

Sorting out seed exports

There is a need to cut the regulatory complexity

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Ajai Rana

India has everything it needs to be one of the world's leading seed suppliers, and is not yet one.

Total seed exports grew from ₹2,323 crore in 2024-25 to ₹3,023 crore in 2025-26 — close to 30 per cent in a single year indicating that the world wants to buy Indian seed.

What that figure cannot tell us is whether our processes can keep pace. Even at that rate, India ships around \$120 million of vegetable seed annually, ninth in the world, in a global trade of roughly \$6 billion of which the Netherlands alone takes \$2.4 billion. Our potential across all seed categories is put past \$5 billion.

What keeps us short of it is rarely a policy decision. It is friction at the level of the individual transaction.

COSTLY DELAYS

Picture a consignment of seed, contracted and paid for, sitting in a cold store while an export authorisation remains pending. For most products a delay of a few weeks is a commercial inconvenience. Seed is a living biological product tied to a narrow planting window. A delay can mean missing the season altogether, losing the commercial value of the consignment, and losing the customer to a competing origin.

Recent experience with restricted seed exports shows how this happens. Exporters have received deficiency letters at the export authorisation stage requiring that, where the germplasm is of Indian origin, their overseas buyer must first obtain approval from the National Biodiversity Authority. That condition does not appear in DGFT's own Standard Operating Procedure, Trade Notice 26/2024-25 of December 2024, which the industry welcomed precisely because it established a legally enforceable affidavit mechanism for compliance with the Biological Diversity Act without holding up consignments.

Consider it from the buyer's side. A distributor in Vietnam or Kenya is being asked to register on an Indian government portal, file under a statute he has never encountered, and wait months for a certificate, all before he can place an order. He has alternatives and he will call Thailand, or the Netherlands. That is how market share is lost: not through any major decision, but through accumulated friction.



SEEDS. Cutting the red tape PTI

None of this is an argument for weaker safeguards. India's rights over its genetic resources are not negotiable, and this industry has never suggested otherwise. The question is where compliance is best established.

The deeper issue is architectural. An exporter does not experience government ministry by ministry but experiences one transaction. A single consignment can touch Commerce and DGFT, Agriculture, Environment, the NBA and NBPGR, each with an entirely legitimate mandate. The difficulty arises when those mandates intersect without a common protocol, clear ownership or a predictable timeline.

Dismantling the Exim Committee in 2024 and moving approvals onto DGFT's digital platforms simplified seed trade considerably, and should not be reversed.

Four reforms would settle the matter.

Verify compliance where it adds value, rather than recreating at the export counter scrutiny already completed upstream. Move to risk-based compliance, letting legally enforceable declarations release consignments, backed by random audit and serious penalties for misrepresentation. Put a clock on every approval: a digital application is not exporter-friendly if the applicant cannot tell when a decision will come, and seed moves to planting calendars rather than administrative ones. And create accountability end to end, with one harmonised procedure across the three ministries and a named authority empowered to resolve inter-agency questions.

The objective is not deregulation. It is coordination.

The industry is investing, innovating and winning markets. What it needs from the system is the ability to deliver on time.

Bwiners Line. Dt: 01/09/26

Coconut exports surge 62% to ₹7,038 cr in FY26

V Sajeev Kumar

Kochi

Coconut exports registered a 62 per cent increase in 2025-26, reaching ₹7,038.25 crore compared with the previous year. This growth was driven by a diversification of the export basket and a growing demand for value-added coconut products.

Activated carbon continued to dominate coconut product exports, totalling ₹4,688.89 crore and constituting 67 per cent of the total export of coconut products, other than coir.

The export quantity amounted to approximately 1.8 lakh tonnes, and the demand was primarily in diverse sectors such as gold mining, water purification, air purification, the removal of carcinogenic substances like polyfluoroalkyl compounds, energy production



VALUE PUSH. The growth has been driven by a diversification of the export basket and a growing demand for value-added coconut products

through capacitors, the cosmetics industry and the pharmaceutical industry.

