

Business Line. Dt:- 06/02/24.

Pharma exports touch \$20.40 billion

G Naga Sridhar

Hyderabad

Pharmaceutical exports grew by 8.2 per cent in April-December 2023 at \$20.40 billion compared with \$18.85 billion in the corresponding period of the previous financial year.

"The growth in exports in the first nine months of current financial year was driven by a double-digit growth of the US exports at 11.5 per cent, which pushed up overall exports to NAFTA (US, Canada and Mexico) by 10.4 per cent," R Uday Bhaskar, Director-General, Phar-

maceuticals Export Promotion Council (Pharmexcil) told *businessline*.

Formulations continue to have the highest share in exports at about 73 per cent.

"Exports to the UK are also increasing at 20.5 per cent while the West Asia and North Africa (WANA) region has been witnessing good traction," Bhaskar said.

RUSSIAN EXPORTS FALL

Russia, however, remains a concern as it is witnessing steady fall in exports and dropped to 10th position from 7th in previous years. "The government and

Pharmexcil are currently working on a host of measures to push up exports to Russia further," the official said.

Though earlier estimates peg the full year (FY24) exports at \$27 billion, with the increased pace of exports especially from October onwards, the total exports are expected to touch \$28-billion mark. In FY23, pharma exports were at \$25.3 billion. NAFTA (USA, Canada and Mexico), Europe and Africa are the country's three major regions for pharma exports. These three regions together account for almost 69 per cent of total pharma exports.

Business Line, Dt: 07/02/24.

EID Parry posts Q3 net loss of ₹14 crore on export restrictions

Our Bureau

Chennai

Murugappa Group company EID Parry India Ltd has reported a loss of ₹14 crore on a standalone basis for the December quarter compared with a net profit of ₹16 crore in the year-ago quarter.

Standalone revenue from operations stood at ₹668 crore in Q3 of this fiscal (₹725 crore). The company reported a loss before tax and exceptional items of ₹20 crore as against a profit before tax and exceptional items of ₹21 crore last year.

SEGMENT-WISE SHOW

The operating performance of the sugar segment for Q3FY24 was lower compared with last year on account of a



NOT-SO-SWEET SHOW.

Cane crushed for the quarter has been slightly lower than the year-ago period BUJOY GHOSH

reduction in export volume due to restrictions imposed by the government, partially offset by the increase in domestic volume and realisation, said S Suresh, Managing Director.

Cane crushed for the quarter has been slightly

lower than the year-ago period and the sugar recovery has marginally reduced due to prevailing climatic conditions, he added.

However, distillery profitability in the quarter was better on account of the volume benefits flowing from expansion and better realisation. The full benefits of expansion have not flown in the quarter due to a change in government policy on syrup ethanol/B Heavy Ethanol. The standalone nutraceuticals segment has registered a loss during the quarter on account of the continuing certification issues in Europe.

The company's Board, at the meeting held on Tuesday, approved the reappointment of S Suresh as the Managing Director of the company from August 1, 2024, to April 15, 2026.

Business Line Dt: 07/02/24

Fall in exports to Iran brews trouble for Indian tea producers

V Sajeev Kumar
Kochi

The drop in Iran's tea imports by around 62 per cent is likely to have a major impact on the shipments from India, which is the major supplier to the Islamic Republic.

Iran Customs Administration report says the value of Iran's tea imports in the first 10 months of the Iranian calendar year (March 21, 2023-Jan 20, 2024) declined 62 per cent compared with the same period a year ago. Iran's market constitutes nearly 21 per cent of the total tea exports from India and the decline in off-take reportedly due to the payment crisis has put Indian exporters in a precari-

ous situation. Dipak Shah, Chairman, South India Tea Exporters Association said the decline in shipments resulted in exporters holding stocks of certain grades of orthodox tea grades preferred by Iran and are not consumed in the Indian domestic market. At the same time, exports to other overseas destinations such as Iraq, Tunisia, Russia are doing well. However, the issues with regard to pesticides have brought down the volume of exports to Europe.

Orthodox teas are fetching better prices in the range of ₹150-200 in the export market, while that of CTC grades are ruling at ₹90-95.

