Business line. Dt:- 18/03/25

Sugar exports may fall short of Centre's 1 mt quota

Our Bureau

New Delhi

India exported 0.15 million tonnes (mt) of sugar as of March 11 out of the 1 mt quota the government allocated to mills to ship by September 30, the All India Sugar Trade Association (AISTA) said. While the low level of shipments has been attributed to high domestic prices of sugar, actual exports may fall below the quota as the pace of movement is unlikely to improve, industry sources said.

"As per provisional data sourced from Dr Amin Controllers of Mumbai, the position on physical sugar dispatches from sugar mills to ports and export of sugar in the current sugar season 2024-25 as of March 11 stands at 150,834 tonnes," AISTA said in a statement.

Of this, 81,307 tonnes of white/refined and raw sugar have already been exported by mills and merchant exporters while 69,527 tonnes are waiting to be loaded or are under loading, it said. Over 79 per cent of the exports have reached Sri Lanka, Afghanistan, Djibouti and the UAE.

CRUSHING SET TO END

Meanwhile, the National Federation of Cooperative Sugar Factories (NFCSF), another sugar industry body, said sugar production had declined 16.13 per cent to 23.71 mt between October 1, 2024, and March 15, 2025, creating challenges for the government's export policy.

It expressed concern over the "ambiguity" in the sugar production number as the 2024-25 sugarcane crushing season (October-September) nears its end with a significantly lower output than initially projected.

"One section of the industry submitted an estimate of 33.3 mt of sugar production to the Centre. Based on that, the government started formulating its policies," the NFCSF said.

It further said that after permitting 1 mt of sugar for export in January 2025 based on the initial production estimate, the country faces a supply-demand mismatch as the actual production figures trend lower.

According to NFCSF data, production in Maharashtra, India's second largest sugar producer, fell to 7.86 mt till March 15 in the current season, from 10.04 mt in the year-ago period. Output in Uttar Pradesh, the largest producer, also dipped to 8.09 mt from 8.85 mt, while Karnataka's production declined to 3.91 mt from 4.95 mt. Maharashtra, Uttar Pradesh and Karnataka have a combined share of 80-85 per cent in India's sugar output.

NFCSF President Harshvardhan Patil said that the crushing season across most States would conclude by March-end, while mills in Uttar Pradesh would operate until mid-April.

Expressing concern over the shortened crushing period, particularly in Maharashtra where the season lasted only 83 days against the economically viable duration of 140-150 days, Patil said that the mills in the State stare at a huge financial trouble this year.

"It is very difficult to correlate expenses of 365 days and load it on a 83-day season," Patil said.

SBI RESEARCH REPORT

The Economic Times. Dt:- 18/03/25

Exports to US may Decline 3-3.5%, Diversified Trade Kitty a Buffer

Our Bureau

New Delhi: India's exports to the United States could decline 3-3.5% after imposition of reciprocal tariffs by the Trump administration, which should be negated through increase in both manufacturing and services exports, SBI Research said on Monday.

This, it said, would be driven by India's diversified exports kitty, value addition, alternative areas and new routes that transcend from Europe to the US via West Asia, redrawing new supply chain algorithms.

"We estimated the decline in exports in the range of 3-3.5% which again should be negated through higher export goals across both manufacturing and services fronts," SBI Research said, adding that India stands to gain in an increasingly uncertain world of tariffs.

India has a $13 million trade deficit in aluminium and $406 million in steel with the US and can potentially take advantage of this. India is among the top 10 sources for aluminium for the US but its share declined to 2.8% in 2024 from 3% in 2018.

India is negotiating a free trade agreement (FTA) with the UK, Canada and the European Union, targeting sectors such as services, digital trade and sustainable development.

"The shift towards regional supply chains and the impact of geopolitical changes, such as the US tariff war are influencing India's FTA strategies to ensure alignment with global trade dynamics," SBI Research said.

The FTA with the UK alone is expected to increase bilateral trade by $15 billion by 2030. Future FTAs are likely to focus on enhancing digital trade, with projections indicating that the digital economy could add $1 trillion to India's gross domestic product by 2025.

