

Basmati rice exports to Iran may touch last year's level of 0.86 mt

WAR IMPACT. 1 lakh tonnes of contracted quantity waiting to be shipped; new deals will be signed from October

Prabhudatta Mishra

New Delhi

India's basmati rice exports to Iran might touch last year's level of 0.86 million tonnes (mt). This is because shipments are normally sold at a \$100/tonne discount in addition to Iran's demand-production mismatch, experts said.

However, about 1,00,000 tonnes of basmati rice, scheduled to be shipped to Iran, are stranded at Kandla and Mundra ports over the past few days due to the escalating Israel-Iran conflict, according to All India Rice Exporters Association.

Supple Tek Industries, Jagdamba Agrico Exports, Shiv Shakti Inter Globe Exports and DD International are some of the leading bas-



DOMESTIC PRODUCTION. Iran has substantially reduced the volume of imports in the last few years by raising its domestic rice (non-basmati) production by 0.7 mt in the last seven years

mati rice exporters to Iran.

DIPPING VOLUME

Official sources said while buyers in Iran have clearly conveyed to exporters to make the shipments at their own risk as delivery cannot be guaranteed in view of the threat from Israeli bombings, those from Indian have kept on hold, for now, the or-

ders contracted earlier.

"Rice import, including basmati, in Iran is regulated through permits, and normally no permit is issued during July-September to protect the prices of domestic crops. So, only consignments contracted prior to July get shipped. As the conflict has escalated from mid-June, a clear view can be

taken only when Iran allows new permits from October. If consignments reach late and exporters are able to deliver the contracted quantity even by September, the overall basmati rice exports may not be affected," an official source said, adding that the situation is so fluid that no one can have a definitive view now.

"Iran, which imported a record 1.48 mt of basmati rice from India in 2018-19, has substantially reduced the volume in the last few years by raising its domestic rice (non-basmati) production by 0.7 mt in the last seven years. However, it is still deficient and the quality of aromatic basmati rice is a preferred food item there," said an exporter.

Even if there is a decline, it may be very marginal and

may be close to last year, he said.

In terms of export realisation, basmati exporters, on average, received \$881/tonne from Iran against India's net realisation from all countries at \$980/tonne in 2024-25. In April 2025, too, the export shipment to Iran was recorded at 1,31,920 tonnes with the unit value at \$746/tonne when overall (for all countries) was \$852/tonne, official data show.

"The oligopolistic negotiating strength of Iranian importers and varying quality is the major reason for the lower realisation. Indian basmati rice export to Iran and west Asia has entered into a new phase and it requires new scrutiny and risk management," said S Chandrasekaran, a foreign trade policy expert.

Business Line. Dt: 24/06/25

Fertilizer import dips 44% in May

Prabhudatta Mishra

New Delhi

Imports of fertilizers dropped 44 per cent in May as global prices of di-ammonium phosphate (DAP) and muriate of potash (MOP) shot up. Industry sources said imports may increase in June as the government had asked the companies to adjust losses now, and can be adjusted when subsidy for the rabi season is announced.

However, a section in the industry expressed concern over the possible escalation of the Israel-Iran war and feared there might be delays in receiving consignments as well as a further surge in prices.

PRICE HIKE

While imported DAP prices (CFR) touched \$781/tonne

before the Israel-Iran war from the average of \$724/tonne in May, MOP surged to \$349/tonne from an average of \$282/tonne, sources said.

Though the government said the opening stock of urea, DAP, MOP and complex on June 1 was 136.69 lakh tonnes (lt), sufficient to meet the demand for the month estimated at 59.42 lt, the situation with regard to DAP is uncomfortable. Official data show that the closing stock of DAP on May 31 was 12.43 lt whereas demand for the month was pegged at 10.62 lt.

"As domestic production of DAP in May dipped over 15 per cent, and import also fell substantially, there may be issue with availability, even though the government says that over 12 lt was available on June 16 after factoring sales during the first fortnight of this month," a



source said. According to Fertilizer Ministry data, import of urea, DAP, MOP and complex dropped to 8.07 lt in May from 14.36 lt a year ago. Urea import dipped 15.4 per cent to 2.91 lt, DAP by 58.3 per cent to 2.36 lt, MOP by 83.7 per cent to 0.33 lt and complex by 23.5 per cent to 2.47 lt.

