Business Line. Dt. 29/04/25

Efforts on to curb GM alfalfa seed import

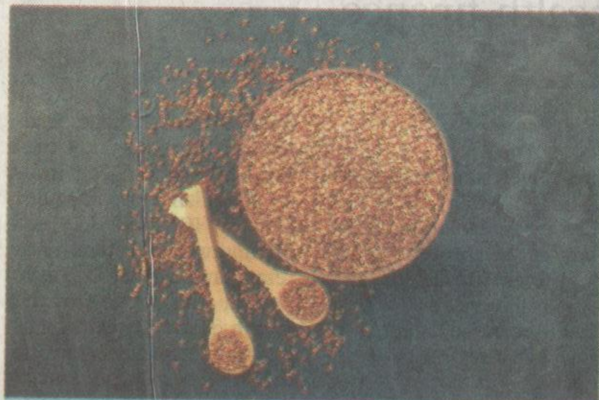
QUICK CHECK. Scientists may have to develop test kit to identify transgenic seeds as US seeks market access

Our Bureau
New Delhi

With the US pushing India to reduce import duty on alfalfa (lucerne) fodder seed, the government is preparing the ground for restricting the genetically modified (GM) version of the crop from entering the country. The Americans grow both GM and non-GM varieties of alfalfa, which derives its name from the Arabic world *al-fasfasa* that means the best forage.

"Scientists may have to develop an easy test kit so that it can be verified before unloading," a source said, adding that it is possible to develop such a kit at a short notice.

Currently, domestically-produced alfalfa seed is available in the market in the range of ₹500-800/kg, whereas the imported seeds cost higher due to import duty, sources said.



LOCAL PRODUCE. Currently, alfalfa seeds are not imported as India has been growing the crop domestically

50% IMPORT DUTY

The effective import duty on lucerne seed (HS code 12092100) is 50.045 per cent, which includes basic customs duty (BCD) of 30 per cent, agri (AIDC) cess 30 per cent levied against BCD, social welfare surcharge 10 per cent (on BCD+AIDC) and IGST 5 per cent.

Besides, the import of alfalfa seeds has to adhere to the plant protection guidelines of the Agriculture Ministry, and it has to arrive with a valid phytosanitary certificate from the exporting country, meeting Indian standards..

Currently, alfalfa seeds are not imported as India has been growing the crop domestically. It is not economical for widespread use due to the import duty, trade sources said.

BERSEEM SEEDS

India imports Berseem seeds for fodder purposes from Egypt and some CIS countries. The import quantum used to be very high a few years ago but it has come down now to about 500 tonnes a year because of the rise in its domestic production. However, industry sources said since it used to be cheaper and high yielding, there was preference for the imported varieties.

Official data show that the import of clover (Trifolium spp) seed of forage plants (HS code 12092200), which included Berseem seeds, was 618 tonnes during April 2024-January 2025 against 5776 tonnes in the year-ago period.

DIRECT IMPORT

Since growing alfalfa requires more water, it may be a better option to facilitate direct fodder import from the US rather than seeds, sources said, adding it will help India supplement fodder availability while expanding the are under agricultural crops like oilseeds and pulses.

The US is the world's largest alfalfa producer, where it is grown mostly under rainfed conditions and the yield is also lower when compared with the same crop grown under irrigation.

FINANCIAL EXPRESS. Dt: 29/04/25

ANALYSTS EXPECT SAUDI VOLUMES TO GROW IN THE MEDIUM TERM

Oil imports from Russia in April touch highest level in two years

ARUNIMA BHARADWAJ
New Delhi, April 28

INDIA'S IMPORT OF Russian oil touched its highest level since May 2023 in April despite US sanctions due to their favourable Free on Board (FOB) discounts relative to West African and West Asian barrrels, according to data from global real-time data and analytics provider Kpler. Russia's share in India's crude imports rose to 40% in April, up from 39% a year earlier.

Russia retained its position as India's largest oil supplier, followed by Iraq, which continued to offer steady volumes of Basrah crude, and Saudi Arabia in third place.

Analysts anticipate Saudi Arabia could regain lost market share in India's import basket, as new refinery projects strengthen ties between the two nations.