Business Line. Dt:- 19/03/25

LNG imports from US at record 7.25 BCM in 2024

Rishi Ranjan Kala
New Delhi

India's imports of liquefied natural gas (LNG) from the US surged to 256.05 billion cubic feet, or roughly 7.25 billion cubic meters (BCM), during 2024 calendar year (CY) — the highest on record.

According to the US Energy Information Administration (EIA), India's LNG imports from the US rose by more than 55 per cent year-on-year (y-o-y) during CY 2024. Compared to 2022, imports more than doubled. More than 15 BCM per year of new sales and purchase agreements were signed in 2024, per the International Energy Agency (IEA).

The previous high was registered in 2021 when India imported 5.56 BCM of LNG from the North American country, which overtook the UAE as India's second largest LNG supplier in 2023 CY, after Qatar. In the same year, the US also became the world's largest LNG exporter, accounting for 21 per cent of the market, followed by Australia and Qatar.

A top government official said that oil and gas volumes from the US will rise "for sure". However, the scope is higher for LNG considering that India generally imports light sweet crude oil from the US (WTI), which yields more petrol.

Logistics and crude costs are the key as Middle East crude freight costs are around $1.50 per barrel, roughly one-third of the US costs.

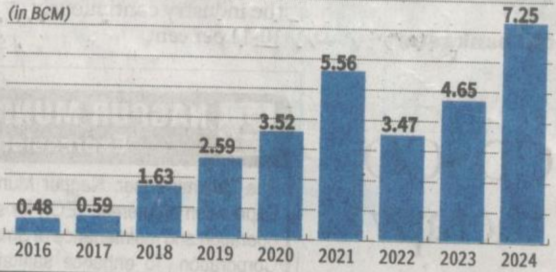
"February's joint statement emphasises on establishing the US as India's leading supplier of crude oil, ethane, petroleum products and LNG. India needs more light sweet crude in line with growing personal vehicles and SUVs. Same with gas and ethane as industry base expands," the official added.

The US is already India's sixth largest energy trade partner, which hit $13.7 billion in FY24. It is also the fifth largest crude oil supplier and the second largest source for LNG. The US accounted for roughly 3 per cent of crude oil and 13-13.5 per cent of LNG imports in FY24.

"First tranche of the bilateral trade agreement is expected in October-December 2025, which will push energy trade. For instance, crude oil can raise the US share to 5-6 per cent. During Covid in FY22, American crude imports hit a high of around 8 per cent. We do not expect the share will go over that for now," a top official with a domestic refiner said.

The official too agreed that LNG has more scope considering the growing requirement for natural gas. "America's share in LNG imports can go up to 17-18 per cent easily. More term contracts can be signed," he added.

LNG imports from US double in 2024



Source: US Energy Information Administration (EIA)

TRADE DYNAMICS

A senior executive with a top oil and gas company said that LNG supplies from the US to India will appreciate further in FY26 as the new US administration views LNG as not just a growth driver, but also a geopolitical lever.

"It's a critical period for global gas market. LNG trade maps will again undergo some change like after the Russia-Ukraine conflict. The US is pushing hard and wants to move deeper into India, Japan, South Korea and Taiwan. Asia is the big game."

"Besides, the trade war, these countries are either negotiating or are going to negotiate term contracts with Gulf Cooperation Council (GCC) countries. This US push will have a bearing on negotiations as prices (spot and long term) will soften in the next 2-3 years, due to excess capacity," he explained.

American LNG imports are more efficient as freight cost efficiencies are better than crude oil. Besides, associated gas production has helped it to export the commodity at competitive terms.

Business Line. Dt:- 19/03/25

Pulses import tops $5-b mark for FY25

DUTY-FREE REGIME. Volume of inbound shipments till February pegged at 62.52 lt on record buys of tur, chickpeas

Vishwanath Kulkarni
Bengaluru

India's pulses import bill has crossed a whopping $5 billion for the current financial year on record purchases of tur (pigeon peas/arhar) and chickpeas (chana or gram) by the largest consuming country in the world.

Per the Commerce Ministry's quick estimates, pulses imports crossed $5.03 billion during the April-February period of fiscal 2024-25 – up 58.75 per cent over $3.17 billion a year ago.

Overall imports during 2023-24 were $3.74 billion and the previous high was $4.24 billion during 2016-17.