Industry sources said not only finished DAP but also rates of raw materials, which are imported for domestic production, increased. The

price of imported phosphoric acid (CFR) has increased by 11.29 per cent to \$1,055/tonne in May from \$948/tonne a year ago. But the price of imported rock phosphate (CFR) had been nearly flat during the last few months and averaged \$173/tonne in May against \$175/tonne year-ago.

The government approved ₹37,216.15 crore subsidy under the nutrient-based subsidy scheme for fertilizers during the current kharif season.

This included nitrogen (N) at ₹43.02/kg, phosphorus (P) at ₹43.60/kg, potash (K) at ₹2.38/kg and sulphur (S) at ₹2.61/kg. While there was no hike in N and K nutrient subsidy, the government effected ₹12.80/kg rise in P and ₹0.85/kg in S from the subsidy rates announced for the rabi 2024-25 season.

FINANCIAL EXPRESS. Dt: 24/06/25

Farm goods exports rise 8% to \$4.2 bn in Apr-May

SANDIP DAS
New Delhi, June 23

INDIA'S EXPORTS OF agricultural and processed food products have commenced on a brisk note in the current fiscal, with the shipments rising by over 8% on-year to \$4.16 billion in April-May.

The shipments were driven primarily by a sharp increase in exports of rice, buffalo meat and fruits and vegetables.

Rice exports, including those of basmati and non-basmati varieties, rose by over 4.7% to \$2.04 billion in April-May 2025-26 compared to the previous year. In FY25, the rice exports were at a record \$12.47 billion, an increase of over 20% compared to 2023-24.

However, exporters fear that the Israel-Iran conflict may impact the rice shipments as Iran is a major destination of India's basmati rice.

The government started easing restrictions on rice exports 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.

Trade sources say India's dominance in global rice trade has been restored with a spike in shipments, especially to Africa and Southeast Asian countries.

THE BREAK-UP

Agri & processed food products exports (April-May, 2025)
(in \$ billion) % change (y-o-y)



Source: DGCIS, #including items - cashew, oil meals & other cereals, excluding items - marine, tobacco, coffee & tea

India has been the largest exporter of rice for a decade now.

With a projection of bumper harvest due to prospects of above-normal monsoon rains this season, the rice output and exports are likely to rise in the current fiscal.

According to data provided by the Directorate General of Commercial Intelligence and Statistics, the shipment of buffalo meat, dairy and poultry products in the first two months of the current fiscal increased by over 16% to \$0.81 billion, and fruits and vegetables by more than 16% to \$0.69 billion, respectively.

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. India has emerged as the second-biggest exporter of buffalo meat and the export destinations are Vietnam, Malaysia, Egypt, Iraq, Saudi Arabia and the United Arab Emirates.

The Agricultural & Processed Food Products Export Development Authority (APEDA) in organising the supply chain of production through approved integrated meat plants and getting these plants approved and inspected by importing countries has boosted meat exports.

Officials said there has been rising demand for several agricultural products such as bananas, mangoes, processed fruits and juices, fruits and vegetables seeds and processed vegetables across the world.

Govt bans import of watermelon seeds

POLICY SHIFT. Move comes amid excess supply and is aimed at safeguarding the interests of domestic seed producers

Suresh P. Iyengar
Mumbai

The government has banned the import of watermelon seeds in a bid to safeguard the interests of domestic seed producers. The move follows excessive import of seeds last year.

India imported 83,812 tonnes of watermelon seeds last fiscal against almost double the average import of 40,697 tonnes in the last three years, according to the Ministry of Commerce's website.

The government has taken the decision to ban watermelon seed imports based on the plea by Laghu Udyog Bharati, an all-India organisation dedicated to protecting the interest of Small and Medium Enterprises.

Watermelon seed imports have been spiking since 2022-23 when the country shipped in 65,989 tonnes against 20,355 tonnes logged in 2021-22.

In 2023-24, the imports were at 35,749 tonnes. The

annual demand of watermelon seeds is estimated at 60,000-65,000 tonnes, but the domestic production is lower at 40,000 tonnes.

This leaves farmers to rely on imports for 20,000-25,000 tonnes annually.

Currently, watermelon seed imports are permitted on an "actual user" basis for processors, requiring a valid FSSAI Manufacturer Licence and registration under the Melon Seeds Import Monitoring System (MS-IMS).