RISING GLOBAL DEMAND

Deepa D Nair, Chief Executive Officer of the Coconut Development Board, attributed the export performance to increasing international demand for coconut products, enhanced pro-

cessing capabilities in the country, expanded market access through multiple FTAs, a growing product matrix and the rising demand for plant-based foods and vegan diets.

"India's export basket has diversified significantly, with products such as activated carbon, virgin coconut oil, coconut milk, coconut milk powder and coconut water

gaining prominence," she said.

Coconut exports, which were once largely concentrated to the GCC region, have now expanded to more than 155 countries.

Major importers include the US, the UAE, Sri Lanka, Germany, Russia, Turkey, Belgium, the UK and the Netherlands, she said.

The Coconut Development Board is also focusing on ensuring the quality of exported products.

It has joined the Integrated Assessment Framework and is spearheading initiatives to ensure quality standards for coconut products in association with the National Accreditation Board for Testing and Calibration Laboratories.

The sustained growth of the sector over the past decade is encouraging and is expected to continue during the coming decade, she said.

ALLOWS QUOTA & TIME-BASED SOURCING OF CERTAIN PARTS

The Economic Times Dt: 02/09/26

Govt Eases Import Ban On Some Electronic Parts

Move follows cos' request to allow imports till local production scales up and prices turn competitive

Writankar Mukherjee
& Shambhavi Anand

Kolkata | New Delhi: The government has agreed to allow electronic companies to temporarily import select high-value components that are now being made locally, a shift from its earlier stance of effectively blocking all such imports, senior government and industry executives said.

The move follows the industry's repeated requests to allow imports until domestic production scales up and prices become competitive vis-à-vis supplies from China, Tai-

wan and Vietnam.

The quota-and-time-bound mechanism has already been introduced for two high-value air-conditioner and refrigerator components—compressors and inner-grooved copper tubes. The government is considering a similar mechanism for some high-value smartphone components, including displays, allowing manufacturers to import specified quantities for a limited period, a senior government official said.

The Bureau of Indian Standards (BIS) had stopped renewing or issuing fresh approvals to overseas suppliers, effectively preventing companies from importing components for which domestic production had started.

However, industry executives said domestic component prices remain comparatively higher making production cost uncompetitive. The move to temporarily allow imports will also ensure that local manufacturing will continue to

Some Relief



50% of FY25 & FY26 copper-tube imports allowed until Nov



40% of refrigerator compressor imports allowed until March



30% of AC compressor imports allowed until March



ASEAN FTA imports face stricter checks on local value addition

Zero-duty benefits are disappearing, narrowing imported component price advantages

FTA: Free Trade Agreements



scale, they said.

"The direction is correct given the supply-chain disruptions and rupee depreciation due to external factors like the West Asia crisis," said B Thiagarajan, managing director of AC maker Blue Star. "Such moves will help develop the local component ecosystem faster

with imports being allowed in a balanced way."

For inner-grooved copper tubes, the government has allowed imports of up to 50% of the average quantity imported by a company in FY25 and FY26, until November. For compressors, imports have been permitted up to 40% of FY25 im-

port volumes for refrigerators and 30% for air-conditioners, both for capacities of up to two tonnes, until March 2027.

Manufacturers have been asked to maintain month-wise records of such imports and furnish them to the concerned government authorities. The government official cited above described the mechanism as an "import-control and localisation tool to help domestic industry flourish."

The objective, he said, is to eventually make quality control order (QCO) compliance mandatory for components that are available lo-

ET
Insight

Manufacturers have also been asked to maintain month-wise records of such imports and furnish them to the concerned government authorities

Diesel export levy hiked to ₹25 per litre, petrol to ₹1.5

FE BUREAU

New Delhi, September 1

THE GOVERNMENT HAS raised the export levy on diesel to ₹25 per litre from ₹24 and on petrol to ₹1.5 per litre from zero, tightening curbs on overseas fuel sales as the West Asia crisis continues to strain global crude and product markets.

The revised rates will take effect from September 1, according to a finance ministry notification. The special additional excise duty (SAED), along with road and infrastructure cess, on aviation turbine fuel (ATF) exports has, however, been marginally reduced to ₹19 per litre



from ₹19.5.

