Business Line. Dt:- 16/09/25

Aug exports rise 6.7% on rush in US shipments to beat tariffs

GOOD NEWS. Trade deficit narrows significantly to $26.49 billion as imports shrink 10.12%

Our Bureau
New Delhi

India's goods exports increased 6.7 per cent (year-on-year) in August to $35.10 billion, fuelled by sectors such as gems and jewellery, engineering, electronics and petroleum products.

Shipments to the US continued to be front-loaded by exporters to avoid the brunt of tariffs but there was a slowdown compared to the previous months, show data released by the Commerce Ministry on Monday.

The trade deficit narrowed significantly to $26.49 billion in August from $35.64 billion in the same month last year as imports during the month declined 10.12 per cent to $61.59 billion.

In July 2025, the trade deficit was $27.35 billion.

GOLD IMPORTS DOWN

The drop in imports in August was led by gold, whose shipments declined 56 per cent to $5.4 billion from $12.55 billion in the same month last year.

"Despite global uncertainty and trade policy uncertainty, exports have done well. It shows the government's policies have paid off," Commerce Secretary Sunil Barthwal told the media.

Outbound gains

Trade during August 2025*

		Aug 2025 (US$ billion)	Aug 2024 (US$ billion)
Merchandise	Exports	35.1	32.89
	Imports	61.59	68.53
Services*	Exports	34.06	30.36
	Imports	17.45	16.46
Total Trade (Merchandise +Services)*	**Exports**	**69.16**	**63.25**
	Imports	**79.04**	**84.99**
	Trade Balance	-9.88	-21.73

Source: Commerce Ministry

India's exports to the US in August increased 7.15 per cent to $6.86 billion as exporters continued to send off shipments before the US tariffs took effect.

Washington slapped 25 per cent reciprocal tariffs on most Indian imports on August 7 and another 25 per cent penal levy on August 27 for buying Russian oil.

TARIFFS SHADOW

Exports to the US rose year-on-year in August but the shipments declined from $8 billion exported in July 2025.

There are apprehensions that exports to the US may plunge in the months ahead as the blow of the tariffs is felt fully.

STRESS SIGNS

Pankaj Chadha, Chairman, Engineering Export Promotion Council (EEPC) India, said: "While the rise in shipments in August shows the industry's resilience, there are early signs of stress, also due to the punitive tariffs imposed by the US. When compared with July numbers, engineering exports have declined nearly 5 per cent. Given that nearly $20 billion of engineering exports are exposed to the US tariffs, the sector remains vulnerable."

There are apprehensions that exports to the US may plunge in the months ahead as the blow of the reciprocal and punitive tariffs is felt fully

The government must step up support for MSMEs and make sure incentives are disbursed on time to ensure exports remain globally competitive, especially at a time when the world is facing a tariff crisis, according to exporters' body FIEO.

TOP 3 MARKETS

In August, India's exports to the UAE, the Netherlands and China — the top three markets after the US — also increased.

In April-August 2025, goods exports increased 2.52 per cent to $184.13 billion, while imports rose 2.14 per cent to $306.52 billion. The trade deficit was $122.39 billion ($120.52 billion).

Business Line Dt:- 16/09/25

Edible oil imports up 5.55% in August

Our Bureau
Mangaluru

Edible oil imports recorded a 5.55 per cent increase in August, driven by higher crude palm oil (CPO) shipments to India.

According to the Solvent Extractors' Association of India (SEA), India imported 16.21 lakh tonnes (lt) of edible oil in August 2025 against 15.36 lt in August 2024. The import of CPO witnessed a jump of 39.79 per cent in August at 9.79 lt against 7 lt in August 2024.

India imported 123.78 lt of edible oil during the first 10 months of the oil year 2024-25 (November-October) against 134.71 lt in the corresponding period of the previous oil year, registering a decline of 8.11 per cent.

(This does not include imports from Nepal.) India's CPO imports declined to 50.89 lt during November-August 2024-25 from 59.40 lt a year-ago period.

There was a drastic fall in the import of RBD palmolein during the first 10 months of the oil year 2024-25. BV Mehta, Executive Director of SEA, said the increase in import duty difference between CPO and RBD palmolein from 8.25 per cent to 19.25 per cent with effect from May 31 made the import of refined oil uneconomic.