Interestingly, till last June, importers were able to ship in the seeds without any restrictions.

Tulcharam Siwar, State General Secretary, Bharatiya Kisan Sangh-Rajasthan, said high imports had hit domestic production and challenged the government's plank on self-reliance with regard to seeds.

CHEAPER SHIPMENTS

Moreover, he said though the use of hybrid seeds results in higher yield, it erodes soil nutrition and forces farmers to use more chemicals.



SEED STATS. The annual demand for watermelon seeds is estimated at 60,000-65,000 tonnes. The domestic production is lower at 40,000 tonnes

Due to the influx of imported seeds, small landholding and animal husbandry farmers — who depend on traditional rain-fed crops such as 'Matira' (wild watermelon) and 'Tumba' — are unable to

fetch prices that cover their costs, leading to a loss of employment," he said.

Imported watermelon seeds are 15-20 per cent cheaper than the homegrown seeds.

However, with the government ban on the import of watermelon seeds, he said the prices of homegrown seeds will increase and promote production of seeds in India.

Marginal farmers, who are dependent on traditional crops, will get 8 months of employment in the production, extraction, drying and cleaning of these seeds, said Siwar.

TOP STATES

The normal South-West monsoon forecast in key agricultural States such as Rajasthan and Gujarat will also boost domestic cultivation, he added.

Watermelon is grown largely in Uttar Pradesh, Andhra Pradesh, Maharashtra, Tamil Nadu and Karnataka.

Some of the popular watermelon varieties grown in India include 'Arka Manik', 'Arka Jyoti', 'Asahi Yamato', 'Durgapura Meetha' and 'Black Thunder'.

CHINA, LEADS

Globally, the biggest producer of watermelons by far is China (79 million tonnes), followed by Türkiye, Iran, Brazil and Uzbekistan. Algeria, USA, Russia, Egypt and Mexico complete the top 10.

Business Line. Dt: 25/06/25

Israel-Iran conflict hits perishable commodities export

V Sajeer Kumar

Kochi

Air cargo movement, especially of perishable commodities from Kerala, has been affected following the suspension of flights to the Gulf sector in the wake of the Iran-Israel conflict.

Official sources at Cochin International Airport Ltd said cargo movement from the three airports — Cochin, Thiruvananthapuram and Kozhikode — was around 200 tonnes of perishable and non-perishable commodities, including fruits and vegetables, on a daily basis.

The suspension of many international flights had affected the movement of cargo, especially to GCC nations which procure mainly from the Kerala market.

There are no separate cargo flights from the State and each airline carries cargo in the belly of passenger aircraft.

Even though some countries have opened up their skies following the improvement in the situation, the cargo movement had not been resumed totally, the officials said.

Jayaraj, head of air cargo operations of the Kerala State Industrial Enterprises,

said cargo transportation from Thiruvananthapuram airport was around 45-50 tonnes on a daily basis, mostly to GCC nations. Some commodities, mostly perishables, have found markets in the UK and the EU.

Cargo movement had been completely affected due to the shutdown of airports in many Gulf countries. Some flights to Qatar and Bahrain returned with the cargo.

95% HALTED

"We have not received any further information from these airports for sending the consignments back.



Movement by ships is an option, but it will not be viable given the perishable nature of many commodities, including fruits and veget-

Cargo movement from the three airports in Kerala was around 200 tonnes of perishable and non-perishable commodities on a daily basis

ables," he said. TV Afsal, an exporter based in Kozhikode, said 95 per cent of the cargo operations had been stopped following the directive from clearing agencies in view of the closing down of airports.

Some cargo had been shipped on two flights, and the remaining movement was disrupted from Monday night as exporters did not want to take any risks, fearing losses.

Voicing concern over the escalating conflict in West Asia, Munshid Ali, Secretary of the Kerala Exporters Forum, said the emerging situation posed a serious risk, especially for Kerala, with its large expatriate community. The State is particularly vulnerable to disruptions in cargo movement and global oil markets that could hit trade, industry and overall economic environment.

Business Line - Dt: 25/06/25

Pulses import value down 37% in April-May

Vishwanath Kulkarni
Bengaluru

The value of pulses import dropped by around 37 per cent during the first two months (April-May) of the current financial year to \$492 million as overseas purchases of yellow peas and chickpeas slowed down.

