outpaced by consumption, resulting in a decline in global stocks, the Bank said. Maize prices are expected to fall by 2 per cent in both 2025 and 2026 due to lower crude oil prices — which reduce demand for ethanol and thus maize — and higher US-China trade tariffs. Recent price advantages over soyabeans and wheat may lead to more maize planting, boosting production in 2025-26. However, the drop in prices may be capped by tight inventories, the lowest in over a decade. Further, the Bank said the oils and meals price index is forecast to decline by 7 per cent in 2025, driven by favourable global food oil supplies, before stabilising in 2026. The decrease in 2025 mainly reflects reductions in soyabean and soyameal prices. Soyabean prices are projected to tumble 17 per cent in 2025, as global production is expected to rise by 6 per cent to a new record in the 2024-25 season. Also, the weaker imports of US soyabeans in China, amid heightened trade tensions, are expected to weigh on the US benchmark price, as China accounts for over half of US soyabean exports. Soyabean oil prices are forecast to ease by 3 per cent in 2025 and 2 per cent in 2026, largely due to lower crude oil prices dampening biofuel demand. However, the downward pressure is partially offset by strong demand resulting from reduced supplies of closer substitutes such as palm oil, sunflower oil, and rapeseed oil. Soyameal prices are projected to decline by 16 per cent in 2025, reflecting robust soyabean production. Soyameal prices are expected to stabilise in 2026 as production of alternative oils recovers. Palm oil prices are projected to rise by 6 per cent in 2025, as a moderate pick-up in production is insufficient to replenish low global stocks. Additionally, Indonesia's plan to increase its biodiesel mixture — from 35 per cent in 2024 to 40 per cent in 2025 and to 50 per cent in 2026 — will support palm oil prices. However, the substitution of palm oil with soyabean oil is likely to curb sharp price gains. At the same time, structural challenges in palm oil production, including declining yields and a slowdown in new plantings, will sustain global supply tightness and support prices. As a result, palm oil prices are forecast to increase by 2 per cent in 2026. Trade barriers affecting trade in specific commodities and biofuel policies pose two-sided risks to prices. Further, the heat waves are becoming more frequent, intense, and prolonged, exerting upward pressure on agricultural prices by negatively affecting crop yields, it said.

Aspect	Details
Overall Food Price Index	Projected to decrease by **7%** in 2025 year-on-year
Components of the Index	- **Grains**: Decrease by **11%** - **Oils and Meals**: Decrease by **7%** - **Other Foods**: Decrease by **5%**
Grain Prices	Expected decline driven by: - **Rice Prices**: Down **29%** due to ample supplies and easing of export restrictions by India (40% of global exports) - Global rice output projected to increase by **2%** (India: **5%**)
Wheat Prices	Forecasted to stabilize amid tight supplies, slight decline in stocks due to high consumption.
Maize Prices	Expected to decrease by **2%** in 2025 and 2026 due to lower crude prices and trade tariffs.
Oils and Meals	Price index projected down **7%** driven by favorable supplies, primarily soyabean prices (down **17%**)
Soybean Prices	Expected decline due to: - Increased production (up **6%**) - Weaker Chinese imports impacting US prices.
Soyabean Oil Prices	Projected to decrease by **3%** in 2025 and **2%** in 2026, impacted by crude oil prices and reduced biofuel demand.
Soyameal Prices	Expected drop of **16%** in 2025, expected stabilization in 2026 due to a rebound in alternative oil production.
Palm Oil Prices	Forecasted to rise by **6%** in 2025 because of production issues and increased biodiesel requirements in Indonesia despite competition from soyabean oil.
2026 Price Projections	Stabilization for rice prices. Palm oil forecast to rise by **2%** due to persistent supply tightness.
Risks	- Trade barriers and biofuel policies could affect specific commodities

*Credit growth to farm sector slows to 10.4% in March: RBI data

The bank credit growth to the agriculture sector slowed to 10.4 per cent year-on-year for the fortnight ended March 21, while advances to the industry remained flat at 8 per cent, as per the RBI data released on Wednesday. The Reserve Bank of India (RBI) has released the data on sectoral deployment of bank credit collected from 41 select commercial banks, accounting for about 95 per cent of the total non-food credit deployed by all banks taken together.

Credit to agriculture and allied activities registered a growth of 10.4 per cent (y-o-y) as of the fortnight ended March 21, 2025, against 20 per cent in the corresponding fortnight of the previous year.