Following this, imports of refined oil reduced to 5,000 tonnes in July 2025 and 8,000 tonnes in August 2025 compared to 1.36 lt in July 2024 and 92,130 tonnes in August 2024.

Terming the government's decision to increase the duty difference as a bold and timely move, he said it started discouraging the import of refined palmolein. This shifted demand back to crude edible oils, thereby revitalising the domestic refining sector. Stating that Nepal exported refined soybean oil and sunflower oil and a small quantity of RBD palmolein and rapeseed oil to India under the SAFTA agreement at nil duty, he said imports from Nepal were at 5.89 lt from November 2024 to July 2025. After taking this into account, the total edible oil imports stood at 129.7 lt during the first 10 months of the oil year 2024-25.

REFINED VS CRUDE

India imported 9.95 lt of refined oil (RBD palmolein) during the first 10 months of the oil year 2024-25 (16.10 lt during November-August 2023-24) and 113.82 lt of crude edible oils (118.60 lt). The ratio of refined oil decreased to 8 per cent from 12 per cent due to the lesser import of RBD palmolein. Crude edible oil ratio increased to 92 per cent from 88 per cent due to an increase in the import of soybean oil. While soybean oil imports increased to 38.90 lt (27.14 lt), sunflower oil imports declined to 23.49 lt (31.14 lt) during the period.

Business Standard. Dt: 16/09/25

Exports grew 6.7% in Aug despite Trump tariffs

But shipments to US hit 9-mth low

SHREYA NANDI
New Delhi, 15 September

Gap narrows

Merchandise trade ($ bn); figures in brackets show Y-o-Y growth (%)

On the decline

Exports to the US in FY26 so far

Value ($ bn) LHS —Y-o-Y chg (%) RHS

Source: Department of Commerce

Outbound shipments from India grew 6.7 per cent year-on-year (Y-o-Y) to $35.1 billion in August, despite global uncertainties and steep double-digit tariffs imposed by the US on several Indian goods.

The growth in merchandise exports was partly due to a low base of $32.9 billion in August 2024. Sequentially, however, exports contracted 5.7 per cent from $37.24 billion in July.

According to data released by the Department of Commerce on Monday, exports to India's largest market — the US — rose 7.15 per cent Y-o-Y to $6.86 billion, despite the imposition of a 25 per cent reciprocal tariff from August 7. However, exports to the US plummeted to a nine-month low in August.

Effective August 27, the US imposed an additional 25 per cent tariff, taking the total levy to 50 per cent. Experts said the full impact of this levy would be reflected from September.

Aditi Nayar, chief economist at Icra, said the penalty was likely to drive down exports to the US materially in September, which would lead to a sharp fall in overall exports and a widening of trade gap.

On the import side, merchandise inflows contracted 10.13 per cent to $61.59 billion in August, mainly due to a 57 per cent Y-o-Y decline in gold imports compared to last year. As a result, India's trade deficit narrowed to $26.49 billion, down from a record $35.64 billion in August 2024 and from $27.35 billion a month ago.

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The Economic Times. Dt: 16/09/25.

ENGINEERING, ELECTRONICS, PHARMA AND CHEMICALS DRIVE EXPORTS

India's Goods Exports Rise, Deficit Narrows in August

Exports growth to US falls to 7.2%, slowest in 9 mths, after tariff hike

Our Bureau

New Delhi: India's merchandise exports rose 6.7% on-year to $35.1 billion in August, while imports fell 10.1% to $61.6 billion, official data released Monday showed.

The trade deficit narrowed to $26.5 billion in August from $27.35 billion in July and $35.6 billion a year earlier.

However, exports to the US slowed sharply to a nine-month low of 7.2%, compared with nearly 25% growth in the first seven months of 2025, after the US imposed additional 25% penalties on top of existing reciprocal tariffs from August 27.

"Despite global headwinds, Indian exporters have held up remarkably well, reflecting the success of the government's export strategy," commerce secretary Sunil Barthwal said. He cited four pillars underpinning the country's export push: improving competitiveness, diversifying markets, reducing reliance on critical geographies and supply chains, and securing market access for key sectors.

Sequentially, exports declined 5.7% and imports fell 4.6%.