The latest move keeps the burden on diesel exports elevated while bringing petrol back under an export levy, as the government seeks to safeguard domestic fuel availability and discourage refiners from diverting supplies to overseas markets amid

stronger international prices.

There is no change in the existing duty rates on petrol and diesel cleared for domestic consumption, the ministry said.

The export levy was first imposed on diesel and ATF on March 27, after the escalation of the West Asia conflict, and has since been revised every fortnight. Petrol exports were brought under the levy from May 16.

The windfall tax was introduced to improve domestic availability of petroleum products during the supply disruption and to prevent exporters from capturing excessive gains arising from the widening difference between domestic and global prices.

'\$1.5 b wheat export opportunity for India'

Our Bureau

Mangaluru

Record production, comfortable stocks, competitive prices and the gradual re-opening of exports give India a strong base to become a reliable global wheat supplier, which could help unlock an export opportunity of more than \$1.5 billion for India, according to Assocham.

A study by the Assocham Global Research and Strategy Centre, *India's competitive edge in the global wheat market*, found conditions favourable for India to expand wheat exports. It noted that the global wheat market is changing due to

weather disruptions, geopolitical tensions, higher freight costs and fluctuations in production and prices. The Russia-Ukraine conflict affected traditional supply routes while extreme weather is creating uncertainty for major producers. These developments are also pushing large wheat-importing countries to look for more diversified and reliable sources.

SLIP IN GLOBAL OUTPUT

The USDA has projected that global wheat production will decline from a record 844 million tonnes (mt) in 2025-26 to around 819 mt in 2026-27, while demand is expected to remain strong. The USDA stated that the primary con-

tributors to this decline will be major exporting nations, including the US, the European Union, Argentina and Australia.

India produced a record 121 mt of wheat in 2025-26 against domestic consumption of around 111 mt. This is enough to meet domestic demand and to support exports. As of May 28, wheat stock in the Central pool stood at 51.3 mt against the prescribed buffer norm of 27.5 mt for July 1.

This comfortable supply position gives India room to increase exports over time without affecting domestic food security. Earlier this year, the government's decision to reopen exports, in-

cluding approval of 2.5 mt of wheat and 0.5 mt of wheat products in February 2026 followed by another 2.5 mt in April, reflects the improvement in domestic availability, the study said.

PRICE ADVANTAGE

Mentioning that India had a strong price advantage, the study said the FY2026-27 wheat MSP (minimum support price) is around \$268 per tonne compared with an international price of about \$303 in May 2026. The nearly \$35 per tonne difference gives Indian wheat room to compete globally while farmers continue to benefit from assured MSP-based returns.

India also compares fa-

vourably with other major wheat producers. Russia has lower domestic prices, but India has the advantage of a large production base and proximity to major Asian and West Asian markets.

Despite being the world's largest wheat producer, China remains a net importer, while India can meet domestic demand and still maintain an exportable surplus, it said.

Recently, the government shifted the export policy of specified wheat varieties, wheat flour and related products from 'prohibited' to 'free'. The move covers wheat, durum wheat, atta, maida, semolina/rava and related products.

Refurbished medical device import policy still in works

SANKET KOUL
New Delhi, 2 September

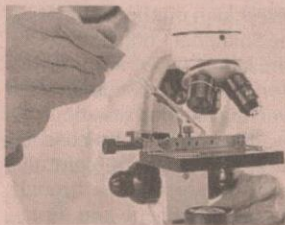
Almost a year after the Centre constituted an interministerial committee to frame guidelines for the import of refurbished medical devices, the proposed framework remains under discussion, with no comprehensive guidelines notified so far.

At stake is a pre-owned medical equipment market estimated by industry executives at around ₹1,500 crore, or nearly 10 per cent of the overall medical equipment market. Hospitals and diagnostic centres, particularly in smaller cities, use such equipment to bring down the cost of installing expensive machines such as computed tomography (CT) and magnetic resonance imaging (MRI) scanners.