India's imports of Russian crude in April 2025 were estimated at 2.1 million barrels per day (mbd). "However, trade flows remain in the liquid phase, and cargoes might slip into May's arrivals, and April's total crude import from Russia might slip below 2.0 mbd and close around 1.9-2.0 mbd," said Sumit Ritolia, lead research analyst for refining and modeling at Kpler.

Arrivals up to April 25 stood at approximately 1.9 mbd, with Urals crude accounting for 77% of volumes and lighter grades making up the remaining 23%.

Ritolia noted that the absence of secondary sanctions enforcement continues to allow Russian oil trade to flow largely uninterrupted.

Provided that refining margins remain strong and sanctions remain narrowly focused, Kpler expects Russian crude to maintain a 30%-35% share in India's crude import mix in the short term.

"That said, our data also points to a modest rebound in Russian refining throughput by 100–300 thousand barrels per day over the next few months, which could reduce export availability by a similar margin. This may slightly temper flows post-May," Ritolia added.

India's overall crude oil imports in April are expected to reach around 5.2–5.3 mbd, according to Kpler. "Trade flows remain fluid, and some cargoes may slip into May's arrivals," Ritolia said.

India's oil imports from Iraq rose to 1.02 mbd in April, up from 889,000 barrels per day in March.

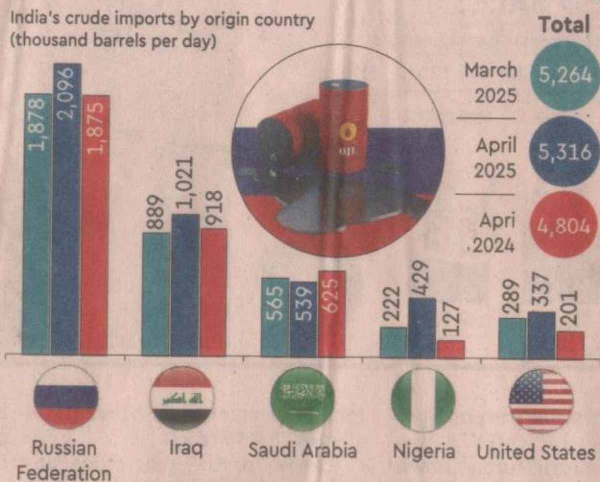
Imports from Saudi Arabia fell slightly to 539,000 bpd from 565,000 bpd, while imports from the US climbed to 337,000 bpd from 289,000 bpd last month.

While Saudi Arabia has traditionally been among India's top oil suppliers, rising competition, especially from Russia, has shifted the dynamics. However, new collaborations and investments could bolster Saudi Arabia's position in the coming years, experts states.

"The new refinery projects are expected to significantly boost India's oil sector by enhancing refining capacity, improving the ability to process a wider range of crude grades, and reducing reliance on imported refined products. This will not only meet domestic demand more efficiently but also position India as a key player in regional refined product exports," Ritolia said.

However, much of the refinery expansion remains at the planning stage. Even if projects move forward, major facilities would typically take 4–6 years to start operations. So, in the short term, we may not see a big immediate boost, he highlighted.

OIL BASKET



Source: Kpler

FINANCIAL EXPRESS. Dt 29/04/25.

Maruti eyes strong export growth momentum

MARKET SHARE MAY IMPROVE IN MEDIUM TERM

MARUTI SUZUKI REPORTED Q4FY25 EBITDA of ₹4,260 crore, which was 12% below our estimates, impacted by lumpy expenses (CSR, repairs and maintenance), an adverse product mix, raw material inflation, and higher advertisement spending. We expect demand trends to remain muted through 1HFY26E, reflecting weak consumer sentiment, continued softness in entry-level segment demand, and a high base effect. However, we anticipate a recovery from 2HFY26E, supported by strong momentum in the export segment, which should drive a volume uptick. Margins are likely to stay range-bound, as new plant-related costs and higher discounting pressures offset operating efficiencies. We maintain our ADD rating.

Maruti's revenues were up 6% y-o-y, led by a 3.5% y-o-y increase in volumes and a 2.3% y-o-y increase in ASPs. Ebitda margin came in at 10.5%, 130 bps below our estimates, driven by (i) new plant-related expenses (30 bps), (ii) advertisement spends, RM headwinds & mix (90 bps) and (iii) bunching up of expenses (CSR, repairs and maintenance, and digitisation, partly offset by operating leverage benefit and lower discounts). Gross margin declined by 30 bps q-o-q, driven by mix and commodity headwinds. Employee cost and other expenses were up 15% y-o-y. Net profit stood at ₹3,710 crore, 1% below our estimates, due to higher other income and lower depreciation expense.