The US remained India's top export destination, with outbound shipments of $40.4 billion in April–August FY26, up from $34.2 billion a year earlier. Overall merchandise exports in the first five months of FY26 rose 2.5% on-year to $184.13 billion, while imports increased 2.1% to $306.52 billion.

Engineering goods, electronics, pharmaceuticals, and chemicals led export growth, while gold imports dropped 57% on-year to $5.44 billion in August.

Barthwal said India has drawn up country-specific export strategies for 50 markets that account for 90% of shipments, alongside sectoral plans. "On competitiveness, initiatives like GST are helping exporters. Diversification is also visible as we tap new markets, which has strengthened resilience," he said.

FIEO president S C Ralhan added: "This performance reflects the resilience and competitiveness of Indian exporters across sectors. Diversification of export markets, focus on high-growth areas, and continued policy support have played an instrumental role."

Barthwal said efforts were also underway to cut import dependence. "We have identified about 100 products where domestic capacity exists. By boosting utilization, we can replace imports, strengthen industry, and reduce vulnerabilities," he noted. The commerce ministry will also assess whether some products classified as Indian-made are actually only assembled here.

FTA PUSH

The next round of India-EU trade talks will take place in Brussels on October 6–10. Officials said negotiations are in the "final stretch," with most major issues resolved, and both sides keen to wrap up a comprehensive FTA, while not ruling out an early harvest.

EXPORT PROMOTION MISSION

Inter-ministerial consultations for the proposed Export Promotion Mission have concluded, and the plan will soon go to the Union Cabinet. The government is considering support measures of about ₹25,000 crore under the mission, announced in the Budget for 2025–31.

FINANCIAL EXPRESS. Dt: 16/09/25

ABOUT 50% ORDERS CANCELLED

US tariffs: Andhra's shrimp export losses at ₹25,000 cr

SREENIVAS JANYALA
Hyderabad, September 15

US PRESIDENT DONALD Trump's tariffs are estimated to have cost Andhra Pradesh approximately ₹25,000 crore in shrimp exports, with government officials saying that about 50% orders were cancelled.

With nearly ₹600 crore in tariff burden now falling on about 2,000 containers, chief minister Chandrababu Naidu has sought the Centre's intervention to alleviate the distress that the export crisis has caused in the state.

US tariffs touched 59.72% after Trump announced 25% additional tariffs over and above the 25% announced earlier, as well as the 5.76% countervailing duty and 3.96% anti-dumping duty.

In separate letters to Union finance minister Nirmala Sitharaman, commerce and industry minister Piyush Goyal, and fisheries minister Rajeev Ranjan Singh, Naidu suggested relief in Goods and Services Tax and extending Centre's financial packages to Andhra Pradesh's aqua farmers to indemnify them against the losses and asked them to consider looking for markets beyond the US.

Andhra Pradesh accounts for 80% of the country's shrimp exports and 34% of marine exports valued at around ₹21,246 crore annually. Over 3 million people are estimated to be dependent on shrimp exports and allied activities in the state.

Pointing out that aqua farmers and their families were facing hardships due to the tariffs, Naidu said that his government had already announced various relief measures — such as reducing the price of aqua feed by ₹9 per kg — and are considering other measures, including subsidising the price of transformers.

He asked the Centre to facilitate bank support for exporters and aqua companies — including a 240-day moratorium on loan and interest repayments, interest subsidies, and a temporary waiver of the 5% GST on frozen shrimp. In addition, he urged the Centre to focus on diversifying export markets beyond the US by having free trade agreements (FTAs) with the European Union, South Korea, Saudi Arabia, and Russia to boost exports.

The chief minister also sought interim financial support for exporters, clarity on tariff/tax relief schemes, and noted that exporters were ready to supply seafood to the EU.

RELIEF SOUGHT

- Andhra Pradesh accounts for 80% of the country's shrimp exports and 34% of marine exports
- Over 3 mn people in the state are dependent on shrimp exports

- Nearly ₹600 crore of tariff burden is now falling on about 2,000 containers

- US tariffs on shrimps touched 59.72% after 25% additional tariffs over and above the 25% announced earlier
- This also include 5.76% countervailing duty and 3.96% anti-dumping duty

Business Line. Dt:- 17/09/25

Coal imports lose steam in July, to remain compressed in August and September

Rishi Ranjan Kala
New Delhi

After relatively stable coal imports by India during June 2025, the cargoes have depressed in July despite a fall in production as ample reserves at the thermal power plant (TPP) end depressed the appetite for imports.