*India’s oilmeals export down by 11% in FY2024-25

A decline in the export of rapeseed meal and castorseed meal led to an 11 per cent reduction in the overall exports of oilmeals during 2024-25. Data compiled by the Solvent Extractors’ Association of India (SEA) showed that India exported 43.42 lakh tonnes (lt) of oilmeals during April-March 2024-25 against 48.85 lt in the corresponding period of the previous year. Overall exports, in terms of FOB (free on board) value, declined by 21 per cent - from ₹15,368 crore in 2023-24 to ₹12,171 crore in 2024-25. The export of rapeseed meal declined to 18.75 lt (22.13 lt in 2023-24). The export of castorseed meal fell to 2.99 lt (3.72 lt in 2023-24).He said rapeseed meal export plummeted due to lack of demand from destinations and fall in price in last one year from $278 (average price in April 2024) to $209 as on Apr 15 2025.Highlighting the potential opportunities in recapturing Chinese market for the export of rapeseed meal, he said the ongoing shortage of rapeseed meal in the European Union (EU) has led to a significant increase in global prices. China, which is a major consumer of rapeseed meal, currently imports primarily from Canada and the EU. If China relaxes the existing stringent conditions on the import of Indian rapeseed meal, India could become a key supplier and meet a substantial portion of China’s demand. Currently, rapeseed meal in international market is quoted at $335 a tonne (ex-Hamburg), while Indian rapeseed meal (ex-Kandla) FAS (free alongside ship) quoted just at $209 per ton. The export of soyabean meal remained more or less same in 2024-25. India exported 21.27 lt of soyabean meal in 2024-25 (21.33 lt). Stressing the need to lift the ban on export of de-oiled rice bran (DORB), the government imposed a ban on export of DORB in July 2023, citing concerns over high domestic prices, which had reached approximately ₹18,000 a tonne. Prior to the ban, India was exporting around 4-5 lt of DORB annually, primarily to Vietnam, Bangladesh and other Asian countries. Additionally, the increased availability and adoption of distillers dried grains with soluble (DDGS) in animal feed has substantially reduced domestic demand for DORB, aggravating the challenge of surplus disposal. In the last one year, oilmeal prices (in terms of dollar) declined in the international market, leading to a drop in exports. The FAS price of soyabean meal declined from $491 a tonne in April 2024 to $356 a tonne in March 2025, and rapeseed meal from $285 a tonne in April 2024 to $196 a tonne in March 2025. During the period, the rupee weakened with the exchange rate increasing from ₹83.62 to ₹86.52 per US dollar. Despite political turbulences, Bangladesh emerged as the largest importer of Indian oilmeals by importing 7.42 lt during 2024-25 It included 5.88 lt of rapeseed meal and 1.54 lt of soyabean meal. Bangladesh had imported 8.92 lt of oilmeals in 2023-24.India exported 6.99 lt of oilmeals to South Korea in 2024-25 (8.32 lt in 2023-24). This included 4.62 lt of rapeseed meal, 1.80 lt of castorseed meal and 0.57 lt of soyabean meal. Thailand imported 4.48 lt (6.32 lt) of oilmeals from India during 2024-25. This included 4.05 lt rapeseed meal and 0.31 lt of soyabean meal.Iran (1.56 lt), Germany (2.01 lt) and France (2.22 lt) were the other importers of soyabean meal from India (including shipment via Dubai) during 2024-25.

Category	Exports (lt)	Previous Year Exports (lt)	Change (lt)
Total Oilmeals	43.42	48.85	-5.43
Rapeseed Meal	18.75	22.13	-3.38
Castorseed Meal	2.99	3.72	-0.73
Soybean Meal	21.27	21.33	-0.06
FOB Value (₹ Crore)	12,171	15,368	-3,197

Key Importing Countries for Oilmeals

Country	Imports (lt)	Previous Year Imports (lt)
Bangladesh	7.42	8.92
South Korea	6.99	8.32
Thailand	4.48	6.32

*Hailstorm wreaks havoc on sprawling apple farms in Kashmir

In some areas, farmers estimated losses up to 60 per cent and sought compensation. The fierce that storm lasted 10 to 15 minutes caused damage to buds and leaves of thousands of apple farms in the area. Apple farms in the upper reaches of the Valley were at a critical flowering stage, while those in the low-lying areas had already reached full petal fall. At least 50 villages were lashed by the intense hailstorm, causing substantial damage to the apple orchards in the district. In some areas, farmers estimated losses up to 60 per cent. An official from the Horticulture Department said that the department was assessing the damage, but the actual extent of the loss cannot be immediately determined. On 19th April, heavy rain coupled with hailstorm also caused damage to apple orchards in north Kashmir's Kupwara district, leaving thousands of farmers in despair over their ruined crops. The district is known for producing first-rate apples with over 80 per cent of the people relying on apple cultivation for their livelihood. Apple farming is the leading source of employment in Jammu and Kashmir, engaging nearly 3.5 million people—27 per cent of the region's population. The fruit's export alone accounts for over 8 per cent of the GDP. Demanding compensation "The government offers peanuts in the name of compensation, paying as little as ₹2,000," said a group of affected farmers.The cultivators have demanded adequate compensation in line with the losses incurred, along with a waiver on KCC loans.

*Vegoils, pulses push up agri import bill to over $27 billion in FY25

India's farm produce import bill was up by over 20 per cent at $27 billion during the 2024-25 fiscal on rising imports of edible oils, pulses and cotton, among other products such as fruits and vegetables. In the previous year, the import value of these agri products stood at over $22.13 billion. Vegoils continue to top the agri import basket followed by pulses, fruits and vegetables and cotton, per the recently released Commerce Ministry data. Vegoil imports during the financial year were up 16.55 per cent in value terms at $17.33 billion from previous year's $14.87 billion. Increase in the global prices of edible oils such as palm oil during the year contributed to the increased import bill. India imported 15.53 million tonnes of edible oils during financial year 2023-24.Imports down a tad ,With palm oil turning expensive, India's imports of other edible oils such as sunflower oil and soyabean oil have gone up during the year. In the first five months of the oil year 2024-25 starting November till March, vegoil imports stood at 5.8 million tonnes, marginally down from 5.83 million tonnnes in the same period last year, as per SEA latest data .India's import dependence in case of edible oils and pulses continues to remain high on growing demand amidst changing dietary habits. The import of pulses recorded a 46 per cent increase at a record $5.47 billion during the year. Last fiscal, the pulses imports stood at $3.74 billion. The pulses imports registered a sharp increase during the year as the Government allowed the free imports of varieties such as tur, urad, yellow peas and chana (desi chikpea) to meet the domestic shortfall and contain the price rise during the year. Fruit imports up 11%Pulses imports in value terms are expected to have touched 6.7 million tonnes during 2024-25, up from 4.4 million tonnes in the previous year. Cotton imports in value terms doubled to $1.21 billion during 2024-25, up 103 per cent from the previous year's $0.59 billion. Taking advantage of the lower global prices, the Indian cotton traders and mills stepped up the imports of the fibre crop during the year, sources said. Also, a lower domestic crop, which fell to a three year low during the 2024-25 season, aided the imports. India's cotton production is seen at a three year low of 294.25 lakh bales of 170 kg each during the current 2024-25 crop season ending September on decline in area and yields. Similarly, the fruits and vegetables imports registered an 11 per cent increase to $3.26 billion from $2.92 billion a year ago. Rising disposable income coupled with growing population is fuelling demand for imported fruits such as apples, dragon fruits, avacado and mandarins among others.