Company's market share declined 120 bps y-o-y to 40.6% in FY2025. We expect its market share to improve to 41-41.5% in the medium term, owing to (i) market share gains in hatchback, sedan and MPV segments, (ii) a gradual recovery in hatchback and sedan segments (mix bottoming up), (iii) outperformance of the CNG segment and (iv) newer launches in EV and SUV segments. In addition, export segment volumes should continue to grow at >15% y-o-y in FY2026E, aiding overall volume growth.

We cut our FY2026–27 EPS estimates by 5–6%, driven by: (i) lower volume assumptions in the domestic market, and (ii) reduced profitability due to higher start-up costs associated with the Kharkhoda plant. These pressures are partly offset by (i) higher average selling prices (ASPs) supported by a favourable mix, and (ii) higher other income. We expect near-term demand trends to remain subdued, reflecting weak consumer sentiment and a limited pipeline of new launches.

However, we anticipate a recovery in domestic demand from 2HFY26E, supported by potential income tax cuts and lower interest rates. The export segment should maintain strong momentum, aided by the commencement of EV exports, with further market share gains likely. We forecast a 20bps y-o-y decline in Ebitda margin for FY2026E, primarily due to higher plant-related costs.

FORECASTS

Y/E Mar	2025	2026E	2027E
EPS (₹)	470.5	498.5	554.9
EPS growth (%)	12.0	5.9	11.3
P/E (X)	24.9	23.5	21.1
P/B (X)	3.9	3.6	3.2
EV/Ebitda (X)	16.5	14.8	12.9
RoE (%)	16.6	15.9	16.1
Div. yield (%)	1.2	1.7	1.9
Sales (₹ cr)	1,51900	1,68200	1,81400
Ebitda (₹ cr)	17800	19300	21600
Net profits (₹ cr)	14800	15700	17400

Source: Bloomberg, Company data, Kotak Institutional Equities estimates

We expect Maruti market share to gradually improve over 25-27E

We believe Maruti's market share will bottom out in FY2025E and gradually recover over FY2026-27E. We expect the company to regain market share in the hatchback and sedan segments, as the underperformance in these categories comes to an end. The anticipated rise in disposable income should support recovery in the mid-premium hatchback and sedan markets. Additionally, Maruti Suzuki's extensive distribution network and the expected demand revival in tier-1 and tier-2 cities are likely to benefit the company more than its peers. In terms of new launches, the company plans to introduce an ICE SUV in FY2026E, alongside its electric vehicle offering (e-Vitara), which was unveiled in 4QFY25. Maruti Suzuki's market share declined by 120 bps y-o-y to 40.6% in FY2025, primarily due to (i) new and refreshed launches by competitors (XUV 3XO, Curvv, Thar 5-door, Alcazar), and (ii) continued underperformance in the hatchback and sedan segments, where the company has traditionally held a leadership position.

Looking ahead, we expect Maruti Suzuki's market share to gradually improve to 41–41.5% over FY2025-28E, driven by: (i) a robust pipeline of launches across multiple powertrains, particularly in the SUV and MUV segments, (ii) the stabilisation and recovery of the hatchback and sedan segments, and (iii) market share gains across the hatchback, sedan, and MUV categories.

KOTAK INSTITUTIONAL EQUITIES

Business Line. Dt:- 30/04/25

Telangana and Tamil Nadu clock highest growth in exports in FY25

Sindhu Hariharan
Avantika Soupramanien
Chennai

As India strengthens its exports of non-petroleum and non-gems and jewellery products, the southern States are emerging as the country's export hubs.

DATA FOCUS.

Gujarat and Maharashtra continue to be top merchandise exporters, but both States posted a decline in their FY25 exports, as per analysis of State-wise exports in the National Import-Export Record for Yearly Analysis of Trade (NIRYAT).

Gujarat's exports stood at $116.3 billion in FY25, a 13 per cent year-on-year decline and Maharashtra clocked $65.9 billion in exports, a 2 per cent decline.

