Business Line Dt: 29/07/25

With tariff free access, Indo-UK FTA to boost natural rubber product exports

V Sajeev Kumar
Kochi

The India-UK Comprehensive Economic and Trade Agreement (CETA) is expected to significantly benefit India's natural rubber and rubber products industry by providing tariff-free access to the UK market, potentially boosting exports and economic growth.

The agreement will be a fillip for natural rubber and rubber products segments and may open up new market opportunities for Indian exporters, said Binoy Kurian, Deputy Director (Marketing), Rubber Board.

The staging categories for tariff reductions, which determine the timeline for phasing out tariffs, are a key part of the CETA agreement. As rubber and rubber products come under staging category A, which results in complete elimination of tariffs, it is expected that the exports to the UK will go up from $150.80 million in the coming years, he said.

SUPPLY SHORTAGE

The Rubber Board is the export promotion council for the shipments of natural rubber (NR) HS 4001. Natural rubber exports are not actively promoted due to the deficit in the domestic market. However, NR exports are considered as the strategy to adjust temporary domestic demand-supply imbalances reflected in prolonged low prices in India as compared to international prices, he added.

It is expected that exporters of concentrated latex grade of rubber with HS 40011010, which is one of the major NR grades exported to the UK, could take advantage of this opportunity, which will, in turn, be advantageous to Indian rubber growers. India exported $150.80 million worth rubber products to the UK, showing an increase of 11 per cent compared to the previous year.

Business Line. Dt: 29/07/25

Gems export body sees $8-b biz potential from India International Jewellery Show

Our Bureau
Mumbai

Gem and jewellery exporters are targeting a business of $8 billion at the world's second largest B2B gem and jewellery trade show, India International Jewellery Show (IIJS), which will begin on Wednesday in Mumbai.

The show comes on the back of the recent India-UK free trade agreement, which is expected to unlock a business opportunity of $7 billion.

GROWING SCALE

Kirit Bhansali, Chairman, Gem and Jewellery Export Promotion Council (GJEPC), said, "This year's event is set to be the largest ever, featuring 2,100 companies and 3,600 stalls. In addition, more than 50,000 visitors from 1,300 Indian cities and 80 countries are expected to visit IIJS this year," he said.

The machinery show, IGJME, at IIJS 2025 is by far the biggest, with 415 booths. "Looking ahead, our vision for the machinery show is quite ambitious. We aim to host the world's largest machinery and tech event, potentially as early as next year," said Bhansali.

GCC PUSH

GJEPC is also gearing up to explore the $5 billion market opportunity in Saudi Arabia and the GCC countries.

GJEPC, with government and consulate support, is planning the SAJEX B2B show in Saudi Arabia to attract top retailers from GCC countries, Northern Africa, West Asia, the CIS region, Brazil and Europe, ensuring a mix of Arab and non-Arab buyers.

"We are also taking delegations to Saudi Arabia and bringing Middle Eastern designers to India for collaboration and product development," said Bhansali.

The colour gemstone section is the largest ever, featuring 250 booths.

Business Line. Dt :- 31/07/25

4x jump in arecanut imports from Bangladesh in 2024-25

AJ Vinayak
Mangaluru

The value of arecanut exports from Bangladesh and Myanmar has seen significant growth in 2024-25, if the data provided by the government in the Lok Sabha is any indication.

In a written reply in the Lok Sabha on Tuesday, Jitin Prasada, Union Minister of State for Commerce and Industry, gave details on the import of arecanut for the period between 2021-22 and 2024-25.

The value of arecanut exported from Bangladesh to India jumped from $13.29 million in 2023-24 to $53.06 million in 2024-25.

According to the government data, the total value of arecanut imported by India stood at $143.45 million during 2024-25 against $147.99 million in 2023-24.

The above data indicated that Bangladesh's share in total Indian imports increased to 37 per cent in 2024-25 from 9 per cent in 2023-24.

Meanwhile, the value of arecanut exported from Myanmar to India increased to $33.20 million in 2024-25 from $15.61 million in 2023-24. However, there was a decline in the value of arecanut exported from Sri Lanka and Indonesia during 2024-25.

LANKAN IMPORTS DIP

The value of arecanut exported from Sri Lanka to India declined to $35.97 million in 2024-25 from $69.87 million in 2023-24.

The value of Indonesian arecanut exports to India declined to $15.36 million in 2024-25 from $43.14 million in 2023-24.

India had imported arecanuts valued at $258.19 million in 2022-23 and $90.18 million in 2021-22.