According to global real-time data and analytics provider Kpler, India's coal imports fell by almost 18 per cent month-on-month (m-o-m) and 12 per cent year-on-year (y-o-y) to 12.08 million tonnes (mt) in July 2025.

Alexis Ellender, Senior Lead Dry Bulks Insight at Kpler, noted that the fall in thermal coal shipments meant India's cumulative coal imports retreated to a five-month low of 19.63 mt in July, down by 1.01 mt y-o-y, which is the first annual decline in trade since March 2025.

"Thermal coal imports dropped by 1.70 mt y-o-y to the lowest level since February at 12.08 mt. Despite a 12 per cent y-o-y fall in India's domestic coal production in July, ample stockpiles provided a buffer that restrained import demand," he told *businessline*.

Kpler's coal analysts expect thermal coal imports to remain weak through the remainder of August and September, before picking up in the fourth quarter (October-December 2025), Ellender emphasised.

According to government data, coal imports by TPPs, including imported coal based (ICB) plants, fell by 24 per cent y-o-y to 4.02 mt in July 2025. During April-July 2025, the imports fell by 22 per cent y-o-y to 19.28 mt.

Coal consumption also declined during July 2025. According to the National Power Portal, TPPs cumulatively consumed 70.9 mt of coal last month, a decline of 2.6 per cent y-o-y.

While imported coal consumption fell by a steep 24.5 per cent y-o-y to 4 mt, the decline in consumption from domestic sources was at 9 per cent on an annual basis at 60.1 mt during July 2025.

India's thermal coal imports (in mt)

Month/ Year	Volume
July 2025 (P)	12.08
June 2025	14.72
May 2025	18.51
April 2025	15.40
March 2025	14.45
February 2025	11.81
January 2025	12.24
December 2024	11.58
November 2024	11.38
October 2024	12.81
September 2024	12.89
August 2024	12.31
July 2024	13.78
June 2024	13.60
May 2024	17.70

Source: Kpler P: Provisional

MONSOON IMPACT

India's coal production and despatch declined for the second consecutive month in July 2025 as monsoon rains impacted mobility. Production declined by more than 12 per cent y-o-y to 64.86 mt in July. On a monthly basis, the output fell by almost 18 per cent. Pan-India coal dispatch during July 2025 declined by 9 per cent y-o-y and around 13 per cent m-o-m to 73.57 mt.

Historically, coal and mining operations enter the slow lane during the four-month monsoon season. They pick up from October to March.

Good and early rains across the country dampened power demand, which reflected in lower generation of power from coal. During July 2025, India's coal-based power generation declined by almost 4 per cent y-o-y and 1.12 per cent m-o-m.

On the other hand, generation from renewable energy sources rose by about 14 per cent y-o-y and 0.7 per cent m-o-m during July. Hydro power generation also rose by 22 per cent y-o-y and 29 per cent m-o-m.

Business Line. Dt: 17/09/25

Gem & jewellery exports up 5% in Aug in rush to beat Trump tariff

Our Bureau
Mumbai

Gem and jewellery exports increased five per cent last month to $2.12 billion against ₹2.01 billion logged in August 2024 as exporters rushed to fulfil their orders before the punitive Trump tariff kicked in.

In rupee terms, it was up 10 per cent to ₹18,529 crore against ₹16,896 crore in the same period, per the Gem and Jewellery Export Promotion Council (GJEPC) data.

While the exporters' attempt to minimise the impact of tariff threat remained the key reason, other positive elements including Free Trade Agreements such as India-UAE CEPA and reduced duties on imports for raw materials also played a pivotal role.

IMPORTS UP

The overall gross import of gem and jewellery was up marginally last month at

$1.47 billion ($1.46 billion). The rise reflects a steady domestic demand for raw and semi-finished products to support production for the upcoming holiday season internationally and domestic festival demand.

