The Economic Times. Dt: 22/10/24

HILSA CATCH CAME DOWN AS MONSOON RETREATED

India Imports Just 577-t Hilsa Amid Late Bangladesh Supply

Neighbour had issued an order for export of 2,420 tonnes to India

Sutanuka Ghosal

Kolkata: Indian fish traders could import only 577 tonnes of Hilsa from Bangladesh this year although the neighbouring nation had issued an order for export of 2,420 tonnes of the fish to India. Traders said this was because of low availability of the fish and very less time to complete the purchase.

The Bangladesh government's export order came in late September, by which time the monsoon rains had started retreating, a condition that leads to a drop in Hilsa catch and quality. Indian fish importers were allowed time until October 10 to complete the purchase.

This also meant that prices did not fall much for Hilsa lovers, as the availability of the fish, known for its taste, was less. Hilsa prices, which were expected to halve, have fallen by only 10-15% to Rs 1,700 per kg.

The availability of Hilsa fish, caught mainly in Bangladeshi rivers, starts to drop as the monsoon rains begin to retreat. The fish prefers the non-saline waters of rivers and their estuaries for laying eggs. Rainfall aids the process by reducing the salinity of the water.

"Hilsa fish catch happens every day in Bangladesh but the volume varies," said Syed Anwar Maqsood, secretary at the Fish Importers' Association. "In the period in which we were supposed to import, the catch was very poor. So the quantities were less."

According to Maqsood, it takes at least a month and a half to bring in the entire quantity of Hilsa from Bangladesh. "But the time was very short this year as the new government in Bangladesh had banned exports of Hilsa," he said.

Maqsood said that since the Bangladesh government had issued the export order at the end of the Hilsa season, they did not ask for an extension. "We are going to meet the officials of the present Bangladesh government in November to revoke the ban on Hilsa exports that was imposed in 2012," he said.

The Bangladesh government issued an order on September 25 for export of Hilsa to India. As per the order, 48 companies from Bangladesh would each export 50 tonnes of the fish to India, while another company would export 20 tonnes.

Bangladesh had stopped exporting Hilsa in 2012 to be able to meet domestic demand. But each year ahead of the festive season in India, the erstwhile Sheikh Hasina government would send Hilsa to India as a "gift".

Traders would bring Hilsa fish from Bangladesh into West Bengal through the Petrapole border via Bongaon, after which it would be supplied to different parts of the country.

Ahead of the Durga Puja last year, the Sheikh Hasina government had given permission to Bangladeshi traders to sell nearly 3,950 metric tonnes of the special Padma Hilsa to India.

IMPORT DEPENDENCY INCREASES TO 52%

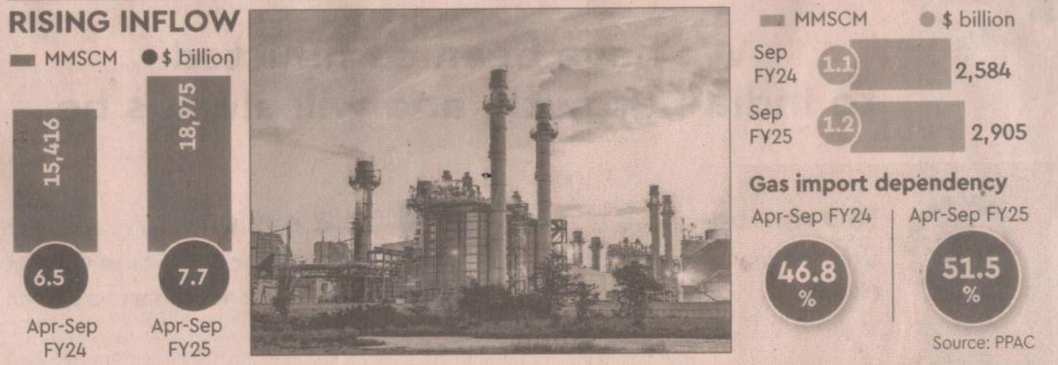
FINANCIAL EXPRESS. Dt: 22/10/24

Natural gas imports surge 18% to $7.7 bn in first half of FY25

ARUNIMA BHARADWAJ
New Delhi, October 21

INDIA'S IMPORT BILL for natural gas surged by 18.5% to $7.7 billion in the first half of the current fiscal, compared with $6.5 billion in the same period a year ago, due to a rise in consumption, particularly by city gas distribution companies and the power sector, data from the Petroleum Planning and Analysis Cell showed.