During April-May in the last financial year, the pulses import value stood at \$782 million, per the Commerce Ministry data.

"Weak demand, coupled with last year's record purchases, led to a slowdown in imports during the first two months of the current financial year," said Rahul Chauhan of IGrain India.

Also, prospects of domestic production look good, with the forecast of an above normal monsoon for the year, he said.

ACREAGE UP

Pulses acreage has increased by 42 per cent till June 20 in the ongoing kharif cropping season, per the Agriculture Ministry's latest sowing data.

The increase is led by higher area under moong bean at 4.43 lakh hectares (2.67 lh in the corresponding period last year), urad bean at 1.39 lh (0.62 lh) and other pulses 0.94 lh (0.67 lh). However, the acreage under tur was 2.48 lh, marginally lower than the corresponding previous year's 2.61 lh.

Chauhan expects overall pulses imports to be lower this fiscal on higher availability and prospects of improved domestic production.

DEMAND SLOWDOWN

Per IGrain's estimates, based on the port data, the expected imports of yellow peas



for April-May 2025 were seen sharply lower at 1.31 lakh tonnes, compared with 6.86 lakh tonnes (1t) in the corresponding period a year ago.

Similarly, expected imports of chana during April-May was around 15,536 tonnes, down by almost half when compared to the corresponding last year's 29,948 tonnes. India imported 15.06 lt chana during 2024-25.

The expected imports of

The trade expects pulses import to be lower this fiscal on higher availability and prospects of improved domestic production

black matpe (urad) increased to around 1.5 lt during April-May compared with 1.393 lt a year ago.

Similarly, the expected lentil imports during April May were 1.37 lt (1.13 lt).

The expected pigeon pea (tur) imports during the period were 1.95 lt (1.22 lt).

Currently, the government has kept the duty free window open for imports of tur, urad and yellow peas till March 2026.

Business Lines. Dt: 27/06/25

Engineering exports contract marginally to \$10 b in May on rising geopolitical tensions

Our Bureau
New Delhi

India's engineering goods exports contracted by a marginal 0.82 per cent (year-on-year) in May to \$9.89 billion due to geopolitical tensions in West Asia and a higher statistical base, according to an analysis by industry body EEPC India.

Country-wise analysis showed a substantial decline in engineering exports to the UAE and Saudi Arabia in May, the report noted.

"While India's engineering exports to the US and the EU grew, a significant decline was noted in the case of the UAE, Saudi Arabia, and Turkey, which are significant markets for India and feature prominently in India's top 25 destinations. The decline



POOR SHOW. Country-wise analysis showed a substantial decline in engineering exports to the UAE and Saudi Arabia

can be explained by the growing geopolitical tensions in the area and the rising threat to logistics," said Pankaj Chadha, Chairman, EEPC India.

STIFF COMPETITION
Export of aluminium and its

products were hit due to increased competition in the ASEAN region, and there was also a decline in exports of metals such as zinc, lead, and aircraft, spacecraft and parts, he added.

Among the major product groups, exports of 'aircraft,

spacecraft and parts' fell by 85 per cent, and that of 'ships, boats and floating structures' dropped by 25 per cent (year-on-year) in May.

India's engineering exports to the US, the top destination among major exporting countries, remained positive in May 2025, with shipments growing 4.6 per cent to \$1.74 billion. Other countries where engineering goods exports increased in May 2025 include Germany, the UK, Japan, Italy, Nepal, Brazil, South Africa, and the Netherlands.

Engineering shipments to China posted a 5.1 per cent decline to \$207.36 million in May 2025. Other key markets that witnessed a decline in exports include Mexico, Turkey, and Vietnam registered negative growth.

Business Standard. Dt: 27/06/25.

Chinese export squeeze, West Asia crisis drive up DAP fertiliser prices

SANJEEB MUKHERJEE

New Delhi, 26 June

China's export restrictions are not just squeezing supplies of niche water-soluble fertilisers, they are a factor in mass market Di-Ammonia Phosphate (DAP) prices rising to almost \$800 per tonne in June, the highest in the last few months.

High DAP prices could jeopardise the government's subsidy maths for FY26 and hurt the margins of companies importing such fertilisers (subsidies cover a significant part of DAP prices).