In contrast, Telangana, Tamil Nadu, Karnataka and Andhra Pradesh grew exports 36 per cent, 20 per cent, 14 per cent and 5 per cent respectively, in this fiscal year. After Gujarat and Maharashtra, Tamil Nadu ($52.1 billion), Karnataka ($30.5 billion) and Uttar Pradesh ($22 billion) make up the top five States in merchandise exports.

Overall, India exported $437.4 billion worth of goods in FY25, just a tad higher than $437.1 billion in the previous year. Out of this, non-petroleum and non-gems and jewellery exports for FY25 was $344.2 billion compared with $320.2 billion in the previous year.

Analysis of State-wise share of India's total merchandise exports reveals that Tamil Nadu, Karnataka, Andhra Pradesh and Telangana have grown their share from FY24 to FY25. Gujarat has seen a 1.5 percentage points decline, and Maharashtra has seen a 1.2 percentage points rise in share despite a fall in exports.

DIVERSIFIED BASKET

Analysts note that India's export basket is now more diversified, thanks to schemes such as Production-linked Incentive (PLI) and others. Industries like electronics, engineering goods and textiles are seeing growth, while oil prices has dampened export of petroleum products; gems and jewellery industry, too, is seeing headwinds.

Out of Tamil Nadu's $52-billion merchandise exports in FY25, 35 per cent comes from engineering goods, 28 per cent from electronic goods, 10 per cent from ready-made textile garments and 4 per cent from cotton yarn, handloom products and others.

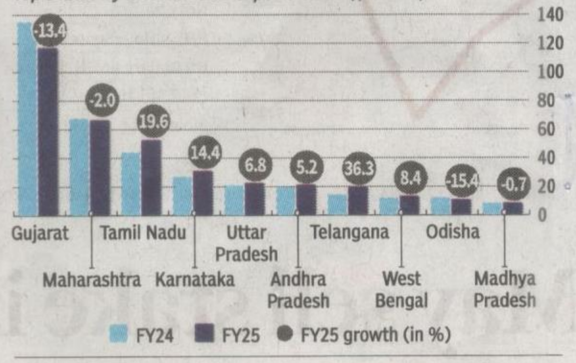
"The States doing relatively better in exports are those that have taken steps to diversify their export profile and trade strategies," Paras Jasrai, Associate Director, India Ratings & Research, said. "Gujarat, which has a high share of petroleum and gems exports, is also getting into areas such as semiconductors but it will yield results only after a few years," he added.

For instance, Tamil Nadu and Karnataka's rise in exports can be attributed to their diversified export basket and a significant surge in smartphone exports. Similarly, marine products, drugs and pharmaceuticals, and chemicals dominate Andhra Pradesh's exports.

Southern surge

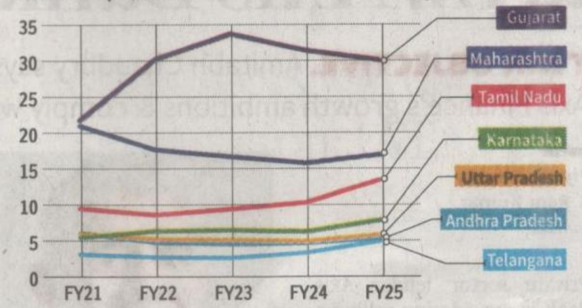
The leaders

Top States by merchandise exports value ($ billion)



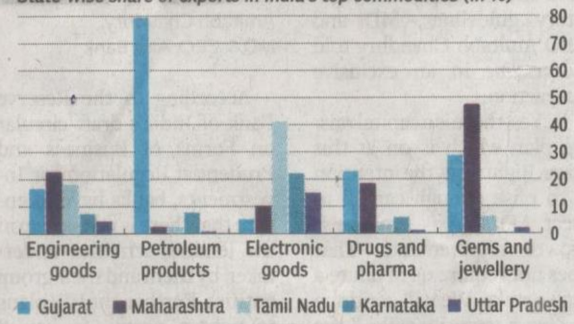
Southern States are growing their share of exports

Share of top States in India's total merchandise exports (%)



Non-petroleum and non-gems & jewellery exports help southern States grow their share

State-wise share of exports in India's top commodities (in %)



Source: NIRYAT portal, Ministry of Commerce

Avantika Soupramanien is an intern with businessline

Business Live. Dt: 30/04/25.