Cut and polished diamond export was down six per cent at $972 million ($1.03 million) due to sluggish spending on luxury items in the US and Europe. The slump in retail sales across major markets led to high-cost inventory.

GLOBAL DEMAND

The continued increase in the global demand for lab-grown diamonds on the backdrop of being environment-friendly and cost-effective also impacted natural diamond sales. Imports of cut and polished diamonds declined by four per cent to $113 million, driven by reduced purchases from domestic traders and manufacturers amid global price corrections and slower retail offtake. High inventory limited purchase of new stock.

Rough diamond imports increased 3 per cent to $5.14 billion as India remained the world's cutting and polishing centre and received more rough diamonds.

SUPPLY CRUNCH

While demand for natural polished diamonds remained weak, some rough categories attracted buying as players expect supply crunch ahead of the festival season.

Gold jewellery shipments jumped 63 per cent to $419 million ($257 million) supported by strong demand in key markets including West Asia and the US.

FINANCIAL EXPRESS. Dt: 17/09/25

SLIGHTLY HIGHER THAN THE PAST COUPLE OF MONTHS

India's Russian oil imports robust so far in September

SUKALP SHARMA
New Delhi, September 16

MORE SHIPMENTS

- Russian oil imports in the first 16 days of Sept were at **1.73 mn bpd**
- The import volumes for July stood at **1.59 mn bpd**
- For August, it stood at **1.66 mn bpd**

- As for oil loadings at Russian ports, Sept1-16 volumes loaded for India were at **1.22 million bpd**
- But the actual figure could be close to **1.6 mn bpd**

RUSSIAN OIL DELIVERIES at Indian ports for the first half of September were robust, and slightly higher than the past couple of months, suggesting that the growing US rhetoric in July against New Delhi's hefty oil imports from Moscow did not have any meaningful impact on Indian refiners' crude sourcing behaviour at the time. Crude loadings at Russian ports so far in September, although slightly lower than pre-August levels, are also evidently stable even as the situation remains fluid, according to preliminary tanker data and industry insiders.

Typically, contracts for Russian crude supplied to India are finalised six-eight weeks before delivery, which means that the volumes imported in the first half of September correspond largely to contracts from July, when US President Donald Trump began to publicly target India over its Russian oil purchases. According to trade experts, Russian oil deliveries to India in late September and October would provide a clear picture of the impact of Trump's tariff tantrums as the secondary tariff on Indian goods was announced by Washington in early August as a "penalty" for buying Moscow's crude.

India's Russian oil imports in the first 16 days of September were at 1.73 million barrels per day (bpd), per provisional vessel tracking data from global real-time data and analytics provider Kpler. The import volumes for full July and August stood at 1.59 million bpd and 1.66 million bpd, respectively.

As for oil loadings at Russian ports, September 1-16 volumes loaded for India were at 1.22 million bpd, but the actual figure could be close to 1.6 million bpd as a number of tankers laden with Russian crude are headed towards Egypt's Port Said and are not reflecting their final destination.

Industry watchers expect a large share of this oil to also come to India, given many of these tankers have regularly discharged crude at Indian ports over the past few months. A similar trend was also observed in August loadings for India, which are also estimated at around 1.6 million bpd, including some cargoes that are expected to reflect their final destination only once they transit the Suez Canal. The journey time for tankers transporting Russian crude to Indian ports through the Suez Canal — the main supply route — typically ranges between three and four weeks.

Indian refiners' heavy imports of Russian crude are seen as a lever that the Trump administration believes it can use to force the Kremlin's hand into ending the Ukraine war. Oil exports are the biggest source of revenue for Moscow, and New Delhi is the second-largest buyer of its oil after Beijing. But despite US rhetoric and imposition of 25% secondary tariff over the 25% tariff imposed earlier on most Indian goods, India has shown no signs of backing down on Russian oil imports.

New Delhi has termed the Trump administration's action "unjustified and unreasonable" and said these imports began as its traditional supplies were diverted to Europe, with the US having "actively encouraged such imports by India for strengthening global energy markets stability".

FINANCIAL EXPRESS Dt:- 18/09/25

Farm & processed food exports increase 10%

• Shipments of rice, buffalo meat, fruits rise in April-August

SANDIP DAS
New Delhi, September 17

INDIA'S EXPORTS OF agricultural and processed food products have continued at a brisk pace in the current fiscal year, with shipments rising by close to 10% on-year to $10.03 billion in April-August.