The import bill for September stood at $1.2 billion against $1.1 billion in the corresponding period of last fiscal. In volume term, the country imported 18,975 million standard cubic metres of liquefied natural gas (LNG) from April to September, up by 23% from the corresponding period of FY24, the data showed. The growth was also supported by stabilised prices of natural gas from the earlier highs recorded in FY23, enabling consumers to buy more imported gas, as per analysts.



The country's dependence on imported gas increased to 51.5% in the period from 46.8% in April-September of FY24. In the month of September alone, the import dependency surged to 49.7% against 46.5% in September 2023. CareEdge Ratings expects the country's gas import dependency to remain at around 45% by FY26. 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 import dependency. However, the domestic production of crude oil and natural gas has remained stagnant.

While the government has expressed its willingness to give more incentives to the global energy giants to encourage them to invest in oil and gas exploration in Indian territory, experts remained cautiously optimistic about the plan. They suggested more flexible work programmes, waiver of goods and service tax (GST) on capital equipment, and abolition of the "windfall tax" on crude oil, to boost investor confidence in India's hydrocarbon sector. In April-September, the country's consumption of natural gas increased by almost 12% to 36,850 mmscm with major demand coming in from city gas distribution, fertiliser, and the power sector.

In 2022, the sudden outbreak of war between Russia and Ukraine had led to a sharp increase in prices of natural gas in FY23 as a result of which gas lost its cost competitiveness to alternative fuels. Accordingly, natural gas consumption declined in FY23. However, with range-bound prices, analysts expect the consumption to grow in the medium term. Moreover, the Central Electricity Authority expects the country's power demand to grow at a compound annual growth rate of 7% for the next five years. With renewable energy still not fully operational, the dependence on coal-based and gas-based plants is expected to increase to meet the incremental power demand.

As imports continue to grow, the country's production of natural gas only registered a marginal increase of around 2% in April-September period. The production growth has remained below the set targets. State-owned major oil and gas production company Oil and Natural Gas Corp produced 9,407 mmscm of natural gas during the period, 4% lower than the same period of last fiscal and much lower than the target of 9,833 mmscm for the period, according to PPAC data.

Oil India, however, registered an increase of 4% in its gas production during April-September from last year's 1,577 mmscm but failed to reach the target of 1,932 mmscm gas production. However, due to new gas discoveries in a few offshore fields coming onstream, CareEdge expects domestic natural gas production to improve in the medium term. Going forward, analysts see gas imports to increase at a moderate pace.

Business Line. Dt: 23/10/24

Cheaper Sri Lankan imports drag domestic pepper prices down

V Sajeev Kumar
Kochi

Pepper farmers are a worried lot over the fall in prices by around ₹19 per kg in the last fortnight. The decline in the last week itself was ₹11, they said, adding that the total drop in the last five weeks works out to around ₹34 per kg.

The farming community attributed the reasons for the fall in prices to huge arrivals of imported produce from Sri Lanka under SAFTA at 8 per cent duty. Prices are ruling at ₹627 for ungarbled and ₹647 for garbled in the Kochi terminal market.

Kishore Shamji, a pepper trader in Kochi, said almost all the consuming markets are flushed with availability of Sri Lankan pepper, reported to have arrived from Mumbai and selling even in southern markets as well. The emerging situation has added further pressure on indigenously grown pepper, leading to a drop and forcing farmers in all the growing States in the South to liquidate their stock.

Prices are ruling at ₹627 for ungarbled and ₹647 for garbled in the Kochi market

SRI LANKA'S SHARE

Quoting figures, he said the total imports from Sri Lanka during July, August and September stood at 10,433 tonnes out of the total 12,606 tonnes from other producing countries.