Trade seeks 50% import duty on yellow peas

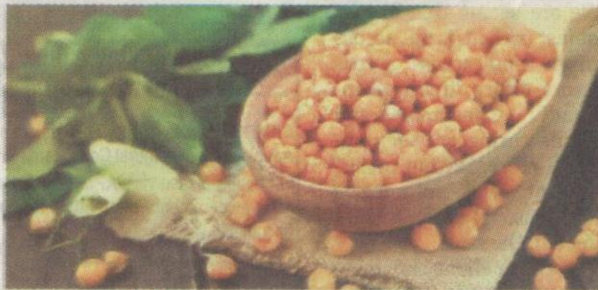
Vishwanath Kulkarni
Bengaluru

The Indian pulses trade wants the Union government to levy an import duty of minimum 50 per cent or more on yellow peas to ensure that the landed price is equivalent to the minimum support price (MSP) of chana (gram).

Currently, imports of yellow peas are allowed duty-free import. The facility is on till May 31, 2025.

Yellow pea is a cheaper and near substitute to chana and the government allowed duty-free imports in December 2023 to boost the supplies and contain the price rise amidst expectation of a fall in domestic gram output.

Subsequently, the government extended the window for duty-free import of yellow peas multiple times, the latest being in early March this year till May 31, 2025.



RISING INFLOW. New Delhi shipped in over 32 lakh tonnes of yellow peas from December 2023-March 2025

"This is the seventh extension in last 18 months for yellow pea imports," said Bimal Kothari, Chairman, India Pulses and Grains Association (IPGA). The government should impose a duty of minimum 50 per cent or more so that the landed price of yellow peas is closer to the MSP of chana, so that the domestic growers are protected, Kothari said.

HIGHER IMPORTS

The opening up of duty-free yellow pea imports had led to massive inflow of the pulses variety over the past two years.

The availability of huge quantity of imported yellow peas in the market has kept the chana prices under check, hurting farmers' realisations. Besides, it has also impacted the demand for other pulses varieties, Kothari said.

Currently, the landed price of yellow pea at the Indian ports is hovering around ₹3,400-3,550 a quintal, Kothari said. The chana MSP for the 2025-26 marketing season is ₹5,650, while the *mandi* prices are hovering in the range of ₹5,000-5,700 across various *mandis*.

Per IGrain India's estimates, India's total imports of yellow peas from December 2023 to March 2025 stood at over 32.13 lakh tonnes (lt). Yellow peas imports during 2024-25 stood at over 20.44 lt, close to almost double than the previous year's 11.69 lt.

Canada and Russia are the top two suppliers of yellow peas to the Indian market. Other exporters include Turkey, Ukraine, Latvia, Lithuania and Spain among others.

Currently, Canada is offering its yellow peas at $440 a tonne cost and freight to India for May-June, while Russia is selling at $400 a tonne for May.

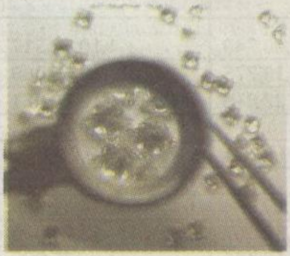
Business Line. Dt:- 30/04/25

Diamond exports to dip 10% this fiscal as tariffs take effect

Our Bureau
Mumbai

The additional 10 per cent tariff imposed by the US — which accounts for nearly a third of India's natural diamond exports — is expected to further strain Indian diamantaires. This development comes amid already subdued demand and increasing competition from lab-grown diamonds (LGD), per Crisil Ratings report.

In the milieu, export revenues of diamantaires will decline 8-10 per cent in fiscal 2026, it added. That said, calibrated inventory management across the value chain will support realisations, thus helping reduce the decline in export revenues and limit the erosion of operating margins.



EXPORTS DOWN

Last fiscal, the export volumes of natural diamonds remained constrained by lower demand from China and competition from LGD in the US. Revenues from natural diamond exports fell 17 per cent to $13.3 billion.

Rahul Guha, Senior Director, Crisil Ratings, said the natural diamond realisations this fiscal are poised to rebound 3-4 per cent amid limited inventory across the value chain as diamantaires are aligning their rough purchases with visibility in sales of polished diamonds.

Also, production cuts by miners will curtail price erosion. In contrast, LGD prices may drop from one-tenth of natural diamond prices last fiscal to one-twelfth this fiscal, widening the price gap, the report said.