C Sreedharan, Upasi President, emphasised the need



PAYMENT CRISIS. Iran's market constitutes nearly 21% of the total tea exports from India

for increased engagement between the Indian government and foreign counterparts for smoothing the trade pathways and boosting market access. He suggested integrating trade concerns in government-level dialogues

with key export destinations like Iran and Saudi Arabia and other destinations to open new market opportunities. The Indian tea exports during Jan-Oct 2023 was 3.06 million kg, lower at 182.69 million kg mainly on

account of lower intake by some important destinations such as Iran, whose imports dropped by 15.7 million kg, Russian Federation who imported 5.51 million kg less and UAE which saw a drop of 4.5 million kg. However, there were noticeable improvements in exports to Iraq at 16.8 million kg and Turkey at 4.27 million kg.

SOUTH INDIA EXPORTS

South Indian exports during 2023 [Jan-Oct] was marginally higher by 2.2 million kg during the current period. However, for the region which used to export nearly 50 per cent of India's production and 50 per cent of the total Indian exports, has declined now to 36 per cent.

BLAME IT ON WEAK DEMAND IN US...

The Economic Times Dt: 09/02/24

Diamond Exports Fell 32% in Dec

Demand for plain gold jewellery rose in Middle East, Australia

Sutanuka Ghosal

Kolkata: India's diamond exports to the US have fallen amid a slump in demand following the Federal Reserve's decision not to cut interest rates, which traders said dampened consumer sentiment. Purchasing power of US consumers remains muted as interest cost stays high, they said, although the holiday season saw a short-lived uptick in sales.



On the contrary, demand for plain gold jewellery has picked up in West Asia and Australia, especially as a safe haven asset at a time when geopolitical tensions are increasing.

India's total exports of plain

gold jewellery in December 2023 stood at ₹4,983.6 crore, up 82.17% as compared to ₹2,735.62 crore a year ago. However, exports of cut and polished diamonds fell 32% year-on-year during the month.

"Unless the Fed cuts the rate, the recovery of diamond sales in the US is unlikely. But plain gold jewellery exports will go up as it (gold) is seen as a hedging tool during the time of risk," said Vipul Shah, chairman, Gem & Jewellery Export Promotion Council (GJEPC). Since March 2022, the Fed has increased rates 11 times to curb inflation, which had surged at the quickest rate in decades. The US accounts for almost 50% of the total diamond exports from India.

In the first nine months of 2023-24, India's total exports of cut and polished diamonds amounted to ₹98,638.48 crore, down from ₹1,32,075.49 crore a year ago.

"It is not only the Fed rate that is hurting the sentiment

of US consumers. Elections are also going to be held in the country, which is impacting the sales of diamonds. There is no good news overall in the market," said Colin Shah, managing director, Kama Jewellery. He said the demand situation in the US will not improve for the entire 2024. At the same time, the Israel-Hamas and Russia-Ukraine wars have spurred demand for plain gold jewellery.

"Gold has become a safe haven asset now. Also, Indian jewellers are reaping the benefits of the Comprehensive Economic Partnership Agreement with the UAE, leading to a surge in exports," said Vipul Shah of GJEPC.

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Garlic prices elevated due to lower output, robust exports

SANDIP DAS

New Delhi, February 11

THE RETAIL PRICES of garlic have risen sharply in several cities because of lower output because of inadequate monsoon rains and robust exports.

Retail prices have touched ₹500/kg in several cities, which is double of what prevailed a year ago. A month ago, retail prices were ₹300-350/kg.

“Mandi prices have been currently ruling a record around ₹35,000/quintal. Prices have been high since July because of a spike in exports and lower kharif harvest,” Avinash Rathi, president, Bhamasha mandi, Kota, Rajasthan, the hub of the country’s garlic trade, told FE.

However, traders say prices are likely to come down by the

Retail inflation in garlic

y-o-y change (in %)



Source: MoSPI

end of next month as the rabi harvest is set to arrive in the market by March 15.

Wholesale prices of garlic are currently ruling at around ₹350/kg at Azapur, Delhi mandi, one of the biggest vegetable markets in Asia.

“In anticipation of higher prices, farmers have sold their kharif harvest in the last few months. Thus supply is currently tight,” said Kama bhai, a trader from Rajkot, Gujarat.

Trade sources said garlic production in 2023-24 season is likely to be around 3.7 million tonne (MT) against 3.36 MT in the 2022-23 season. In 2021-22, it was estimated at 3.52 MT.

According to the Spices Board, exports of garlic in the first six months of this fiscal were up 110% on year at a record 56,823 tonne. Lower output in China resulted in record exports in FY23 at 57,346 tonne. China contributes around 75% of the global garlic output, at over 23 MT. India is the second biggest producer with an annual output of 3.3 MT.