Category	Import Value ($ Billion)	Previous Year Import Value ($ Billion)	Change (%)
Total Agricultural Imports	**27.00**	**22.13**	**20%**
Vegoils	17.33	14.87	16.55%
Pulses	5.47	3.74	46%
Cotton	1.21	0.59	103%
Fruits & Vegetables	3.26	2.92	11%

<u>*Indian rice trade wants export price to Bangladesh increased</u>

The interim government in Bangladesh has allowed exports of aroma rice after a year-and-a-half, leading to a section of Indian exporters demanding that New Delhi hike it rice shipment prices to Dhaka. Bangladesh used to consume Indian Origin rice, and Bangladesh's quota will affect around 2.5 lakh tonnes of exports of Indian rice .This year, Bangladesh plans to import 6 lakh tonnes of rice, mainly parboiled, in tranches of 50,000 tonnes. All tenders for the imports ended recently. A feature of the tenders was that the lowest bid in the first tender was $477 a tonne. In the final tender, the lowest bid was $394.77. The raised concerns, in particular, over the decline in the export price of the premium rice market. India had always looked to help Bangladesh despite facing problems of food inflation. Even when it banned rice and wheat exports, it made it clear that it would help vulnerable and neighbouring countries. Last week, Bangladesh media reported that Dhaka has permitted 133 firms to export 18,150 tonnes of aroma rice. These will be in packages of 100-500 tonnes, depending on each company's capacity. Bangladesh Commerce Ministry has, however, come up with conditions for the shipments. These include minimum export price ($1.6/kg), quantity limit, ban on quota transfer and a likely curb at anytime of exports. Bangladesh suspended exports of rice in October 2023 when the country faced food crisis due to weather challenges, mainly floods. The interim government decided to permit exports in January. Dhaka began exporting aroma rice from 2009-10. It was exported to nearly 140 countries, including Europe, the US and the UAE, before shipments were suspended.

<u>*Indian farmers bought record 655.94 lakh tonnes fertilizers in FY25</u>

India's fertilizer consumption saw a marginal one per cent rise against the estimated demand in FY24-25, despite a record 9 per cent jump in sales compared to last year. The surge is sales is attributed to the supplies of di-ammonium phosphate (DAP), Muriate of Potash (MOP), and Complex, though these could not fully meet farmers' expectations. According to the latest official data, sales of urea reached 387.92 lakh tonnes (lt) during last fiscal, marking an 8.4 per cent increase from 357.81 lt in 2023-24. Sales of Muriate of Potash were up 33.9 per cent to 22.02 lt from 16.44 lt, and Complex (combination of all nutrients) saw 28.2 per cent increase to 149.72 lt from 116.8 lt. However, sales of di-ammonium phosphate dropped to 96.28 lt from 109.74, mainly due to scarcity till mid-November 2024.These total sales of fertilizers stood at an all-time high of 655.94 lt in FY25, as against 600.79 lt in FY24, up by 9.2 per cent. The previous high was 621.91 lt in 2020-21 during Covid pandemic. However, when sales were analysed against estimated demand, it was found that a minimal one per cent rise has been reported as total 649.44 lt of fertilizers were required as per the States' estimates of consumption for 2024-25 — which included 321.45 lt in Kharif and 327.99 lt in Rabi season. Only sales of urea were 6.6 per cent higher from estimated demand of 364.01 lt during FY25, whereas DAP consumption dropped 14 per cent from 111.92 lt of demand, that of MOP and Complex dipped 1 per cent each from their respective demand estimates of 22.21 lt and 151.29 lt. Import of urea, controlled by the government, was recorded at 56.47 lt during April to March (2024-25) as against 70.42 lt year-ago, a fall of 19.8 per cent. There was record import of urea at 98.28 lt during 2020-21. Import of overall fertilizers also dropped 9.7 per cent to 152.22 lt from 168.49 lt, in which DAP dipped 17.1 per cent to 45.69 lt from 55.14 lt. But, MOP import surged 29.8 per cent to

27.34 lt from 21.06 lt and complex rose 3.9 per cent at 22.72 lt from 21.87 lt. Production of all fertilizers was up by 2.9 per cent at 517.83 lt in FY25 as against 503.31 lt in the previous year, which included urea at 306.67 lt (against 314.07 lt in FY24), DAP 37.68 lt (42.93 lt), Complex 113.29 lt (95.48 lt), Single Super Phosphate (SSP) 52.43 lt (44.45 lt) and Ammonium Sulphate 7.76 lt (6.38 lt).Against 120 lt of installed SSP capacity by 101 units, the production has not been moving up and is around 50-55 lt per annum in past many years, which the industry attributed to low preference by farmers vis-a-vis DAP.