Business Line. Dt: 01/08/25

India holds competitive edge over its peers in textile exports

TE Raja Simhan
Chennai

FINE LINING. US retailers may slow down buying, and this could hurt Indian exporters badly

Despite the 25 per cent tariff on Indian imports, along with a penalty, India is in an advantageous position when compared to its major competitors such as Bangladesh (35 per cent) and Cambodia (36 per cent) in textiles exports to the US.

However, the worry is that US retailers may slow down buying, and this could hurt Indian exporters badly.

"Yes, India is in an advantageous position. But retail-buying in the US will slow down overall, and this will hit us badly," KS Sundararaman, Managing Director of the Coimbatore-based Shiva Texyarn Ltd, told *businessline*.

Consumer prices will go up across a range of products. There is no indication of this yet, but everyone is holding off till now to see the final rates, said Sundararaman, who is also the Chairman of The Southern India Mills' Association.

PRICING FRONT

Agreeing with Sundararaman on the pricing, R Rajkumar, Managing Director of Tiruppur-based Best Corporation (P) Ltd, said the overall consumption in the US will come down due to price increase. "We have to become more efficient, but that is not enough. The retail price has to go up," he said. The problem is that buyers won't be willing to give the increase, he added.

Apparel exports are expected to slow down till the announcement of an interim BTA with the US, said Sudhir Sekhri, Chairman, Apparel Export Promotion Council.

"The tariff of 25 per cent is higher than what we expected, but we should not be overly worried as long as Vietnam and Bangladesh tariffs are not revised downward from the current levels. Apparel exports are expected to slow down till the announcement of an interim BTA, hopefully to conclude in October-December 2025. The penalty is a grey area, and we hope the Government of India will negotiate this with the US before August 1," he said.

The US is a key market for Indian Ready Made Garment exports, with the country holding a share of 33 per cent in India's total garment exports in 2024.

India's presence in the US garment import market has grown, with its share increasing from 4.5 per cent in 2020 to 5.8 per cent in 2024, and ranks 4th among the top readymade exporters to the US, he said.

China continues to be the top exporter, with a market share of 21.9 per cent in 2024, down from 27.4 per cent in 2020. Together, China, Vietnam, and Bangladesh supplied 49 per cent of US apparel imports in 2024.

Business Standard. Dt:- 01/08/25

Tariff axe over ecom exports

PEERZADA ABRAR & UDISHA SRIVASTAV
Bengaluru/ New Delhi, 31 July

India's booming ecommerce export industry is bracing for a potential disruption after US President Donald Trump signed an executive order Wednesday eliminating the long-standing duty-free exemption for low-value imports.

The move may impact Indian online sellers and ecommerce companies, many of which have built businesses around shipping small parcels — ranging from handcrafted jewelry to mobile accessories — directly to American consumers without facing tariffs. This threatens to raise costs and erode competitiveness for thousands of small exporters.

The order, effective August 29, ends the so-called "de minimis" exemption that allowed packages valued under $800 to enter the US without duties. This may force e-commerce platforms to face significant challenges due to elimination of simplified customs procedures.

"This erases a key cost advantage for Indian sellers, particularly those using direct-to-consumer (D2C) e-commerce channels," said Salman Waris, managing partner at TechLegis Advocates & Solicitors. "Businesses must adjust pricing or absorb additional tariff costs, likely making Indian goods less competitive in the US."

The de minimis system allowed products and merchandise under $800 to enter the US without any duty and with minimal inspection. Chinese ecommerce companies used it to send merchandise directly to customers in the US.

The number of shipments using this system has swelled in recent years to reach 1.4 billion in 2024. Of such systems, almost 60 per cent came from China. India is among 100 countries that used the system and it is too early to understand the impact its elimination will have on the country's ecommerce industry and small businesses.

"The quantum of de-minimis imports has been estimated at around $128 billion in 2021, by Coalition for a Prosperous America and it may be even higher by now. Therefore, this also can have substantial consumer price effects in the U.S," said Dr Badri Narayanan Gopalakrishnan, Fellow and Ex-Trade head NITI.

Gopalakrishnan is of the view that small exporters have had a reprieve in the form of 'duty-free de minimis' treatment. He said suspension of this may have a notable impact on their bottomline, since they do not have the kind of market power or markup to absorb the costs of these duties, nor do they have the luxury of being able to pass these on to the consumer given their small scale and stature.

Agneshwar Sen, Trade Policy Leader, EY India, said Chinese exporters, particularly Temu, Shein, etc., used this provision to exponentially expand their small value (less than $800) exports directly to US consumers. He said medium and small businesses and artisanal exporters from India, using online marketplaces like Amazon and Etsy also benefited by accessing consumers in the US directly.