But domestic players worry that easier imports without adequate safeguards could expose patients to unsafe equipment and turn India into a market for obsolete machines. The government, therefore, has to decide what equipment can be imported, how old it can be, who certifies that it is safe and functional, and who is responsible if it fails.

People familiar with the matter said the panel has held only a few meetings and has begun examining data on the refurbished equipment market. It includes representatives from the Ministry of Health and Family Welfare (MoHFW), Directorate General of Health Services (DGHS), Central Drugs Standard Control Organisation

Inside the secondhand medtech market



₹1,500 crore: Estimated size of India's pre-owned medical equipment market

10%: Share of pre-owned equipment in India's overall

(CDSCO), Department of Pharmaceuticals, and industry. "The government set up an interministerial committee to examine and frame guidelines for such devices. But no comprehensive guidelines specifically governing such imports have been notified so far," said Rajiv Nath, forum coordinator of the Association of Indian Medical Device Industry (AiMeD).

Queries mailed to the Union health ministry remained unanswered until the time of going to press.

The regulatory gap is not new. In a January 2025 letter to the principal commissioner of Customs, the CDSCO acknowledged that the Medical Devices Rules (MDR), 2017, do not distinguish between new and refurbished devices. That does not mean used medical equipment cannot enter India. An existing mechanism under the Ministry of Environment, Forest and Climate Change

medical equipment market \$8.82 billion: India's overall medical device imports in FY25 US, Germany, Japan, the Netherlands: Major markets for India's refurbished medical device imports

38: High-end and high-value medical devices allowed for import with environment ministry clearance

CTs, MRIs, surgical robots: Key refurbished devices imported into India

(MoEFCC) allows imports of 38 specified high-end and high-value equipment prescribed by the DGHS. These include CT scanners, MRI systems, ultrasound and X-ray equipment, besides some laboratory and critical-care devices.

There are conditions: the equipment should not have been phased out in the exporting country, should not contain hazardous material, and should have a residual life of at least seven years. The health ministry is now examining whether these rules are enough or whether refurbished medical devices need a more specific regulatory framework.

"Major issues to be discussed by the committee include determining the service time of secondhand devices eligible for import or allowing only very expensive, high-end critical-care equipment used for critical care," a senior MoHFW official said.

The MoEFCC is understood to have received a draft or proposal from the health ministry for comments, although it has not been directly involved in framing the policy. "While the health ministry is amending provisions in the MDR, we have not been directly involved in policy formulation. However, MoHFW has shared a draft or proposal with MoEFCC for comments," a person familiar with the matter said.

The industry itself is divided over how far India should open the door to refurbished equipment. Nath said there is no separate import classification for refurbished medical devices, making it difficult to determine their exact share in India's medical device imports. "Any such framework should prescribe requirements for quality, safety, performance, traceability, remaining useful life, servicing, and accountability of the importer and supplier," he added.

Multinational medical technology manufacturers support allowing refurbished equipment but want imports to come through original equipment manufacturers or their authorised channels.

A multinational industry body said advanced CT scanners, MRI systems, and robotic surgical systems remain financially out of reach for smaller hospitals and institutions in Tier-II and Tier-III cities. Refurbished equipment, it argued, could make such technology more accessible without compromising safety.

Sept Gold Import may Fall 15% on PM's Call

Modi urged consumers again this week to avoid spending on yellow metal in order to contain India's import bill

Sutanuka Ghosal

Kolkata: Gold imports, second only to crude oil in India's overseas shopping basket, are expected to fall around 15% in September after Prime Minister Narendra Modi's renewed appeal to avoid unnecessary spending on the yellow metal, potentially denting sentiment in the jewellery trade just ahead of the festive season.

"According to our trade estimates, nearly 45 tonnes of gold were imported in August. This is expected to come down by 15% in September," said Surendra Mehta, national secretary, India Bullion & Jewellers Association.

Prime Minister Modi reiterated the appeal on September 1, asking Indians to exercise restraint and avoid spending unnecessarily on gold. The message comes as the government seeks to reduce the import bill and an expanding current account deficit, while encouraging households to bring a part of their estimated 31,000 tonnes of idle gold into circulation.