Table of Fertilizer Sales, Imports, and Production (FY 2024-25)

Category	Sales (Lakh Tonnes)	Previous Year Sales (Lakh Tonnes)	Change (%)	Estimated Demand (Lakh Tonnes)	Import (Lakh Tonnes)	Production (Lakh Tonnes)
Total Fertilizers	655.94	600.79	9.2%	649.44	152.22	517.83
Urea	387.92	357.81	8.4%	364.01	56.47	306.67
Muriate of Potash (MOP)	22.02	16.44	33.9%	22.21	27.34	Not Specified
Di-Ammonium Phosphate (DAP)	96.28	109.74	-12.3%	111.92	45.69	37.68
Complex Fertilizers	149.72	116.80	28.2%	151.29	22.72	113.29
Single Super Phosphate (SSP)	Not Specified	Not Specified	Not Specified	Not Specified	Not Specified	52.43
Ammonium Sulphate	Not Specified	Not Specified	Not Specified	Not Specified	Not Specified	7.76

This summary and table provide a comprehensive overview of the trends in fertilizer consumption, sales figures, imports, and production in India for FY 2024-25.

*Indonesia to step up monitoring of aflatoxins in Indian peanuts, wheat

Indonesia is stepping up monitoring of high aflatoxin levels in peanuts and wheat imported from India. The Indonesian Quarantine Authority (IQA) has registered 17 food testing labs in mid-April to conduct testing on agri-products exported from India. The approved laboratories have been advised by APEDA to strictly follow the procedures for the export of peanuts and peanut products concerning the criteria, requirements, and procedure to be followed for sampling, analysis and shipment stuffing. The laboratories may adhere to the maximum level of aflatoxin set by Indonesia in addition to requirements such as pesticide residues, heavy metals and microbiological parameters for export of agri products, APEDA said in an advisory. Agri products account for a fifth of India's total annual exports to Indonesia, which are valued at around $5 billion. Oilseeds, including peanuts, make up over a quarter of the total agri-shipments valued at around a billion dollars to Indonesia. Oilseeds are the largest agri produce exported to Indonesia, with shipments in value terms estimated at close to $273 million, followed by meat, dairy and tobacco, among others, in the April-February period of 2024-25. According to APEDA, the IQA has conveyed that due to the recurring non-compliances reported in previous years on exceeding levels of aflatoxin in peanuts it will enhance its monitoring program on Indian products exported to Indonesia, particularly groundnuts and wheat. IQA will be increasing the inspection frequency to at least 50 per cent.

*Marathwada recorded 32% increase in farmer suicides in 2025

The Marathwada region in Maharashtra recorded 269 cases of farmer suicides between January and March, reported PTI on Tuesday, quoting a report from the divisional commissioner's office.

This marks a 32% increase in such deaths as compared to the same period in 2024, when 204 farmer suicides were reported.

Among the eight districts in the region, Beed saw the sharpest rise in cases. While 71 farmer suicides were reported in the district in the first three months of 2025, the number was 44 in 2024.

In Chhatrapati Sambhajinagar, 50 farmers died by suicide between January and March, followed by 37 in Nanded, 33 in Parbhani, 31 in Dharashiv, 18 in Latur, 16 in Hingoli and 13 in Jalna.

The region in central Maharashtra experiences water scarcity due to low rainfall and monsoon variability.

Since 2001, Maharashtra has recorded 39,825 farmer suicides. Of these, 22,193 were related to the agrarian crisis in the state.

The crisis is a result of low crop yields, debt burdens and inadequate means of irrigation.

A district-level committee investigates cases of farmer suicides by considering debt, land ownership and crop failure, to determine if the death was related to the agrarian crisis. If it is determined to be so, families of those who died are eligible for compensation.

*Sugar output down 18 pc to 25.49 mn tons so far in 2024-25

India's sugar production has reached 25.49 million tonnes so far in the ongoing 2024-25 season, down 18 per cent from a year ago, sugar mills body ISMA said . The production fall is attributed to a decline in output in the country's top three sugar producing states of

Maharashtra, Uttar Pradesh and Karnataka.
According to the data released by the Indian Sugar Bio-Energy and Manufacturers Association (ISMA), production in Maharashtra, India's largest sugar producer, fell to 8.07 million tonnes till April 15 of the current season (October-September), from 10.94 million tonnes a year ago. Output in Uttar Pradesh, the country's second top producer, fell to 9.11 million tonnes, from 10.18 million tonnes, while in Karnataka it declined to 4.04 million tonnes, from 5.06 million tonnes in the said period. Out of 534 mills that operated, the crushing operation was on in 38 mills, while the rest were closed.

ISMA said around 3.5 million tonnes of sugar is expected to be diverted towards ethanol production this year, against last year's diversion of 2.15 million tonnes.

*Mandi price of pulses,Oilseeds and Paddy rule below MSP

As the summer season (April-June) has started, mandi prices of pulses, oilseeds, and paddy are ruling below the Minimum Support Prices (MSP), while only wheat and cotton are traded a tad above the benchmark prices, according to data compiled by the government agencies.

Robust kharif and rabi harvest due to adequate normal monsoon rainfall last year and adequate imports especially pulses and edible oils have kept the prices around the MSP. This is despite the government aiming to purchase record volumes of these commodities at MSP under price support scheme (PSS) of agriculture ministry.

With above normal monsoon rains in 2024 helped the crop output and the projection of a surplus monsoon this year this season may keep the prices of essential food commodities stable in coming months.

Retail food inflation had eased for five consecutive months to 2.69% in March as prices of vegetables, pulses and spices declined with winter harvest arriving in the market. The food inflation rate for March 2025 was lowest since November 2021.

The market prices of common variety paddy are currently about 2% below the MSP of Rs 2300/quintal for the 2024-25 season while harvesting of kharif and rabi crops have been completed. The government’s purchase of paddy in the 2024-25 season (October-September) at MSP has been robust 86 million tonne (MT), an increase of over 5% from the 2023-24 season.