"Ending of this provision will impact small low value, including artisanal, exports to the US from the world over," said Sen.

Brijesh Damodaran, Managing Partner, Auxano Capital, said the 'de minimis rule', enabled Indian small businesses and digital-first exporters to ship affordable products directly to US customers with minimal customs friction and competitive pricing. He said the suspension will now raise the landed cost and administrative complexity for every small package sent to US consumers. "While positioned as a crackdown on abuse (counterfeits, opioids, and evasion), this will impact genuine exporters having less than 30 days to adapt," said Damodaran.

Viswanath Pingali, Professor in the economics area at IIMA, said that small businesses, which used to escape scrutiny through 'de minimis' principle, might face greater challenges. However, with active support from the government these challenges can be overcome, including in the short run. "The Indian diaspora in the US, which are big consumers of products and services, must be exploring options to guide the Indian businesses."

Sunil Kharbanda, co-founder and chief revenue officer, Trezix- Global Trade Platform, said the suspension of the de minimis exemption is a defining moment for global exporters. "What was once a fast lane for low-value shipments is now a chokepoint demanding full compliance, documentation, and duty payments," said Kharbanda.

US shuts duty-free door: What it means for India

- $800 exemption scrapped from August 29
- Small Indian exporters lose tariff-free access
- Costs to rise, margins to shrink, prices may spike
- Direct-to-US sellers face new Customs red tape
- Over 1.4 billion parcels used this route in 2024
- India among 100 nations affected
- Festival season sales likely to take a hit

More on business-standard.com

The Economic Times. Dt 07/08/25

US Sanctions 6 Indian Firms Over Iranian Petrochem Imports

Dipanjan Roy Chaudhury

New Delhi: The USA has imposed sanctions on at least six India-based companies, accusing them of imported Iranian petrochemical products worth millions of dollars.

The action is part of its latest Iran-related sanctions targeting several global entities allegedly engaged in trade of Iranian oil, petroleum products, and petrochemicals.

Chennai -based Kanchan Polymers and five Mumbai-based firms—Alchemical Solutions (also known as Chemform Trading), Ramniklal S Gosalia and Company, Jupiter Dye Chem, Global Industrial Chemicals, and Persistent Petrochem —are in the sanctions list issued by the state department as well as the office of foreign assets control (OFAC) on Wednesday (Thursday morning in India).

The biggest accusation is against Alchemical Solutions, which allegedly purchased and imported Iranian-origin petrochemical products—which are under US sanctions—worth over $84 million from multiple companies between January and December 2024.

Global Industrial is accused of importing Iranian products, including methanol, worth over $51 million between July 2024 and January 2025, while Jupiter Dye Chem is accused of importing products, including toluene, worth over $49 million between January 2024 and January 2025.

Ramniklal allegedly imported Iranian petrochemical products, including methanol and toluene, worth over $22 million between January 2024 and January 2025. Persistent Petrochem allegedly imported approximately $14 million worth of Iranian petrochemicals from multiple companies, including Bab Al Barsha, a UAE-based commodities trading company, with shipping dates between October 2024 and December 2024. Kanchan Polymers is accused of importing over $1.3 million worth of Iranian-origin petrochemical products, including polyethylene, from Tanais Trading.

These Indian firms have been designated under section 3(a)(iii) of executive order 13846 for "knowingly engaging" in a significant transaction for the purchase, acquisition, sale, transport, or marketing of petrochemical products from Iran.

Under the sanctions, all property and interests in property of these companies in the US or under the control of US persons are blocked.

The sanctions also block an entity or company which is 50% or more owned by a person or company that is already blocked.

IRAN PROTESTS

Reacting to the development, the Iranian embassy in India on Thursday criticised the US for weaponising economy by imposing sanctions on independent nations like Iran and India. "The United States continues to weaponise the economy and use #sanctions as tools to dictate its will on independent nations such as Iran and India and impede their growth and development," the embassy said in a post on X shared via its official handle @Iran_in_India.

FINANCIAL EXPRESS. Dt:- 01/08/25

Gems, jewellery units fear deepening export slump

- Industry banks on BTA talks for relief, may shift from US markets

KRISHNA BAROT
Ahmedabad, July 31

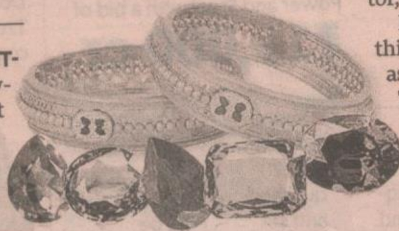
INDIA'S EMPLOYMENT-INTENSIVE gems and jewellery units expect the current slump in exports to prolong if an extra tariff is applied on their shipments to the US. While this could mean large-scale job losses, industry analysts expect a significant shift in production base to the UAE, which attracts a benign tariff of 10% in the US, and some other countries.