India imported around 4.6 million tonnes of DAP in FY25, according to industry sources. Chinese imports were 0.85 million tonnes, or 18.4 per cent, of that amount.

But in FY24, India imported 5.6 million tonnes DAP, of which China contributed 2.2 million (39.2 per cent). In two years, imports of Chinese DAP reduced by a massive 61.3 per cent.

DAP is the second-most-consumed fertiliser in India after urea and of the 10-11 million tonnes used annually, around 5-6 million tonnes are imported.

Moreover, India also imports phosphorus and ammonia needed for manufacturing DAP. Trade sources said a \$10 per tonne



increase in the price of imported phosphorus leads to almost \$5 per tonne rise in finished DAP rates. A \$30 per tonne increase in ammonia prices leads to \$12 per tonne rise in finished DAP rates.

Traders said as DAP imports from China went down, India turned to companies in West Asia, particularly Saudi Arabia, to keep supplies intact. The Iran-Israel war and Tehran's threats of closing the Strait of Hormuz has exposed a weakness in supplies, leading to sharp jumps in landed price of DAP.

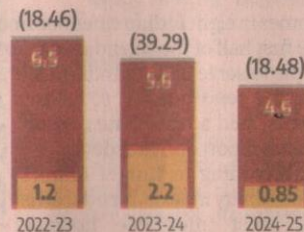
DAP was quoting at around \$633 per tonne in January (cost and freight inclusive) and increased to around \$780 per tonne in June.

Import dynamics

DAP imports (in mt)

■ Total imports ■ From China

% Share of China imports in brackets



Source: Trade and Industry Sources

From April to now, landed price of finished DAP in India has risen by almost \$100 per tonne, trade sources said. Sources said in case of water soluble fertilisers (WSFs) was being felt for quite some time and has now become more acute.

"Over the past four years, China has intermittently imposed restrictions on fertiliser exports, including specialty fertilisers, primarily by delaying or withholding CIQ (China's Entry-Exit Inspection and Quarantine) clearance. While earlier disruptions were short-term, the current halt is more stringent and appears to reflect a deeper, more sustained export control strategy since 2021," said Rajib

Chakraborty, national president of the Soluble Fertiliser Industry Association (SFIA).

India annually imports around 0.6 million tonnes of non-subsidised specialty fertilisers, such as WSFs, of which around 80 per cent comes directly or indirectly from China. Domestic production accounts for just about 10 per cent and the balance 10 per cent is sourced from other countries.

WSFs can be easily mixed in water and used through drip irrigation or sprinklers. Such fertilisers don't leave any solid material behind and are known to raise yields. However, WSFs' usage growth has been slow in India due to their high costs compared to conventional fertilisers.

One kilogram of a conventional fertiliser costs around ₹5 to ₹6, but a kilogram of WSF costs around ₹80 to ₹100. Dr Suhas Buddhe, policy advisor at SFIA, said that shortage of soluble fertilisers due to Chinese curbs is a serious threat to farm yield, quality, and profitability of horticulture and other high-value cash crops. He said to mitigate the impact there is a need for investment, handholding, and market access support for Indian startups working on specialty fertiliser technologies.

'Oz Almond, Citrus, Machinery Exports to India Up Post-ECTA'

**Kirtika Suneja
& Deepshikha Sikarwar**

New Delhi: South Australia's exports of almonds, horticultural products, machinery and citrus fruits to India have increased since the India-Australia Economic Cooperation and Trade Agreement (ECTA) came into force on December 29, 2022, said Frances Adamson AC, Governor of South Australia.

South Australia produces 70% of the country's premium wine, and Canberra is keen on more excise duty cuts as India is seen as an important market for the beverage.

"A key benefit for South Australia has been access to more Indian goods, providing more choice for South Australian businesses and consumers," Adamson said.

India and Australia are currently negotiating a Comprehensive Economic Cooperation Agreement (CECA). This is expected to further boost bilateral goods trade which was around \$25 billion in FY25.

"India is certainly seen as an important market, perhaps more important in future than it is now, but that will depend on the outcome of the negotiations," she said on higher wine exports to India.

Post ECTA, exports of Indian rice to South Australia have surged 200% and those of vehicles are up 135%.



 **India's exports to Australia as a whole have increased 9% since the ECTA came into force (which) is a faster rate than India's exports globally**

FRANCES ADAMSON AC
Governor, South Australia

"In fact, India's exports to Australia as a whole have increased 9% since the ECTA entered into force (which) is a faster rate than India's exports globally," she said.