The appeal has cast a shadow over Zaveri Bazaar, the country's largest gold trading hub. Jewellers expect consumers to increasingly exchange old jewellery for new pieces rather than make fresh purchases.

Old-gold exchange, which currently accounts for about 45-50% of jewellers' business, could rise to 60-70% during the festive season, industry executives said.

High gold prices, volatility and growing caution over discretionary spending are prompting consumers to preserve cash while continuing to participate in festivals and weddings.

"India relies entirely on imported gold, making bullion one of the biggest import items after crude oil. When Indians buy more gold, a larger amount of foreign currency flows out of the country. That can add to

the trade deficit, and when dollar demand is already high, put additional pressure on the rupee," said Varghese Alukkas, MD, Jos Alukkas, which has 67 stores in South India.

'GOLD EXCHANGE'

The shift towards exchanges could help sustain jewellery demand even if fresh gold purchases moderate.

"While consumers are becoming more mindful about discretionary spending, jewellery continues to hold a unique place in Indian culture. Festivals, weddings and key life milestones remain deeply cherished occasions, and jewellery is an integral part of these celebrations," said Sandeep Kohli, CEO, Indriya.

"For Indian consumers, jewellery is more than a purchase; it is a symbol of love and tradition. That's why we believe demand for the category will remain resilient even as spending patterns evolve. We are also witnessing a growing preference for jewellery exchange, with consumers exchanging their old pieces for new designs and high-value purchases," he said.

Gold prices are adding to the uncertainty. Expectations of a September US Federal Reserve rate hike have risen to around 68%, pushing US bond yields and the dollar higher, while renewed US-Iran tensions have lifted oil prices and raised concerns over persistent inflation, said Vedika Narvekar, research analyst - commodities & currencies, Anand Rathi Share and Stock Brokers.

Gold fell nearly 1.8% on Tuesday and slipped below ₹1.5 lakh per 10 grams on the MCX on Wednesday, before recovering around ₹1,000 from the lows, indicating some buying interest at lower levels.

"The focus now shifts to upcoming US labour and inflation data, which will be important in determining the Fed's next move," Narvekar said. She expects gold to remain volatile with a cautious bias in the near term.

The immediate focus for investors is \$4,300 an ounce in spot gold. Holding above that level could support a recovery toward \$4,350-4,400, while a break below could open the way towards \$4,200-4,220.

On the MCX, ₹1,47,700-1,48,000 is seen as a potential accumulation zone for staggered purchases.

Lack-Lustre

OLD-GOLD EXCHANGE TO INCREASE AS FESTIVE SEASON APPROACHES

Share of exchange in total gold biz may rise to 70% from usual 45-50%



Yellow metal slipped below ₹1.5L/10gm Wednesday on MCX

₹ 1,47,700-1,48,000 seen as potential accumulation zone



US STILL SUPPLIED 35% OF LNG, 50% OF LPG IN AUGUST

Gulf suppliers claw back share in LNG, LPG imports

SAURAV ANAND

New Delhi, September 2

THE UNITED STATES remained India's biggest individual supplier of both LNG and LPG in August, accounting for nearly 35% of LNG and 50% of LPG imports, but traditional Gulf suppliers are beginning to regain ground, particularly in cooking-gas shipments, according to Kpler data.

India imported 858,500 tonne of LNG from the US in August, an 18.6% month-on-month increase from 723,800 tonne in July. That gave the US a 34.8% share of India's total LNG imports of 2.46 million tonnes (mt) during the month.

Combined supplies from Qatar, Oman and the UAE, meanwhile, stood at about 769,100 tonnes, or 31.2% of LNG imports. While Gulf volumes were 3.8% lower than July, they were 114% higher than the 358,700-tonne level in May, significantly narrowing the gap with US supplies.

Oman led the Gulf LNG basket in August with 524,700 tonnes, up 14.3% from July, followed by the UAE at 244,400 tonne. Qatar supplied no LNG during the month. Nigeria, meanwhile, shipped 540,700 tonne, making it India's second-largest individual LNG supplier after the US.