The industry is keenly watching how the tariff issue will be resolved, as India and the US are still engaged in negotiations for a bilateral trade agreement (BTA). Major players also see a faster diversification of the export markets to reduce reliance on the US.

The tariff announcement by President Donald Trump comes at a time when India is already grappling with declining gems and jewellery exports to not only the US and other world markets. A report by the Gems and Jewellery Export Promotion Council (GJEPC) revealed that gross exports of gems and jewellery reduced by 14.25% on year in June 2025 to $1.63 billion.

FROM GLITTER TO GLOOM

- Job losses likely if tariff imposed
- Industry hopeful of relief via BTA talks
- Shift in manufacturing to UAE expected



- Exports to US worth **$12 billion annually**
- June 2025 exports down **14.25%** YoY
- Competitors: Thailand **(36% tariff), Turkey (10%)**

Annual exports to the US are to the tune of $12 billion, or nearly a fourth of total exports of these items.

While the possibility of headwinds in the US market has cast a pall of gloom over the industry, several players remain optimistic that ongoing negotiations will result in a lower tariff.

Sabysachi Ray, Executive Director of GJEPC, urges manufacturers to "wait and watch" until the levy has been finalised on paper. "We've noticed a pattern where tariffs against other countries are announced and then changed. It is difficult for us to provide concrete insights based on a tweet (by Trump). However, we are sure the government will continue negotiations with the US. Additionally, a BTA between both countries is expected in September, which may help uplift the sector," he said.

India's main competitors in this sector are countries such as Thailand and Turkey. While Turkey has a 10% baseline tariff from the US, Thailand is still amidst negotiations to reduce the current 36% tariff.

Alkesh Shah, Vice Chairman of Goldstar Jewellery, urged companies to wait until the final tariffs are cemented for competitors, saying, "Even if Turkey and Thailand obtain similar tariffs as India, their high labour costs will not give them a major advantage. The UAE, with its 10% tariff, may emerge as a key competitor some years down the line. Meanwhile, there are possibilities of Indian manufacturers shifting their base to the UAE or even the US to avoid this tariff."

The US has also become a prominent destination for retail jewellery brands, with the likes of Tanishq, Malabar Gold and Diamonds and PNG Jewellers establishing their presence there. Saurabh Gadgil, Managing Director (MD) of PNG Jewellers, opined that the tariff doesn't pose a high threat to retailers.

Business Line. Dt:- 04/08/25.

Decline in India's Russian crude oil imports may boost demand for VLCCs

Rishi Ranjan Kala
New Delhi

A major decline in India's import of Russian crude oil is sure to affect the global tanker trade patterns. Demand for very large crude carriers (VLCCs) is set to rise when India turns to its traditional buyers — West Asia.

Besides, the European Union's (EU) 18th sanctions package lowers the price cap from \$60 a barrel to \$47.6, which would mean that Russia will have to expand its dark fleet strength to continue delivering its flagship grade Urals to buyers in India, China and Turkey.

According to a July 31 report by maritime consultancy Drewry, tightening of sanctions on Iranian and Russian oil by the US and EU may lead to notable shifts in global tanker trade patterns.

Rajesh Verma, Deputy Director of Tanker Shipping at Drewry, said although the US has not specified the penalty for buying Russian oil by India, any significant penalty might discourage the latter to buy Russian oil and look for alternative supplies.


'TANK'ED EFFORTS. India is a major buyer of Russian oil. Most of this trade is done by Suezmax and Aframax tankers REUTERS

EVOLVING PATTERNS

India is one of the major buyers of Russian oil and most of this trade is done on Suezmax and Aframax tankers, he added.

Aframax vessels are ships with capacity of 80,000 and 120,000 deadweight tons (dwt), while Suezmax is between 125,000-180,000 dwt.

On the other hand, VLCCs can be between 200,000 and 320,000 dwt.

"However, any possible decline in India's imports of Russian crude will lead to a significant increase in the country's imports from other sources, especially West Asia. In such a situation, the demand for VLCCs will increase at the expense of mid-size tankers as the former dominate the loadings in Arabian Gulf," Verma anticipated.

The lower price cap of \$47.6 per barrel, Verma explained, will make it extremely difficult for Russia to use the mainstream international fleet for the transportation of its crude as Urals are unlikely to trade below such a low price cap.