Shamji who is also the director of Indian Pepper and Spices Trade Association said that Sri Lankan production has increased above 25,000 tonnes and they are looking at India to sell off their surplus stock where there is a huge demand in the domestic market.

But the imported stuff is reportedly of lower bulk density, higher percentage of moisture and also having the presence of fungus, he alleged.

The Kerala chapter of Indian Pepper and Spice Traders Growers Consortium has urged the government to curb such imports, as it is hitting the domestic farmers' interest badly.

Business Line, dt. 23/10/24

Iran demand boosted soyameal exports during 2023-24 oil year

Vishwanath Kulkarni
Bengaluru

Soyameal exports during the 2023-24 oil year ending September were up 16 per cent at 21.28 lakh tonnes (lt) on higher demand from countries such as Iran and Bangladesh. During the previous year, soyameal shipments stood at 18.36 lt. The increase in shipments is despite the fact that Indian soyameal was expensive in the world market by around $100-150 per tonne.

Iran was the largest buyer with volumes of around 4.15 lt followed by Bangladesh at 3.02 lt. Nepal was the third largest buyer with volumes of 1.92 lt and Germany at 1.06 lt and Afghanistan at 85,181 tonnes.

"In view of demand from Iran, Bangladesh and Nepal export of soyabean meal during this oil year was higher than last year by 15.90 per cent, resulting in better crushing and production of soybean meal," said DN Pathak, Executive Director, The Soybean Processors Association of India (SOPA).

For the current 2024-25 oil year, SOPA expects the production of soyabean to increase by around 6 per cent

OUTPUT RISES

Soyabean meal production increased during the year to 94.69 lt, up from previous year's 91.79 lt as per the latest estimates revealed by SOPA. Soyameal imports reduced during the year marginally to 0.25 lt, down from same period last year's 0.27 lt. Domestic consumption by the feed sector was a tad lower at 66 lt during oil year 2023-24, down from previous year's 67 lt, while the offtake from food sector was flat at 8 lt.

For the current oil year 2024-25, SOPA expects the production of soyabean to increase by around 6 per cent to over 125.8 lt on higher yields, over previous year's 118.74 lt. This is mainly on account of higher yields on account of favourable weather conditions. The yields are estimated to be higher this year at 1,063 kg per hectare as against 1,002 kg per ha in the previous year, as per the survey carried out by SOPA recently in the key producing States of Maharashtra, Madhya Pradesh and Rajasthan.

Business Standard Dt: 23/10/24

India's exports to 8 of top 10 mkts grow in H1

Netherlands, US, UK see positive growth despite muted global demand

SHREYA NANDI
New Delhi, 22 October

Exports to eight out of India's top 10 destinations, including the Netherlands, the United States (US) and the United Kingdom (UK), witnessed positive growth during the first six months of FY25, despite muted global demand amid geopolitical challenges, commerce department data showed.

During April-September, exports to China and South Africa witnessed 9.4 per cent and 2.3 per cent contraction, respectively.

India's overall exports during the same period saw a marginal growth of 1 per cent at $213.2 billion.

While the disaggregated data for September wasn't immediately available, trends over the last few months show that exports to China have been falling due to a slowdown in the Northeast Asian nation.