South Australia's exports of horticultural products to India rose 15%, machinery parts increased 11%, and wine grew 23% to AUD 8.6 million after the trade pact. Australia was India's largest market for wine imports with a 33% share of the imported wine market.

"Now we would love to grow that, but to grow substantially, I think would probably require reductions in excise duties," she said.

Natural gas import bill up 8.7% in Apr-May

ARUNIMA BHARADWAJ
New Delhi, June 26

INDIA'S NATURAL GAS import bill rose 8.7% to \$2.5 billion during the first two months of financial year 2025-26, compared with \$2.3 billion in the same period of FY24, according to data from the Petroleum Planning and Analysis Cell (PPAC).

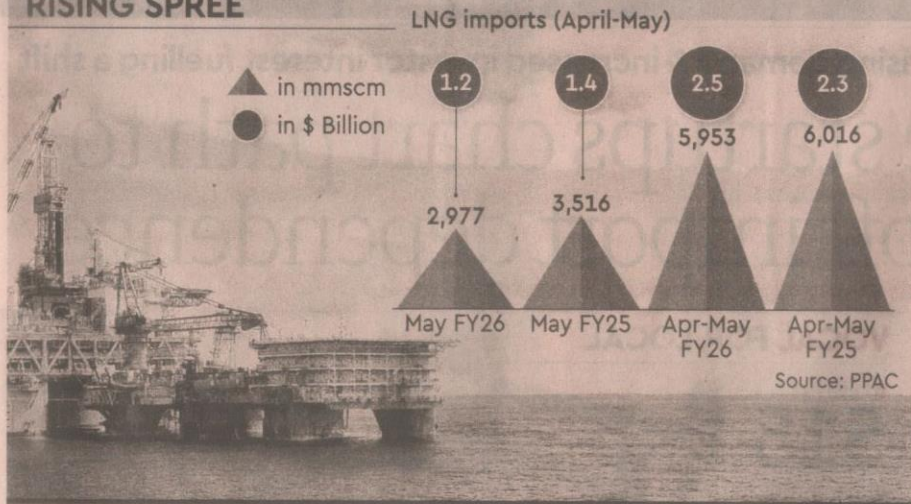
The country imported 5,953 million standard cubic meters (mmscm) of liquefied natural gas (LNG) during the period, reflecting a marginal 1% decline over April-May of FY24.

In May, the import bill, however, declined by 14.3% to \$1.2 billion, compared to May 2024. May volumes also registered a fall of 15.3% to 2,977 mmscm last month.

Even as the country's natural gas consumption declined by almost 2% to 11,764 mmscm during April-May, India's reliance on imported gas rose to 50.6%, up from 50.2% in the same period last fiscal.

Domestic natural gas production too declined marginally by 3% to 5,888 mmscm during April-May of FY25. State-owned Oil and Natural Gas Corporation (ONGC) produced 3,056 mmscm of nat-

RISING SPREE



ural gas during this period, down from 3,132 mmscm in the corresponding period of FY24. Production remained below targets, highlighting the widening gap between demand and domestic supply.

One of the key agendas of the government has been to boost domestic production of crude oil and natural gas, and thereby reduce the country's dependency for energy. However, the domestic production of crude oil and natural gas has remained stagnant and the country's import dependency

has only increased.

The demand for natural gas is expected to grow by 4-6% in the current financial year FY26 while domestic gas production is expected to grow to about 100 mmscmd only, Prashant Vasisht, senior vice president and co-group head, corporate ratings, Icria noted. Thus, the dependence on LNG imports is expected to remain high at 52% of consumption.

The country imports as much as 50% of its natural gas requirements. Qatar accounted for 41% of India's imports in

FY25 followed by the US at 19% and UAE at 13%.

According to the International Energy Agency (IEA), India's LNG imports are expected to moderate in 2025, with growth projected to slow to 10%, compared to 21% in 2024. This slowdown is attributed to tempered demand growth and continued global competition for LNG cargoes.

The agency has projected an 8% increase in India's natural gas demand in 2025 (or an additional 6 billion cubic

meters), supported by the country's expanding energy requirements and rapid economic growth.