In rupee terms, imports during April-Feb 2024-25 were at a record ₹42,629 crore – up 62 per cent over ₹26,318 crore a year ago.

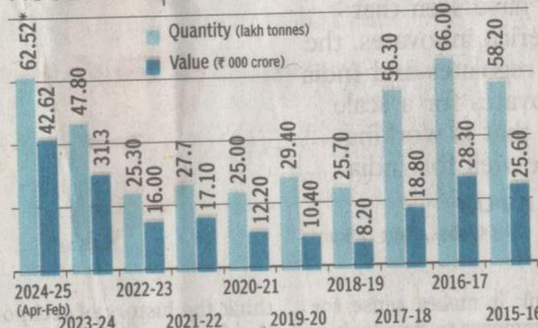
Overall imports stood at over ₹31,071 crore last year.

DUTY-FREE IMPORTS

Official figures in volume terms are yet to be disclosed. However, Igrain India estimates the expected pulses imports during April-Feb at 62.52 lakh tonnes (lt). This comprised record imports of desi chickpeas at 11.46 lt and tur at 11.64 lt in the current fiscal till February. Yellow pea imports during the April-February period are estimated at 20.59 lt and lentils at 11.46 lt and urad at 7.39 lt among others.

Rahul Chauhan of Igrain India attributes the record import bill to the record purchase of tur, which is costlier variety among the range of pulses imported and also due to higher volumes of chickpeas and yellow peas. In volume terms also, imports will be a record this year, Chauhan said.

Record imports



Source: DGCIS, Commerce Ministry, Igrain India * Expected

To boost the domestic availability of pulses amidst a shortfall in production last year, the government removed the duty on imports of chickpeas, tur, urad and yellow peas. The duty-free import window for chickpeas is set to end on March 31, 2025. The duty-free import window for yellow peas was extended by three months recently to May 31, 2025, while duty-free imports of tur and urad are open till March 31, 2026.

PRICES DOWN

Bimal Kothari, Chairman, India Pulses and Grains Association, attributes the record pulses import bill to the government policy of allowing duty-free imports, which has brought down the prices of all pulses below the minimum support price levels. A large quantity of imports of yellow peas was not required and the government could have managed prices by importing lesser quantity, he said.

Kothari said large quantity of yellow peas has been dumped into the Indian market after October 2024, which was absolutely not required.

"The duty-free cheaper imports is hurting farmers very badly and it is also hurting the trade. Only overseas farmers and exporters are benefiting," Kothari said.

Further, the government needs to re-look at the import policy seriously as we are not only losing valuable foreign exchange but allowing free imports is also a setback for the atmanirbharta campaign in pulses, he said.

Business Line Dt:- 19/03/25

Oilmeal exports down 12% during April-Feb of FY25

AJ Vinayak
Mangaluru

The lack of demand for rapeseed meal in overseas destinations and the excessive supply of soyabean meal in the world market impacted the overall export of oilmeals from India.

Data compiled by the Solvent Extractors' Association of India (SEA) showed that India exported 39.33 lakh tonnes (lt) of oilmeals during the April-February period of 2024-25 fiscal against 44.90 lt in the corresponding period of 2023-24, recording a decline of 12.39 per cent.

Total oilmeal exports from India declined to 3.30 lt in February 2025 from 5.15 lt in February 2024.

BV Mehta, Executive Director of SEA, said the export of rapeseed meal plummeted

during April-February 2024-25 due to lack of export demand.

The export price of rapeseed meal, which was $270 a tonne a month ago, declined to $190 on March 17, he said. The price was $285 in March 2024.

India exported 16.82 lt of rapeseed meal during April-February 2024-25 against 20.39 lt a year ago, recording a decline of 17.53 per cent.

Export of castorseed meal declined to 2.74 lt (3.49 lt)

Stating that the export of de-oiled ricebran is banned since August 2023, he said it has seriously hurt the domestic producers in Eastern India.

Following this, the local price of de-oiled ricebran crashed ₹8,500 per quintal from ₹13,500 a year ago.

STATIC SOYAMEAL

India exported 19.40 lt of soyabean meal during April-February 2024-25 against 19.34 lt in the corresponding period of 2023-24.

Soyabean meal exports fell 23 per cent to 10.31 lt in October-February 2024-25 from 13.47 lt a year earlier.