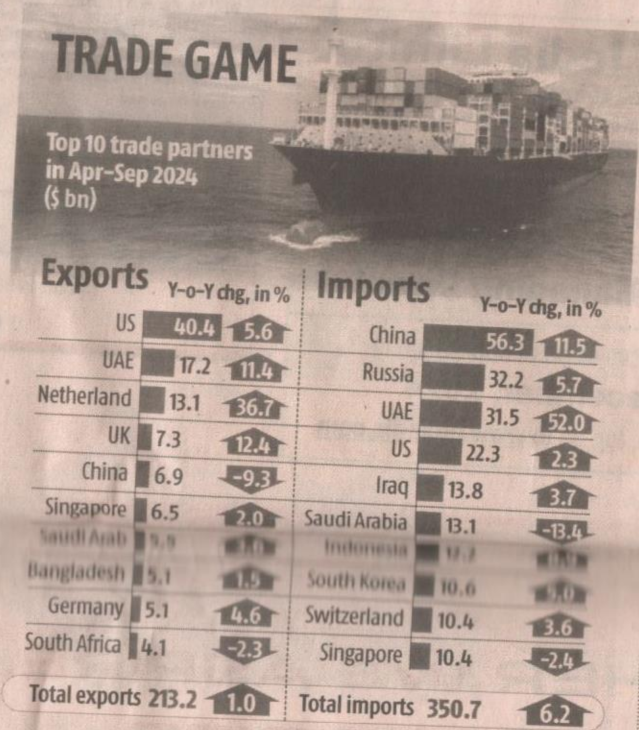
China is India's second largest trade partner and the largest source of imports.

Countries that saw positive exports growth include the US (5.6 per cent), the United Arab Emirates (UAE) (11.4 per cent), the Netherlands (36.7 per cent), the UK (12.4 per cent), Singapore (2 per cent), Saudi Arabia (3.6 per cent), Bangladesh (1.5 per cent) and Germany (4.6 per cent). The US continued to remain India's largest export market, followed by the UAE and the Netherlands.

The financial year (FY25) started with a 2 per cent growth in April, followed by a robust 13 per cent increase in May exports.

The growth, thereafter, slowed to 2.5 per cent during June and further contracted to 1.7 per cent in July. It was 9.3 per cent in August. This came as exporters grappled with muted demand and logistics-related woes. In September, exports saw a marginal 0.5 per cent growth.

Out of India's top 10 import partners, inbound shipments from the UAE grew at the fastest pace during the first six months of the current financial year. Imports from the UAE witnessed 52 per cent growth year-on-year (Y-o-Y) at $31.45 billion. But India's imports from all over the world saw 6 per cent growth at $350 billion in H1 FY25.



Source: Department of Commerce

26," he said.—PTI

FINANCIAL EXPRESS. Dt:- 23/10/24

Petroleum product exports flat in H1FY25, imports rise 10%

ARUNIMA BHARADWAJ
New Delhi, October 22

INDIA'S EXPORTS OF petroleum products remained muted in the first half of the current fiscal, while imports surged 10% for the period, according to data from the Petroleum Planning and Analysis Cell.

The country exported 31.0 million tonne of refined oil products between April and September, almost unchanged from 30.7 million tonne exported in the same period of last fiscal. Imports, on the other hand, stood at 25.8 million tonne, up from 23.4 million tonne in April-September 2023.

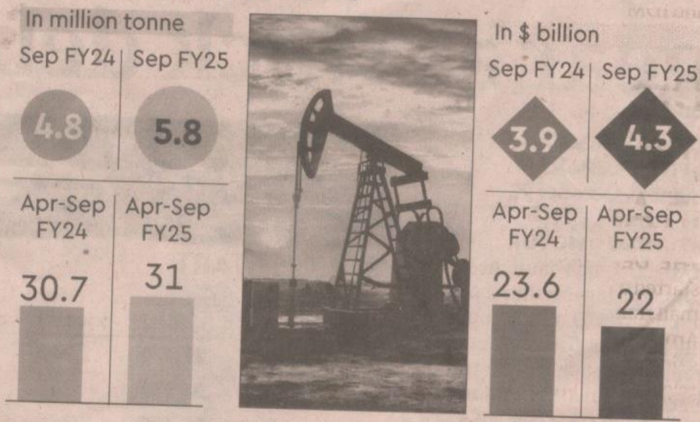
The import bill for refined oil products also increased by 13% to $12.1 billion against the corresponding period of last year. While the country's exports of petroleum products have just begun to revive after the tensions over the Red Sea that prompted shipping rates to increase, the rising global uncertainty and geopolitical tensions have once again posed threats to the country's trade of refined oil products.