Wheat prices currently are ruling just above the MSP of Rs 2425/quintal as arrivals have peaked and a robust harvest prospects is expected to keep market prices around 3% to 5% above the MSP in the coming months, traders said. Cotton prices are about 3.8% above the benchmark at Rs 7389/quintal.

Market prices of pulses varieties such as chana and tur are ruling below the MSP, are harvesting of rabi crops have been nearing completions and overall crop prospects have been above encouraging.

After ruling at elevated levels for two years, the government has approved purchase of over 6 million tonne (MT) of oilseeds – soybean, mustard and groundnut and 5 MT of pulses – tur, chana, urad, masur and moong purchase under PSS in the key growing states for 2024-25 season (July-June).

After record purchase of 3.5 MT of soybean and groundnut in the kharif season, the government agencies have procured 0.34 MT of mustard in the ongoing rabi season so far against sanctioned 2.86 MT.

In case of key vegetables like onion and potato, market prices are ruling significantly below the prices prevailed a year back while tomato prices are at present higher than the prices prevailed a year ago. Onion prices are currently ruling at Rs 1006/quintal, which is 36% less than prices prevailed a year ago.

*India's cotton imports for 2024-25 season seen higher at 33 lakh bales on shrinkage in domestic output

India's cotton imports for the 2024-25 season ending September are seen more than doubling to 33 lakh bales of 170 kg each on further shrinkage in the domestic crop. Last season, India's cotton imports stood at 15.20 lakh bales. The Cotton Association of India (CAI), in its latest projections, has revised upwards the import estimates to 33 lakh bales, up from earlier projections of 30 lakh bales. Till March end about 25 lakh bales are estimated to have arrived at the Indian ports. The upward revision in imports is on expectations of lower than estimated domestic production even as the consumption is seen flat. The trade body expects a shrinkage in the domestic crop further and has lowered its projections by 4 lakh bales to 291.30 lakh bales of 170 kg each, mainly on lower production in Maharashtra. Earlier the trade body had projected an output of 295.30 lakh bales. The decline in projections is on account of lower output in Maharashtra, where the production is seen declining by 5 lakh bales compared to the earlier estimates, while in Telangana the output is seen higher by 1 lakh bales.CAI has estimated the total cotton supply till the end of March including the imports at 306.83 lakh bales. This includes the imports of 25 lakh bales of 170 kg each and also the opening stocks of 30.19 lakh bales. For the 2024-25 season ending September, CAI has maintained the consumption at 315 lakh bales, same as estimated previously. Consumption till March end is estimated at 170 lakh bales. Exports till March 31 are estimated at 9 lakh bales. Stocks at end of March are estimated at 127.83 lakh bales including 27 lakh bales held by the mills and the remaining 100.83 lakh bales with CCI, Maharashtra Federation and the trade. Cotton exports for the 2024-25 season are pegged at 16 lakh bales, lower by 12.36 lakh bales over previous year's 28.36 lakh bales, the trade body said. The closing stock for 2024-25 season at end of September 2025 is estimated lower at 23.49 lakh bales from same period last year's 30.19 lakh bales.

*Kashmir's poultry sector in crisis amid policy shifts and price pressures

Kashmir's poultry industry is facing a serious downturn, leaving thousands of local farmers struggling to stay afloat. Once touted as a thriving sector, the poultry sector is now under severe stress as producers grapple with a declining market for locally raised birds and growing competition from outside the region. According to the Kashmir Valley Poultry Farm Association (KVPFA), local poultry production, which once met around 85 per cent of the region's demand, has now slumped to barely 20 per cent. The decline began in 2020, following the government's decision to abolish the toll post at Lakhanpur—the main entry point for surface transport into Jammu and Kashmir—and to remove toll taxes on imported poultry. Before that, the government levied a State tax of ₹9 on each bird. According to official data, around 1.50 crore dressed chicken are consumed annually in the Valley. The Kashmir Valley is home to around 8,000 poultry units, providing direct or indirect livelihood to nearly 4 to 5 lakh people. However, cheap poultry imports from outside the region now threaten these livelihoods, undercutting local producers and destabilising the once-thriving sector. According to the Animal Husbandry Department, Jammu and Kashmir, the region has a poultry population of about 22 to 23 lakh, of which nearly 25 per cent comprises improved varieties. Broiler farming has seen rapid growth, with an estimated 5 to 7 lakh broilers raised by private farmers every month—equivalent to 5 to 7 lakh kilograms of poultry meat entering the market monthly.

*Country's crude soyabean oil imports double to 1.91 mn tonnes: SEA

India's import of crude soyabean oil more than doubled to 19.11 lakh tonne in the first five months of current oil marketing year ending October 2025, according to edible oil industry body SEA.

The Solvent Extractors' Association of India (SEA) data showed that the country imported 19,11,420 tonne of crude soyabean degummed oil during November 2024 and March 2025 period as against 8,82,943 tonne in the corresponding period of the 2023-24 marketing year.

Edible oil marketing year runs from November to October. In case of crude soyabean degummed oil, India mainly imported from Argentina, Brazil and Russia.

Imports from Argentina jumped to 12,16,291 tonne from 4,50,602 tonne. Shipments of crude soyabean oil from Brazil fell marginally to 3,27,936 tonne from 3,29,843 tonne.

Shipments from Russia too jumped at 1,62,347 tonne during November 2024-March 2025 from 41,497 tonne in the corresponding period of the preceding oil marketing year.

Overall, India's total edible oil imports fell marginally to 56,39,677 tonne in the period from 57,65,232 tonne a year.

Sharp jump in imports of crude soyabean oil was offset by drop in imports of crude and refined palm oil. Imports of crude palm oil declined to 17,23,721 tonne from 25,96,304 tonne. The inbound shipments of crude sunflower declined to 13,12,701 tonne from 13,52,451 tonne. Imports of refined palmolein dipped to 6,62,890 tonne from 8,86,607 tonne. During November 2024-March 2025, Indonesia exported 8,61,362 tonne of CPO and 5,70,981 tonne of RBD palmolein.