Mentioning that soyameal prices further declined from $380 a tonne a month ago to $360 now, he attributed excessive supply and poor demand globally for the price dip.

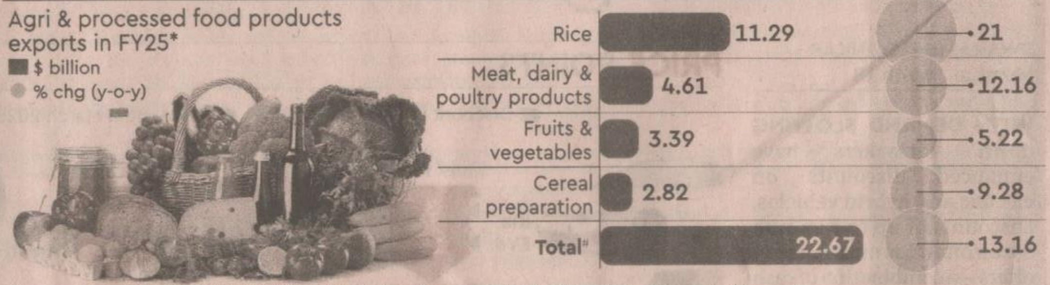
FINANCIAL EXPRESS. Dt:- 19/03/25

Agri & processed food exports rise 13%

• Rice shipments grow 21% as govt removes restrictions

SANDIP DAS
New Delhi, March 18

SOARING DEMAND



*Apr-Feb, target for FY25 $26.56 billion, #including items – cashew, oil meals & other cereals

INDIA'S EXPORTS OF agricultural and processed food products rose by more than 13% year-on-year to $22.67 billion during April-February of the current financial year, mainly driven by a sharp increase of 21% in rice shipments.

According to data provided by the Directorate General of Commercial Intelligence and Statistics, rice exports, including of basmati and non-basmati varieties, in the first 11 months of FY25 increased by 21% to over $11 billion compared with $9.32 billion in the year-ago period.

The government started easing rice export restrictions in September 2024 on prospects of bumper output and significantly higher stocks, around a year after they were imposed. It has since removed all export restrictions, including the minimum export price, on rice shipments.

Exporters say that rice exports in the entire FY25 may see an increase of 15% to surpass a record $12 billion because of a robust global demand.

In FY24, India shipped rice worth $10.41 billion, a decline of 6.5% on year, as shipments were hampered because of restrictions that were imposed to improve domestic supplies.

Trade sources say India's dominance in global rice trade is likely to be restored with a spike in shipments, especially to Africa and Southeast Asian countries. India has been the largest exporter of rice for a decade now.

"With an export target of 5 million tonne in the current financial year for premium basmati rice, India has outpaced its closest competitor, Pakistan, which manages less than one million tonne annually," Ranjit Singh Jossan, MD, Jossan Grains, a leading exporter of basmati rice in Punjab, told *FE*.

Exporters say that despite issues pertaining to settlement of payment for the shipments to Iran, the global demand for basmati rice continues to be robust.

Meanwhile, exports of buffalo meat, dairy and poultry products rose by close to 12% on year to $4.61 billion in April-February of FY25 compared with $4.11 billion in the same period of FY24.

Officials said that in the past decade, there has been a rise in demand for the Indian bovine meat across the globe due to its quality and nutrient value.

The shipment of fresh fruits and vegetables in the first 11 months of FY25 increased by over 5% to $3.39 billion, and cereals preparation by more than 9% to $2.82 billion.

The Agricultural & Processed Food Products Export Development Authority (APEDA) has set an export target of $26.56 billion for FY25. The share of exports of products under the APEDA basket is around 51% in the total shipments of agricultural produce. The rest of the agricultural product exports include marine, tobacco, coffee, and tea.

Business Line. Dt:- 20/03/25

Gem, jewellery exports in doldrums, dip 23% in Feb

Our Bureau
Mumbai

Gem and jewellery exports continued their downward trend, dropping 23 per cent in February to \$2.42 billion from \$3.17 billion in the same period last year, amid the global economic uncertainty sparked by tariff threats from US President Donald Trump.

In rupee terms, exports fell 20 per cent to ₹21,085 crore, according to Gems and Jewellery Export Promotion Council data.