The rising price gap, in turn, could shave a further 12-14 per cent off natural diamond export volumes, marking third consecutive year of weak demand after an aggregate degrowth of 32 per cent in the last two fiscals, said Crisil Ratings.

Himank Sharma, Director, Crisil Ratings, said natural diamond polisherswill have limited ability to absorb the tariff-induced price rise.

As a result, miners and retailers may need to step in to absorb some of the price shocks.

Consequently, Crisil believes the operating margins of polishers may dip 20-30 basis points to 4.3-4.5 per cent this fiscal.

BusinessLine Dt. 30/04/25

Plastic exports rise 8.7% to $12.5 billion in FY24-25

Our Bureau
Mangaluru

Total plastic exports from India touched $12.5 billion in 2024-25 against $11.5 billion in 2023-24, recording a growth of 8.70 per cent.

A media statement by the Plastics Export Promotion Council (Plexconcil) said the growth in India's plastics exports was driven by strong performances across several key product categories.

Plastic films and sheets saw a growth of 15.9 per cent, increasing from $1,750 million to $2,028 million; while woven sacks, woven fabrics and tarpaulin grew by 16 per cent to reach $1,571 million, up from $1,355 million.

Floor coverings, leathercloth and laminates recorded an increase of 9.9 per cent, totalling $762 millioncompared to $693 million in the previous fiscal.

India's plastics export markets include the US, China, the UAE and Brazil.

Quoting Vikram Bhadauria, Chairman of Plexconcil, the statement said India's plastics export sector has demonstrated remarkable performance.

12% GROWTH TARGET

Sribash Dasmohapatra, Executive Director of Plexconcil, said: "With expanding opportunities in emerging markets such as Africa, Latin America and the CIS region, and with critical trade agreements on the horizon, we are confident in achieving our target of 12 per cent export growth for 2025-26."

To further strengthen global competitiveness and expand market access, Indian plastic sector is advocating for the early conclusion of key international trade agreements such as the one with the US and free trade agreements with the UK and the EU.

BusinessLine. Dt 30/04/25

India, Rotterdam Port plan green corridor for clean energy exports

NEW ROADS. Commerce Secretary Sunil Barthwal held discussions with Port of Rotterdam authority CEO Boudewijn Siemon

Press Trust of India
New Delhi

The visit of Commerce Secretary Sunil Barthwal to the Netherlands has laid the groundwork for setting up a green, digital corridor between the Port of Rotterdam and Indian ports for the export of green hydrogen to Europe, an official statement said on Tuesday.

The Commerce Ministry said that huge opportunities are there for enhancing cooperation between Indian ports and the Netherlands' Port of Rotterdam in areas such as digitalisation, green shipping, and logistics optimisation, to boost bilateral trade.

During the visit, Barthwal held discussions in this regard with the CEO of the Port of Rotterdam Authority Boudewijn Siemon.

The Rotterdam Port is Europe's largest and one of the world's most advanced ports.

Both sides discussed opportunities in the areas including knowledge sharing, technology transfer, and sustainable port management practices.

DEEPENING TIES

In the meeting, Barthwal highlighted the potential for collaboration in modernising Indian ports, aligning with India's Maritime Vision 2030, which aims to enhance port capacity and logistics efficiency.

Both sides expressed interest in deepening ties through joint initiatives in port digitalisation, green shipping, and logistics optimisation, which are critical to boosting bilateral trade flows, the Commerce Ministry said.

"The visit laid the groundwork for setting up of a Green and Digital Corridor between the Port of Rotterdam and Indian ports like the Deendayal Port Authority Kandla, and export of Green Hydrogen and carriers like Ammonia and Methanol from India to Europe, with the Port of Rotterdam acting as a gateway to Europe," it said.

SEMICONDUCTOR HUB

He also met ASML, a global leader in photolithography systems for the semiconductor industry, CEO Christophe Fouquet, and discussed deepening India-Netherlands cooperation in the sector.

"The discussions focused on leveraging ASML's expertise to support India's ambitions to become a global semiconductor manufacturing hub," it added.

The secretary also visited Croatia last week and held deliberations with Zdenko LuciÃ, State Secretary for Foreign Trade and Development, Ministry of Foreign and European Affairs, and Ivo MilatiÃ, State Secretary, Ministry of Economy.

Both sides discussed the progress of talks for the proposed free trade agreement between India and the EU.