SUPPLY SHUFFLE

GULF REBOUNDS: Qatar, Oman and UAE LNG shipments reached **769,100 tonne**, narrowing the US lead

■ India's LNG imports climbed **5.3% month-on-month** to **2.46 million tonne**

LPG SWINGS: US LPG shipments fell **19.4%**, while Gulf supplies surged **44.2%** from July

■ UAE LPG cargoes jumped **72.4%**, while Kuwait shipments more than tripled

■ LPG imports rose **14.5%** as August consumption hit a six-month high, though still **14%** below a year earlier



Overall LNG imports increased 5.3% month-on-month, from 2.34 mt in July.

The battle for India's LPG market showed a sharper comeback from the Gulf. US LPG supplies, though still dominant at 719,300 tonne, fell 19.4% from 892,700 tonnes in July. Its share nevertheless remained just above 50% of India's total LPG imports of 1.43 mt in August.

In contrast, combined supplies from the UAE, Qatar, Kuwait, Saudi Arabia, Iran, Oman, Bahrain and Iraq jumped 44.2% month-on-month to 448,900 tonne, lifting the Gulf's share to 31.3% from 24.9% in July.

The UAE's LPG shipments surged 72.4% to 175,800 tonnes, while supplies from Kuwait more than tripled to 147,600 tonnes from 44,200 tonnes. Qatar's shipments rose to 65,400 tonne from 19,300 tonnes. Iran supplied 16,300 tonnes and Oman 20,900 tonnes during August.

India's overall LPG imports rose a sharper 14.5% month-on-month from 1.25 mt in July. The rise in imports coincided with stronger domestic consumption. According to the Petroleum Planning & Analysis Cell (PPAC), India's LPG consumption reached a six-month high of around 2.42 mt in August 2026 on a provisional

basis, rising 3.2% month-on-month. Consumption, however, remained more than 14% lower year-on-year.

The August numbers underline the reshaping of India's gas-supply basket after the US rapidly expanded its presence earlier this year. In LPG, Washington retains a sizeable lead, but the 44% monthly rebound in Gulf cargoes against a 19% decline in US shipments signals renewed competition for the Indian market.

For LNG, the US-Gulf gap has also narrowed sharply from May, with Gulf volumes now once again accounting for nearly a third of Indian imports.

Low-margin shipments hit amid export revival

RAVI DUTTA MISHRA
New Delhi, September 3

INDIA'S GOODS EXPORTS bucked expectations to record their best-ever June, with outbound shipments jumping to a record \$44.24 billion at the peak of the disruption caused by the crisis in West Asia.

This performance helped drive GDP growth in April-June to an unexpectedly high 7.8%.

But under the headline number, most labour-intensive and low-margin exports did not fare well.

Overall goods exports in April-June rose 15% year-on-year to \$129.32 billion while non-petroleum, non-gems and jewellery shipments were up 12% at \$99.04 billion — well above the 6.5% growth exhibited over the previous two financial years.

On Monday, Chief Economic Adviser (CEA) V Anantha Nageswaran attributed the “brisk” growth in India’s core exports to the signing of free trade agreements (FTAs), export diversification efforts, and “possibly rising competitiveness”.

According to economists, net exports added 3 percentage points to GDP growth in April-June 2026 and this was driven by a decline in real imports as the conflict in West Asia weighed on import volumes.

“Export growth accelerated to 12% in Q1; combined with the decline in imports, this meant net exports contributed positively to GDP,” Barclays economists said Monday.

The headline numbers, however, mask an uneven sectoral picture.

While high-end products such as engineering goods,

electronics and pharmaceuticals grew 18.1%, 22.6% and 6.8%, respectively, during the April-June quarter, several labour-intensive sectors registered a sharp decline.

Textile exports slipped 12.4% while leather products declined 4.7%. Exports of low-margin products such as fruits and vegetables, ceramics and glassware, and jute products fell 10.3%, 25%, and 13.4%, respectively. Tea exports were under particular pressure, falling 17.5%.

Of the 31 export sectors, 11 posted a year-on-year decline in April-June.

According to economists and industry executives, the West Asia crisis is disrupting trade at various levels, with steep logistics costs hurting exporters’ profit margins.