INVENTORIES UP

Cut and polished diamond exports declined by 20 per cent in February to \$1.36 billion (\$1.71 billion) due to the economic uncertainty leading to muted demand in the US and China.

The fall in demand led to the piling up of inventory and a slowdown in India's diamond exports.

Rough diamond imports declined 26 per cent to \$9.50 billion (\$12.87 billion).

Polished lab grown diamond exports dropped 20 per cent to \$112 million (\$139 million) due to the weak demand and huge price fluctuation. Gold jewellery exports also fell 18 per cent in February to \$753 million (\$919 million) due to the constant price rise.

DIP IN IMPORTS

The overall imports of gem and jewellery dropped 40 per cent to \$1.36 billion (\$2.27 billion) due to a dip in seasonal demand.

Similarly, the overall imports of cut and polished diamond declined 8 per cent to \$120 million (\$130 million).

Business Line. Dt: 20/03/25

Coffee exports zoom 40% to over $1.54 b in April-Feb 2025

Vishwanath Kulkarni
Bengaluru

India's coffee exports have jumped by over 40 per cent in the April-February period of current financial year to cross the $1.54 billion mark over the corresponding last year's $1.1 billion on rising global prices.

Shipments during February were up 22 per cent in value terms at $178.68 million ($146.08 million), per the Commerce Ministry's latest data. In rupee terms, the exports were up 43.37 per cent at ₹13,004.75 crore.

Among the top export destinations during April-December 2024, Italy leads with 19.01 per cent share followed by Germany (12.42 per cent), Russia (5.76 per cent) and Belgium (5.76 per cent). The UAE also holds a notable share of 5.55 per cent. The US ranks sixth, accounting for 4.05 per cent of total coffee exports during April-December 2024, the data revealed.

RECORD PRICES

India is the seventh largest producer and the fifth largest exporter of coffee in the world. Prices of coffee are ruling at record levels following a weather-induced supply crunch in the largest producing countries — Brazil and Vietnam. India exports more than two-thirds of its 3.5 lakh tonne production.

In the current calendar year, the overall exports have been rather sluggish, but the value of the shipments has been on the rise owing to record high prices. Per the Coffee Board's latest data on permits issued, shipments from January 1 till March 17 stood at 85,007 tonnes (95,360 tonnes). However, the Indian arabicas, the mild and premium variety, are seeing increased offtake from buyers in Europe, the main destination for the Indian coffees.

Arabica shipments in the current calendar year till March 17 were up 64 per cent in volumes at over 17,021 tonnes against 10,365 tonnes logged during the same period last year.

FINANCIAL EXPRESS Dt: 20/03/25

STOCKS RALLY AFTER COMMERCE MINISTRY PROPOSAL

Steel imports to face 12% safeguard duty

- Move to protect local industry from trade diversions

MUKESH JAGOTA
New Delhi, March 19

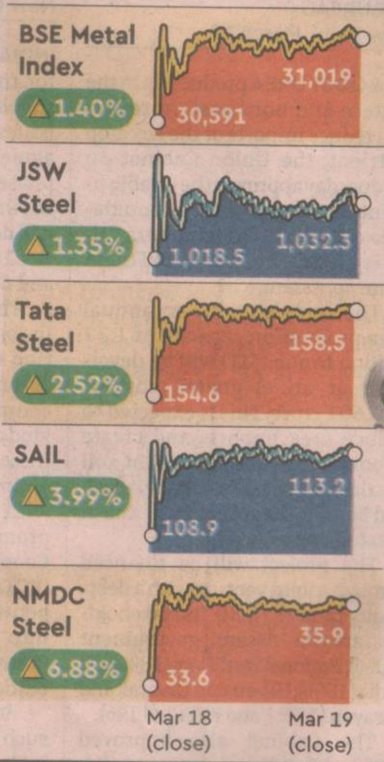
THE DIRECTORATE GENERAL of Trade Remedies (DGTR), under the commerce ministry, has recommended a 12% provisional safeguard duty on some steel products to protect the local industry from below-cost imports. A final decision will be taken by the finance ministry.

In a notification, the DGTR said critical circumstances exist wherein any delay in application for provisional safeguard measures would cause damage which would be difficult to repair.