In 2024, India became the world's fourth-largest LNG importer, accounting for 7% of global LNG imports.

The growth in demand was primarily driven by the industrial and oil refining sectors, followed by residential, commercial, and transport sectors.

Several Indian oil and gas majors are looking to secure more crude oil and LNG from the US given the rising geopolitical tensions. As India procures a large part of its oil and gas demand from West Asia, it remains vulnerable to supply and price shocks in the event of conflict in the Gulf.

The government is aiming to strengthen India's energy security and establish the US as a leading supplier of crude oil, petroleum products, and LNG to India, as affirmed by Prime Minister Narendra Modi during his recent visit to the US.

With the Indian government aiming to raise natural gas's share in the energy mix from 6% to 15% by 2030, greater US gas imports are seen as a positive development, as per analysts.

Engg exports to US up 10.4% in April-May

MUKESH JAGOTA
New Delhi, June 26

DESPITE HIGH ADDITIONAL tariffs on major components of the engineering sector, exports of these items to the US remained in the positive zone in May growing at 4.6% on year to \$1.75 billion, according to an analysis.

In April-May, exports of engineering goods to the US were up 10.4% to \$3.39 billion, according to Engineering Export Promotion Council (EEPC).

Overall in May, India's engineering exports to all countries

were down 0.82% on year to \$9.89 billion while in April-May engineering exports recorded 4.77% growth as it went up to \$19.40 billion.

US President Donald Trump's additional duties of 25% on steel and aluminium

and their products came into effect from March 12 this year but exports from these articles from India have continued to grow.

In April-May iron and steel exports to the US were up 170% on year to \$ 158.4 mil-

lion while products of iron and steel saw a growth of 10% to \$ 518.9 million.

Similarly, industrial machinery exports to the US were up 17% to \$ 774.1 million in the April-May period.

India's petroleum product exports down 10% in June

ARUNIMA BHARADWAJ
New Delhi, June 29

INDIA'S EXPORT OF petroleum products in June declined by almost 10% to 1.19 million barrels per day (bpd), from 1.32 million bpd in May, according to data from global real-time data and analytics provider Kpler. On an year-on-year basis too, exports declined by 3.7% from 1.24 million barrels in June 2024.

UAE, Singapore, and Australia emerged as the top destinations for the country's petroleum products exports in June.

Exports to the UAE rose to 115,944 bpd from 81,673 bpd in May, exports to Australia increased to 70,746 bpd from 50,500 bpd, and exports to Europe surged to 360,000 bpd, nearly doubling from 60,474 bpd. While flows to Singapore declined by 42% on-month, the overall export basket remained geographically diversified.

India primarily supplies petroleum products to countries in Europe and Asia. The country has emerged as a major fuel supplier to Europe in the past few months after European countries started boycotting Russian supplies post its invasion of Ukraine. Kpler estimates India's refined product exports to stay resilient in the near-future.

ENERGY SUPPLIES

Petroleum products exports (in thousand barrels per day)



Source: Kpler

"Looking forward, refinery utilisation remains elevated, though not at peak, as key exporters like MRPL undergo maintenance. If current crude intake levels are sustained, India is well-positioned to maintain its strong export momentum, particularly to demand centers across South-east Asia, Europe, the US, and Australia. That said, the outlook remains contingent on product margin strength and unplanned disruptions, with India's product trade flows continuing to be shaped by operational agility and global price signals," Sumit Ritolia, lead research analyst, refining and modeling, Kpler, said.

More substantial increase in crude processing is expected toward late 2025 or into 2026, as several brownfield expansions currently underway—at Koyali, Barauni, and Panipat—begin to come online.

The country exports a vari-

ety of goods via the Red Sea, including petroleum products. However, the traffic diversion from the Red Sea and around the Cape of Good Hope, owing to geopolitical tensions over the region, has added ten days to Asia-Europe journeys while also increasing fuel costs, the government had earlier said.

Further, rising geopolitical tensions in West Asia has posed a threat to India's energy supplies, exposing it to price shocks, given its heavy reliance on crude oil imports and exports of refined oil products.

The country's refined oil products exports to the US also declined to 54,309 bpd in June from 84,099 bpd in May. The two countries have recently agreed to strengthen their energy ties and trade.

While the US imposed reciprocal tariffs of 26% on India, some goods including energy and other certain minerals have been exempted from the tariffs.