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

Rice exports, including basmati and non-basmati varieties, rose by over 6.4% on-year to $4.71 billion during the April-August period. In FY25, rice exports were at a record $12.47 billion, an increase of over 20% compared to 2023-24.

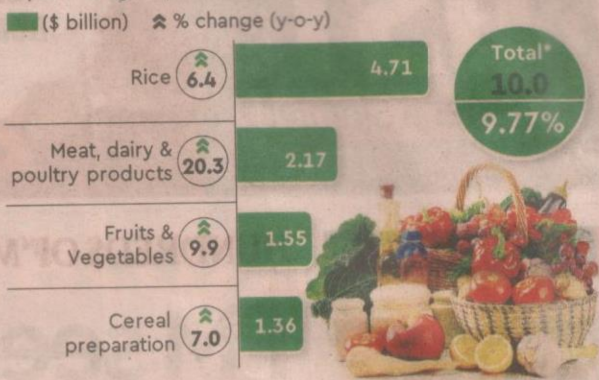
However, there has been a fear amongst basmati rice exporters on the shipment prospects to the high value markets like the US, as the new higher tariff regime has come into effect last month.

Meanwhile, with Bangladesh commencing rice imports, India's shipment of the grain during the current fiscal year are likely to be higher than in FY25.

"There is a robust demand for Indian rice globally, and exports are expected to rise in the coming months as lower stock levels in competing countries like Myanmar and Pakistan have shifted global buyers' interest towards India," Ranjit Singh Jossan, vice president, Basmati Rice Millers and Exporters Association, Punjab, told FE.

BRISK PACE

Exports of agri & processed food products (April-Aug, 2025)



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 and currently has a share of over 40% in the global grain trade. Global rice trade for 2026 is projected at 62 million tonne (MT).

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 five months of FY26, increased sharply by over 20% to $2.17 billion.

Officials said 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 United Arab Emirates.

The Agricultural & Processed Food Products Export Development Authority (APEDA) coordinates boneless buffalo meat exports through approved integrated meat plants and these plants are inspected by importing countries.

The exports of fruits and vegetables during April-August period of FY26 rose by 10% to $1.55 billion on-year. Only shipment of cashew declined by 6% during the first five months of the current fiscal to $100 million a year.

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.

In September, 2024, the government started easing restrictions on rice shipments 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.

Business Line. Dt:- 22/09/25

GST cut: Local paper-makers want IGST on imports to level field

KV Kurmanath
Hyderabad

Importers of paper and paperboard will get an additional benefit after the new GST rate comes into force from Monday, said the Indian Paper Manufacturers' Association (IPMA) and called for the imposition of IGST (Integrated Goods and Services Tax) of 18 per cent on paper imports.

LOCAL INDUSTRY HIT

The Association argued that domestic paper products, already under significant stress due to predatory import of paper and paperboard entering the country at zero or preferential import duties, will be more uncompetitive in the market.

"Given the move to reduce the GST on uncoated paper and paperboard used for exercise books, notebooks (HS Code 4802) to nil, the IGST rate on imports will also be reduced to nil. While domestic manufacturers will have to embed input taxes in the cost of manufacture, exports by foreign manufacturers to India will not be levied IGST, leading to a further increase in imports," IPMA President Pawan Agarwal told *businessline*.

"While the GST rate on pulp has been reduced from 12 per cent to 5 per cent, that on wood, which is the main raw material for manufacture of pulp, continues at 18 per cent. This will prompt higher import of pulp, adversely impacting the livelihood of the Indian farming community and result in a significant outflow of foreign exchange," he said.

The Association submitted a memorandum to Prime Minister Narendra Modi, Finance Minister Nirmala Sitharaman and Commerce Minister Piyush Goyal, asking them to reconsider their decision and correct the anomalies.

"This anomaly could jeopardise the existing investments as well as future investments in capacity enhancement," he said.

Agarwal also expressed concerns about increasing the GST rate from 12 per cent to 18 per cent for different types of paper and paperboard grades.

This will not only impact the entire chain of downstream and user industries adversely, but also hit consumers with increased costs.