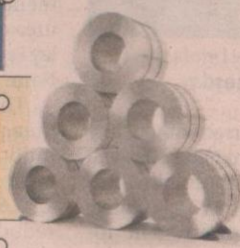
"The authority recommends imposition of provisional safeguard duty at the rate of 12% ad valorem for 200 days pending final determination on imports of the product under consideration," the notification said.

The tax will help Indian steel producers counter any potential trade diversions from countries such as Japan and South Korea following US President Donald Trump's imposition of 25% import tariffs on steel imports from certain countries.

PROVISIONAL MEASURE



- The commerce ministry body said any delay in application for provisional safeguard steps could cause irreparable damage



- Recommends safeguard duty at 12% ad valorem for 200 days on some products
- Final decision on imposing the safeguard duty will be taken by the finance ministry

Steel stocks rose on Wednesday as analysts forecast a boost to the companies' earnings. They believe the imposition of the duty could result in price hikes in the next few months after rising to ₹1,500-₹2,000 in the near term. Analysts at JP Morgan believe there is room to raise earnings estimates of steel companies.

Share prices of JSW Steel and Tata Steel rose about 3% intra-day to be among top gainers in the benchmark Nifty50 index. The stock of state-run Steel Authority of India (SAIL) rose over 3.5%.

Continued on Page 7

FINANCIAL EXPRESS Dt:- 24/03/25

Russian oil imports rise in March

SUKALP SHARMA
New Delhi, March 23

AFTER THE STEEP decline following the latest US sanctions on Russia's oil trade, India's Russian oil imports have recovered sharply in March, thanks to the plentiful availability of Moscow's oil and it largely trading below the Western price cap of $60 per barrel. This has ensured enough availability of non-sanctioned tankers to haul Russian crude to India.

The key reason for the ample availability of Russian oil for exports is the slump in Moscow's domestic oil demand following a fresh wave of Ukrainian drone strikes on various Russian refineries.

India's Russian oil imports have averaged 1.85 million barrels per day (bpd) in the first 21 days of March, sharply higher from February's 1.47 million bpd and January's 1.64 million bpd, per provisional data from commodity market analytics firm Kpler. Russian oil's share in India's oil import basket so far in March stands at a little over 35%, up from around 31% in February.

India's Russian oil imports have averaged a robust 1.75 million bpd so far in the January-March quarter, only slightly lower than the quarterly peaks of the past two years. India and China have been the top destinations for Russian crude following Russia's February 2022 invasion of Ukraine, which led to Western buyers shunning Moscow's oil.

Just before demitting office in January, the US's Joe Biden administration announced sweeping sanctions against Russia's oil trade. It sanctioned as many as 183 tankers—a sizable part of the so-called shadow fleet that had kept Russian oil flowing—apart from sanctioning two Russian oil majors and Russian insurance companies, among others involved in the Russian oil sector and trade.

The sanctions initially made it difficult for Indian refiners to secure enough cargoes of Moscow's crude as they were unwilling to deal with sanctioned vessels and insurers. But with the price of Russian oil slipping below $60 per barrel, tanker and insurance availability is not a concern as the price cap mechanism enforced by G7 countries and their allies allows Western shippers and insurers to participate in Russian oil trade if the price of oil does not breach the price cap.

According to Kpler's database, all Russian cargoes that have arrived in or are signaling to land in India this month are being transported by non-sanctioned tankers.

"This surge in volumes in March comes as Russia's domestic crude demand plummeted in February and March due to Ukrainian drone attacks on several refineries...The rising availability of Russian crude exports has driven down Urals (Russia's flagship oil grade) prices, with average prices assessed at $59.9 per barrel in February and $56 per barrel so far in March. This suggests that Urals crude remains below the G7 price cap, enabling buyers and sellers to utilise Western shipping and insurance services for transportation," said Sumit Ritolia, Lead Research Analyst, Refining & Modeling at Kpler.

Ritolia added that despite the expanded sanctions, India's Russian oil imports show no signs of "a structural retreat" and Indian refiners so far have remained "deeply committed" to buying discounted Russian crude despite the tightening of restrictions on Russia's oil sector. According to him, moderation in imports of Russian oil seen in January and February likely reflected transitional logistical adjustments rather than demand weakness.