Minister for petroleum and natural gas Hardeep Singh Puri on Tuesday said there is no shortage of oil in the market but if there are geopolitical tensions, it may increase the cost of freight. "There is more than enough oil in the world, and prices should hopefully come down. That is my personal expectation," he said.

Analysts say that any further escalation of the conflict in West Asia might impact Indian supplies of crude oil and refined oil products. The key Red Sea route has largely been avoided by shippers after the conflict began, with shipping rates witnessing an uptick.

Besides imports of Russian crude, the majority of India's crude imports and product exports to the West of Suez transit via the Cape of Good Hope. Indian refiners have been taking the Cape of Good Hope route for oil product exports ever since Red Sea issues cropped up. Africa's Cape of Good Hope shipping route can extend voyages for up to 14 days or beyond, as per industry people and analysts. 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.

OUTBOUND SHIPMENTS



Source: PPAC

Business Lines. Dt:- 24/10/24

Govt lifts all curbs on rice exports, barring brokens

Shishir Sinha
Subramani Ra Mancombu
New Delhi/Chennai

OPENING UP. The government has scrapped the 10% export duty on parboiled rice and the $490 floor price for white rice

The Union government on Wednesday removed all curbs on rice exports that have been in force since September 2022. However, it has retained the ban on exports of broken rice.

Within hours of lowering the Customs duty on parboiled rice to zero from 10 per cent, it scrapped the $490 per tonne minimum export price (MEP) on white rice.

On October 18, *businessline* reported that the Government had decided to ease export curbs on rice further following a decision at a high-level inter-ministerial meeting. "We welcome the government's decision to remove the curbs on export of white and parboiled rice. This will benefit exporters to get additional 1% RoDTEP, drawback and GST refunds, which we were not able to avail of during the ban. This will boost exports and shipments will top 22 million tonnes by March 2025," said Rajesh Paharia Jain, a New Delhi-based exporter.

M Madan Prakash, Presdient of Agricultural Commodities Exporters Association, welcomed the decision, saying it was a big relief.

EVACUATING STOCKS

The move is also seen as a way to ease the problem of warehouses in Haryana and Punjab overflowing with rice stocks. Union Food Minister Pralhad Joshi told the media on Wednesday that the Centre has accorded top priority to evacuate the stocks from these States.

The Commerce Minister, in a notification on Wednesday, said the requirement of MEP has been lifted with immediate effect. Late on Tuesday, the Finance Ministry lowered Custom Duty to NIL from 10 per cent on parboiled rice, husked (brown) rice and rice in the husk (paddy). It has been made effective from October 22.

The decisions have been taken at a time when a model code of conduct is in place because of polling in Maharashtra and Jharkhand.

This is the second move to ease exports within a month. Earlier on September 26, the Ministry cut the export duty on non-basmati parboiled rice, husked (brown) rice and rice in the husk to 10 per cent from 20 per cent with immediate effect. Also, semi-milled or wholly-milled rice, whether or not polished or glazed (other than parboiled rice and Basmati rice) allowed duty-free.

It, however, fixed a MEP of $490/tonne on white rice exports.

The Economic Times. Dt:- 24/10/24

Minimum Export Price for Non-Basmati Rice Exports Scrapped

PTI

New Delhi: The government on Wednesday removed the minimum export price (MEP) of $490 per tonne on overseas shipments of non-basmati white rice, a move aimed at promoting shipments of the commodity.

On September 28, the government withdrew a blanket ban on overseas shipments of non-basmati white rice and imposed the floor price.

"The requirement of MEP for the export of non-basmati white rice...has been lifted with immediate effect," the Directorate General of Foreign Trade said in a notification.

The government had imposed a ban on exports of non-basmati rice exports on July 20, 2023.

These measures came at a time when the country has ample stock of rice at government godowns and retail prices are also under control.

Earlier, the government scrapped the minimum export price for basmati rice to boost outbound shipments and enhance farmers' income.

The country exported non-basmati white rice worth USD 201 million during April-August this fiscal. It was $852.52 million in 2023-24. Though there was a ban on the exports, the government was allowing the shipments to friendly nations like Maldives, Mauritius, the UAE and African countries.