Malaysia exported 7,31,870 tonne CPO and 82,102 tonne of RBD palmolein to India, the data showed.

***India's vegetable oil prices jump 17% in March after import duty hike; industry flags Nepal imports**

While Indian consumers are currently enjoying a significant dip in overall retail inflation, which has unexpectedly plummeted to a five-year low of 3.34% in March, a closer look reveals a concerning trend in the edible oil sector. Vegetable oil prices have surged by 17% year-on-year, a direct consequence of the government's strategic decision to hike import duties on crude vegetable oils. This policy, intended to bolster domestic oilseed cultivation, has sparked concerns within the industry about a surge in duty-free imports from Nepal that could undermine these efforts and distort the market.

Despite the overall cooling of prices, largely driven by a substantial drop in food inflation (down to 2.69% in March), the sharp increase in vegetable oil prices is notable given its roughly 4% weightage in the Consumer Price Index (CPI), encompassing both rural and urban consumption. While the low overall inflation offers immediate relief and potentially sets the stage for monetary policy easing, the volatility in edible oil prices, heavily influenced by government policies and international trade, presents a complex picture for future inflation trends, especially with the upcoming monsoon season being a crucial factor for overall food prices.

Currently, domestic mustard and soybean prices are trading slightly below MSP, with the mustard harvest approaching. Given that India imports around 60% of its edible oil needs, global prices, tariffs, biodiesel policies, and the upcoming monsoon will all play a crucial role in shaping market dynamics.

However, the IVPA has raised a red flag regarding a dramatic increase in duty-free edible oil imports from Nepal under the South Asian Free Trade Area (SAFTA) agreement. In a formal representation to government departments, the association highlighted that imports from Nepal have surged to over 1.80 lakh metric tonnes between January and March 2025, a significant jump from the 1.25 lakh tons imported throughout the entire year of 2024. Notably, a substantial portion of last year's imports arrived after the Indian duty hike, suggesting a potential rerouting of soya imports via Nepal to take advantage of the zero-duty access.

The IVPA argues that this influx, exceeding Nepal's domestic production capacity, raises serious questions about the enforcement of Rules of Origin and the possibility of third-country routing. This is creating an uneven playing field for Indian processors and refiners, impacting farmgate oilseed prices and leading to underutilized domestic capacity. The association also fears that this trend is weakening market sentiment, leaving farmers receiving below MSP despite the increased import duties. The situation also carries fiscal implications, potentially leading to revenue loss and undermining the intended benefits of agricultural development cesses.

The current scenario in India's edible oil sector presents a complex interplay of government policy, international trade dynamics, and the overarching goal of self-sufficiency, all set against a backdrop of surprisingly low overall inflation. The coming months will be crucial in observing how these factors evolve and ultimately impact both consumer prices and the agricultural economy.

*India's vegetable oil stocks drop to three-year low on lower palm imports

Vegetable oil inventories in India fell to its lowest level in more than 3 years as palm oil imports in March stayed below average for the fourth straight month, a leading trade body said on Friday.

Depleted stocks could force the world's biggest buyer of vegetable oils to increase imports of palm oil and soyoil in the coming months, supporting Malaysian palm oil prices and US soyoil futures.

Vegetable oil stocks at the start of April 1 fell 11.3 per cent from a month ago to 1.67 million metric tons, the lowest since December 2021, the Solvent Extractors' Association of India (SEA) said in a statement.

Palm oil imports in March rose about 14 per cent from the previous month to 424,599 metric tons, the SEA said.

India imported an average of more than 750,000 tons of palm oil each month during the marketing year that ended in October 2024.

In the first five months of the 2024/25 marketing year ending in October, palm oil's share of India's total vegetable oil imports fell to 43 per cent from 61 per cent, while the combined share of soybean and sunflower oil rose to 57 per cent from 39 per cent.

Palm oil's premium over soyoil led Indian buyers to reduce palm oil purchases and increase soyoil buying in the past few months.

Imports of soyoil rose 25 per cent to 355,358 tons in March, while sunflower oil imports fell about 16 per cent to 190,645 tons, the lowest in six months, it said.

Total vegetable oil imports rose 11 per cent to 998,344 million tons, the statement added.

The country's imports in April is likely to rise marginally as purchase of palm oil and sunflower oil are expected to increase in the month, said Rajesh Patel, managing partner at GGN Research, an edible oil trader.

India buys palm oil mainly from Indonesia and Malaysia, while it imports soyoil and sunflower oil from Argentina, Brazil, Russia and Ukraine.

*MSP purchase of oilseeds, pulses sluggish

As the arrivals of rabi crop peak, the mandi prices of mustard and chana are firmly ruling around minimum support price (MSP) leading to sluggish procurement by government agencies.

Trade sources told that the market prices of mustard at Bharatpur, Rajasthan, the hub of the wholesale trade in oilseed variety was quoted at Rs 5974/quintal against the minimum support price (MSP) of Rs 5950/quintal for 2024-25 rabi season. Average mandi prices of key oilseed in major producing states is currently ruling at Rs 5828/quintal against Rs 5188/quintal prevailed a year ago.

Similarly in case of chana, which has a share of 50% in India's pulses output, average market prices are ruling at Rs 5705/quintal against the MSP of Rs 5650/quintal despite a robust rabi crop prospects.