"Earlier, whenever Urals tend to trade below the price cap (especially in the low price environment), the mainstream fleet, especially from Greek owners, used to carry the Russian cargo. However, for selling Urals above the new price cap, Russia will need to expand the parallel fleet (normally called dark/grey fleet)," he added.

EU, US SANCTIONS

Verma pointed out that while sanctions by the US and EU reflect a stepped-up effort to curb Iranian and Russian oil revenues, there appears to be limited alignment in their strategies.

"The EU remains focused on constraining Russia's energy income, whereas the US is pursuing broader geopolitical objectives, including trade leverage and renewed diplomatic engagement with Iran," he added.

Previous rounds of sanctions on Russian, Iranian, and Venezuelan crude have led to the emergence of a parallel market for transporting sanctioned oil, noted Verma.

Despite an expanding list of sanctioned vessels and the G7 price cap mechanism, Russian crude continues to reach select buyers. Likewise, Iranian oil has steadily flowed to Asian markets, even with US sanctions in place since 2019.

"Going forward, it will be important to observe how the latest wave of sanctions on Russian and Iranian oil influences the dynamics of the tanker market," Verma anticipated.

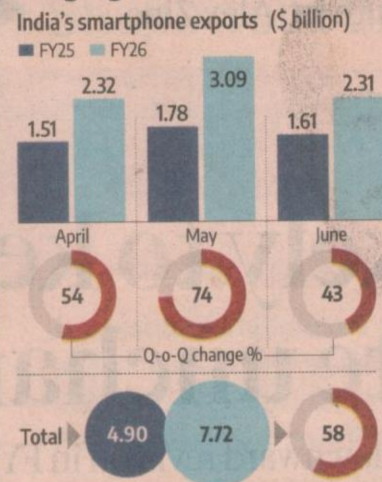
Business Standard. Dt: 04/08/25

Apple iPhone exports grew 82% to $6 bn in Q1

Smartphone exports from India hit $7.7 bn despite US tariff threat

SURAJEET DAS GUPTA
New Delhi, 3 August

Ringing louder



Sources: Commerce ministry, industry estimates

Apple Inc, through its vendors, exported iPhones worth $6 billion from India during the April-June 2025 quarter, growing a staggering 82 per cent over the same period last year, according to data shared by the vendors with the government. Exports stood at only $3.2 billion in the same period a year ago.

As a result, despite the looming tariff threat from US President Donald Trump, India's smartphone exports surged by 58 per cent in the same quarter, reaching $7.72 billion, up from $4.9 billion in Q1 of FY25, according to industry estimates.

The first quarter of FY26 marks the highest ever for smartphone exports from India, with Apple accounting for nearly 78 per cent of total exports. A query sent to Apple Inc did not elicit a response until the time of going to press.

However, the continuation of this growth in smartphone exports will depend on the outcome of the US investigation under Section 232 of the Trade Expansion Act, which empowers the US President to impose import restrictions in the name of national security. The report is expected by August 14. Until then, mobile devices remain on the exemption list with zero duty.

Last year, India's smartphone exports touched $24.1 billion, of which Apple contributed $17.5 billion. Industry experts hope that the exemption will continue, or that any tariff imposed will be minimal.

Driven by the production-linked incentive (PLI) scheme announced in 2020, smartphone exports have leapfrogged from being India's 167th-ranked export item in FY15 to the country's top export (by HS code) in FY25.

This growth in smartphone exports during Q1FY26 has also propelled India's overall electronics exports, which reached $12.4 billion in the same period, up 48 per cent from $8.4 billion in Q1FY25. Smartphones accounted for 62 per cent of total electronics exports in Q1FY26, up from 58 per cent in Q1FY25.

Apart from Apple Inc, other contributors to smartphone exports included Samsung, Padget Electronics (a subsidiary of Dixon Technologies), and market exports. According to estimates, Samsung accounted for 12 per cent of total exports, while the remaining 10 per cent came from a combination of Padget and other market players. Padget alone exported smartphones worth $175 million in Q1FY26.

The positive impact of the PLI scheme in boosting India's competitiveness in smartphone exports has been clearly visible since 2020. For comparison, India exported only $3.1 billion worth of smartphones in the entire FY21. The results of the PLI scheme began to show in FY22, when exports rose to $5.8 billion. Since then, the figures have steadily climbed — to $11.1 billion in FY23, $15.6 billion in FY24, and peaking at $24.1 billion in FY25.

The PLI scheme is coming to an end for companies in a sequential manner. Apple's three vendors are in their final year under the scheme, while Samsung completed its five years in March.