Business Line. Dt: 25/10/24

Demand from US, UK, UAE pushes engineering goods exports in Sept: EEPC

Our Bureau
New Delhi

Engineering goods exports grew 10.55 per cent (year-on-year) to $9.82 billion in September 2024 with good demand from countries such as the US, the UK, the UAE, Germany and Mexico, per an EEPC India analysis.

This was the fifth straight month of growth for the sector during the current fiscal year. Engineering exports during April-September 2024-25 grew 5.25 per cent to $56.23 billion.

HIGHER GROWTH

"The decline in iron and steel exports moderated to just 2 per cent during September 2024, contributing to higher overall growth of engineering exports in the month concerned. Excluding the export of iron and steel, engineering exports recorded a higher growth both on a monthly as well as a cumulative basis," according to the analysis.

The share of engineering goods in India's total merchandise exports in September 2024 increased to 28.41 per cent from 27.2 per cent in August 2024 and 26.6 per cent in July 2024, the report noted.

"The increase in shipments in September this year was majorly on account of industrial machinery, electrical machinery, automobile and auto components, medical devices, etc," according to Arun Kumar Garodia, Chairman, EEPC India.

OVERVIEW OF EXPORTS

- **September highlights:**
- Growth rate: +10.55% y-o-y
- Total exports: $9.82 billion
- **April-September 2024-25:**
- Total exports: $56.23 billion
- Growth rate: +5.25%

"The decline in both monthly and cumulative terms was evident in the ferrous and non-ferrous metal sectors. This can be mainly attributed to global uncertainties, shifting trade policies, and in some instances rising domestic demand," he added.

The industry body pointed out that there was a need for the government to continue to support the industry through various schemes to help it face global challenges and uncertainties.

In September 2024, as many as 26 out of 34 engineering panels witnessed growth, while 8 remaining engineering panels experienced a decline.

Exports of iron and steel, products of iron and steel, non-ferrous products including copper, aluminium, and lead products, other products including railway and transport equipment, ship and boats, and floating bodies dropped.

KEY ITEMS

On a cumulative basis, 25 out of 34 engineering panels recorded growth and the remaining 9 engineering panels including iron and steel, products of iron and steel, some non-ferrous sectors including copper, aluminium and zinc products, IC engines, office equipment, and prima mica products recorded a fall during the six-month period.

Region-wise, North America and the European Union remained India's topmost destinations for engineering exports with a share of around 21 per cent and 17 per cent respectively in India's total engineering exports during the April-September 2024-25 period.

the sidelines of the annu- tives, among others.

The Economic Times Dt: 28/10/24

Turkiye's Measures on Polyester Staple Fibres Impact Exports; India Seeks Compensation

New Delhi: India has sought compensation from Turkiye as Ankara's decision to extend safeguard measures on polyester staple fibres has impacted the product's exports, an official said. India flagged concerns and impact from these measures during a recent bilateral consultations with Turkiye under the WTO's safeguard agreement.

On October 14, India sought consultations with Turkiye under the agreement following Ankara's decision to extend safeguard measures on polyester staple fibres.

"We have sought compensation as we have a loss of trade. India has the option to propose retaliatory customs duties equivalent to the value of export loss if the issue will not be resolved through consultations," the official said.

India has exported these fibres worth \$22.18 million during 2023-24. It was \$23.55 million in 2022-23.

In September, Turkiye decided to extend safeguard measures against imports of polyester staple fibres.

"As a member having a substantial trade interest in the export of products concerned, India had requested for consultations with Turkiye on the extension of the measures," the official added.

As per a provision of the Agreement on Safeguards, a WTO member country proposing to apply safeguard measures shall provide adequate opportunity for prior consultations with those members having a substantial interest as exporters of the product concerned, with a view to reviewing the information provided, exchanging views on the measure, and reaching an understanding on ways to achieve the objective set out in the agreement.

India's overall exports to Turkiye stood at \$6.65 billion in 2023-24, while imports were \$3.78 billion. —PTI

'No Space Crunch i