Under the price support scheme (PSS) of the agriculture ministry, the government agencies – Nafed and NCCF have purchased only 0.31 million tonne (MT) and only 16,670 tonne of mustard and chana so far against the sanctioned volume of 2.82 MT and 2.79 MT respectively for 2024-25 season for the key producing states including Haryana, Madhya Pradesh, Rajasthan, Uttar Pradesh, Gujarat and Assam

For mustard, while trade had projected a production of 11.52 MT in 2024-25 season while the agriculture ministry has estimated the output of oilseed variety at Rs 12.87 MT.

In the 2023-24 season, the government agencies had purchased 1.2 MT of mustard from the farmers in Haryana, Madhya Pradesh, Rajasthan and Uttar Pradesh.

PSS, a component of PM-AASHA is implemented when the market prices of notified pulses and oilseeds and copra fall below the MSP during peak harvesting period to provide the remunerative price to the farmers.

To boost domestic production through providing incentives to the farmers and reduce the dependence on import, the existing procurement ceiling of 25% on tur, urad and masur under PSS had been lifted for 2023-24 and 2024-25 seasons.

India imports 15% to 18% and 58% of its annual pulses and edible oil consumption respectively.

***Cotton may lose ground to maize in central India this kharif**

Cotton stakeholders see the natural fibre crop losing ground in Central India, the largest producing region, to competing crops such as maize in the upcoming kharif season. The area under cotton is seen to be lower by about a tenth in the season ahead as declining yields over the years have hit the realisations. Cotton Association of India (CAI) - the apex trade body for the fibre crop, said a decline in the acreage will likely be seen in Maharashtra and Gujarat. Farmers in Gujarat will shift from cotton to groundnut and in Maharashtra from cotton to maize. Cotton prices have largely remained subdued and trended below the minimum support price levels for most part of the ongoing 2024-25 season. The main reason for the subdued price was the muted demand from the spinning mills and also factors such as a bearish trend in global prices influencing the local prices. As a result of weak prices, State-run Cotton Corporation of India’s purchases at MSP exceeded one crore bales (of 170 kg each) during the season, accounting for a third of the total output.The planting for the kharif 2025-26 has just begun in the northern parts of the country and also in the extra long staple growing belt of Karnataka. Maize area may increase in the upcoming kharif by anywhere between 5 and 10 per cent. Farmers intend to increase the maize area because of the MSP from the government and also due to assured sales because of the ethanol demand, he said. Maize is seen gaining area from cotton and also from soyabean in Central India.

***Trump’s tariffs may impact rubber industry**

The All India Rubber Industries Association has raised concern over the 26 per cent import tariff currently imposed on Indian rubber goods entering the US market. This puts the industry at a serious disadvantage, especially when compared to Turkey, which faces only a 10 per cent tariff, and Vietnam, which enjoys zero tariff under its trade agreement with the US. These disparities are likely to result in the US market being increasingly dominated by cheaper imports from Turkey and Vietnam, severely undercutting Indian exporters. Buyers in the US have already advised us to suspend production temporarily, as they aim to clear existing stock first. There will be fresh demand only once those inventories are exhausted, but by then, the pricing gap could further strain our foothold in this critical market.

***India's shrimp exports to US seen badly hit due to high reciprocal tariffs**

Even though high reciprocal tariffs levied in the US by the Donald Trump Administration are likely to put a dent on exports of some Indian agricultural products, such as shrimps, going forward, several experts say the fact that the tariffs are still lower as compared to many of India's competitors might signal that all is not lost.

India exported around $1.9 billion worth of seafood to the US in the financial year 2023-24 (FY24). Bulk of India's seafood exports to the US is in the form of "Vannamei Shrimp", and some estimates said that in FY24, almost 41 per cent of India's shrimp exports went to America, which was by far one of its largest markets

Till now, the maximum tariff imposed by the US on shrimp exported from India was around 8 per cent, which, following the new tariff of 27 per cent, could go up to 45 per cent after adding countervailing duty (CVD), etc., trade sources said.

Seafood is one of India's largest agricultural exports after basmati rice and buffalo meat.

Among other agricultural items that are exported in a big way, basmati rice is a prominent one and the US buys around 300,000-350,000 tonnes of the rice variety from India every year.

Other items, such as oilseeds, castor oil, processed fruits, spices, and cashew, could also see a drop in exports because of high prices and shift towards Brazil whose tariff is relatively lower than India. But when it came to seafood and basmati rice, experts didn't foresee any long-term negative impact of the tariffs.

But seafood industry players reacted negatively to the news of the tariff hike, with shares of most major listed companies falling sharply.

India, experts said, might now start looking at markets such as China, Europe, and West Asia for its shrimp exports.

* The crisis in India's cotton production

India's cotton economy isn't in great shape. This, despite the advantage the country has as a producer of the natural fibre and its textile exports facing only 27% duty – as against China's 54%, Vietnam's 46%, Bangladesh's 37%, Indonesia's 32% and Sri Lanka's 44% – under US President Donald Trump's "reciprocal tariff" policy.

The cause for concern is production

India's cotton output in the 2024-25 marketing year (October-September) is projected at just over 294 lakh bales (lb; 1 lb=170 kg), the lowest since the 290 lb of 2008-09. Production has been on a declining path since the peak of 398 lb in 2013-14 . A fall from almost 400 lb to under 300 lb can even be termed catastrophic.

The cultivation of genetically modified (GM) cotton hybrids – incorporating alien genes isolated from a soil bacterium, *Bacillus thuringiensis* or Bt – had led to not only a near-trebling of production (from 136 lb to 398 lb), but also a 139-fold jump in exports (from 0.8 lb to 117 lb), between 2002-03 and 2013-14.

Subsequently, however, exports have dipped even as imports have risen. India's cotton imports this year, at 30 lb, are slated to surpass its exports of 17 lb .

Trump's new tariff to affect basmati rice export from Punjab, likely to benefit Pakistan

The 26 percent tariff imposed by US President Donald Trump will directly hit the basmati rice export from India.

It is likely to affect Punjab, the highest producer of Basmati rice in the country, with a total of 40 per cent production followed by Haryana and other states.

The tariff could have a cascading effect on both the exporters and farmers in the State.

In the 2023-24 fiscal, 3.08 lakh metric tonnes of basmati rice was exported to the US. A total of 59.42 LMT of basmati rice was exported from the country, and 3.15 LMT was exported to US in 2023-24.

Now, many shipments headed to the US face uncertainty following the new duties imposed.

Out of the total exports, basmati rice is mainly exported to five countries: 7 LMT to Iran, 11 LMT to Saudi Arabia, 8 LMT to Iraq, 3 LMT to Yaman and 3 LMT to US and remaining to other countries.

The value of our currency is Rs 85.50 per US dollar and that of Pakistani rupee is Rs 280 per US Dollar. As the Pakistani currency is already devalued against the US dollar, the exporters of the neighbouring country will directly benefit.

The issue of 'pesticide residue' has also been haunting the basmati exporters with several countries, including the EU, USA and others who had lowered MRL's (Minimum Residue Level), curtailing exports from Punjab.

In the last four years, 50 per cent of crushing is done in Punjab besides Haryana, Madhya Pradesh, Rajasthan and Uttar Pradesh. The number of units doubled in Punjab from 80 units previously, to 210 units now. Since 1991, basmati has shifted from a local delicacy to a cash crop, with exports surging 37 times its previous total value.

Now, basmati rice is grown in 6.71 lakh hectares in the state.Between 2013 and 2024, basmati accounted for one third of India's total rice exports and brought in more than 50 per cent of India's total export revenue from rice.

*Edible oil industry calls for action on Nepal imports

Even as India faces exorbitant tariffs from the United States, it faces another tariff challenge from an unlikely source - Nepal. The Indian Vegetable oil Producers' Association (IVPA) said the duty-free import of edible oil from Nepal is posing a serious challenge to domestic players. IVPA has asked the Government to impose bank guarantees equivalent to the applicable duty differential from the importers to ensure compliance with Rule of Origin guidelines .Further, IVPA has sought an increase in the Agriculture Infrastructure and Development Cess (AIDC) on refined oil from 5 per cent to 10-15 p.c., channelise Nepalese imports through agencies like NAFED, and cap import volumes to restrain and regulate the imports from across the border. Under the SAFTA (South Asia Free Trade Area) Agreement and the India-Nepal Trade Treaty, vegetable oil imports from Nepal enter the Indian market without tariffs. This duty-free access has resulted in a significant rise in refined soybean and palm oil imports from Nepal. As a consequence, the industry alleges that imports from Nepal shot up significantly, far exceeding their base levels (proportionate to the local production) a few years ago. This indicates that exporters in Nepal are rerouting edible oil and flooding the Indian market, seriously threatening Indian producers. The sharp increase in edible oil exports from Nepal to India suggests that other exporting countries are using Nepal as a channel to access India's market with zero-duty benefits. The association cites an example - the baseline export level of Nepal's exports to India in 2018 stood at 16,925 tonnes. "A year later, this had gone up to 2.42 lakh tonnes, and to 2.45 lakh tonnes in 2020. This further rose to 4.9 lakh tonnes in 2021," the industry points out. A year later, Nepal's export of edible oils saw a sudden dip to 2.04 lakh tonnes following a reduction of duties by India. This high-export cycle continued for Nepal from 2024 after India increased its duties, pointing to a rerouting of oil from third-party countries. Currently, the imports from Nepal stand at 60,000 tonnes, taking the aggregate imports for the January-March quarter at 1.8 lakh tonnes. The association wanted the Government to seek a security deposit or bank guarantee equivalent to the applicable duty differential for edible oil imports under the SAFTA. This can be settled after verifying the Rules of Origin (RoO) clause under the agreement. It calls for stricter vigil along the borders to see if the RoO is adhered to.

*Tariffs drag down farmgate coffee prices

The sharp decline in global coffee prices following the panic selling in the financial markets has impacted the domestic farmgate prices, making the trade cautious. Global coffee prices, which declined by about a tenth over the past few days following the Trump administration's move to impose reciprocal tariff, has sent the domestic prices also downward. Prices of arabica and robusta parchment have come down by anywhere between ₹1,000 and ₹2,000 per 50-kg bag. Also, robusta cherry prices have come down from ₹480 per kg to about ₹440. The choppy market has made the trade cautious .Farmgate prices of arabica parchment are now ruling at around ₹26,200-26,800 per 50-kg bag, down from around ₹27,200 levels in the last week of March. Similarly, the robusta parchment is hovering around ₹21,400- 21,800 levels — down from ₹22,200-22,900 levels in March last week. Coffee prices have come down over the past few days following the sharp decline in the terminal prices. It's not just coffee, but whole lot of other commodities have come down. As a result, the buying activity has declined. Meanwhile, the International Coffee Organisation, in its monthly report, said the prices have eased a bit during March amidst increased uncertainty. The ICO Composite Indicator prices (I-CIP) averaged $347.85 cents per pound in March 2025 — a decrease of 1.8 per cent from February 2025. The Colombian Milds and Other Milds' prices decreased by 1.4 per cent and 1.3 per cent, respectively, compared to February 2025 levels. India's coffee exports for the year-ended March 2025 crossed $1.81 billion registering a 46 per cent increase over the previous year's $1.286 billion on surge in prices and global demand. In volume terms, the exports were up 1.56 per cent at 3.89 lakh tonnes for the year.