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# Seafood exporters pin hopes on monsoon for revival of production, exports in FY25

**Vishwanath Kulkarni**  
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Bengaluru/Kochi

Seafood exporters are pinning their hopes on the forecast of an above-normal monsoon for a rebound in production and shipments of marine product exports in the current financial year.

Also, the availability of quality brood stocks has raised the prospects of a good shrimp production in the year ahead.

The FY24 had turned out to be a bad year for the marine product exports, which saw a decline of 8.74 per cent in dollar value terms at \$7.37 billion over the previous year's \$8.07 billion.

According to Pawan Kumar G, national president of Seafood Exporters Association of India, better rainfall is expected to improve shrimp produc-



tion - both cultured and sea caught.

## CULTURED SHRIMPS

Commerce Ministry's quick estimates for the marine products exports during 2023-24 show a 5.95 per cent decline in rupee value terms at ₹61,043 crore (₹64,902 crore). In dollar value terms, the decline was 8.74 per cent in 2023-24 at \$7.37 billion.

The overall exports in value terms were down by 5-8 per

cent. Shortage of this kind in shipments, Kumar said, was on expected lines as a combination of factors had impacted the shrimp production, which affected the exports.

Production of cultured and sea caught shrimps took a hit, in particular the production of cultured shrimps received a major jolt since brood stock quality was not good. "This forced the farmers to back-track, which eventually hit the second crop in many aquaculture farms," he noted. It was the devaluation of rupee against dollar that helped minimise the gap, Kumar pointed out.

## NO SIGNS OF UPTREND

The dismal performance of seafood exports FY24 could also be attributed to the recessionary trends in Europe that led to a subdued demand, and Ecuador making inroads into

the US markets with their shrimps at much cheaper price than that of India's. Besides, the Russia-Ukraine war is also having a considerable effect on sales.

Major markets for Indian seafood exports are the US, China, European Union, Japan, South-East Asia and the Middle East among others. Major sea food products exported from India include frozen shrimps, Vannamei shrimps, Black tiger shrimps and frozen fish and squids among others.

Meanwhile, a veteran exporter told *businessline* that he did not see any uptrend because of a subdued demand.

According to him, the sales were stagnant in the US market post-Covid due to oversupply while Europe is facing recessionary trends leading to a decline in demand. "Moreover, the rising freight rates are also posing a hindrance," he added.

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# Govt should allow 20 lt sugar exports this marketing year: ISMA

**Press Trust of India**

New Delhi

Sugar industry body ISMA has urged the government to allow 20 lakh tonnes (lt) of sugar exports in the current marketing year ending September as shipments of surplus sweetener would boost liquidity of millers enabling them to make cane payments to farmers on time.

For the current 2023-24 marketing year (Oct- Sept), the government has not allowed sugar exports to boost domestic supply and control retail prices. In the preceding marketing year, sugar mills were allowed to export around 60 lt of sugar.

In a statement on Monday, Indian Sugar and Bio-Energy Manufacturers Association (ISMA) said that the production has reached about 314 lt as of the end of April 2024. With additional output of 5-6 lt expected from mills in Karnataka and Tamil Nadu, the net production is estimated to be close to 320 lt.

The Economic Times Dt.: 07/05/24

# FAB NEWS Tata Electronics

## Begins Chip Export to Partners

Products from B'loru R&D unit being sent to select customers to obtain feedback

Dia Rekhi & Aashish Aryan

**Chennai | New Delhi:** In a first for India, the Tata Group's Tata Electronics has begun exporting some semiconductor chips through a pilot packaging line that has been set up in its Bengaluru research and development unit to service partners based in Japan, the US and Europe, sources told ET. This comes as the company is readying to operationalise its chip packaging unit in Assam along with a \$10 billion fab in Dholera, Gujarat.

"Tata Electronics has packaged chips there which they are sending to customers right now outside the country. They have multiple partners and are expanding their customer base. Some of these (products) are still in the pilot stage," a source told ET.

Additionally, a source told ET that the company is also working on various stages for a suc-

cessful tape-out of chips in the 28, 40, 55, 65, and some other higher nodes of semiconductor chips. A tape-out is the final result of the design process for integrated circuits or printed circuit boards before they are sent for manufacturing.

"There are multiple rounds before a successful tape-out. So, some of these products will be in advanced stages of R&D and they will be sent to select customers to obtain feedback for testing and improvement. Commercial production is slated for 2027," an official said.

The official said that the chips that have been packaged and are currently being exported by Tata Electronics could be used in multiple products as they are not built for a specific purpose.

"When you package the chips, it really does not matter what the chips are used for. It is just a matter of when you package them and prepare them to be used. Tata

Electronics has products in multiple areas," one of the sources quoted above said.

Counterpoint Research's Vice President Neil Shah told ET that it was imperative for the Tata Group to start demonstrating its semiconductor design and manufacturing

**Company is readying to operationalise its chip packaging unit in Assam and a \$10-billion fab in Dholera, Gujarat**

know-how to its potential customers and partners before the fabs are commissioned over the next 30-36 months.

"It is a great opportunity for Tata to start leveraging its end-to-end expertise and vision from early semiconductor design development work the company has been doing," Shah said.

He went on to add that this could be through Tata Elxsi which has partnerships with Renesas, Lat-

tice Semi and so on as well as through its in-house Sankhya Labs branch.

"Tata Electronics should set up solid front-end processes for co-design, testing and quality assurance processes for final production chip tape outs when the fab is up," he said. "They must also formulate diligent back-end ATMP processes, services and pilots to achieve global manufacturing standards, lucrative yield rates and become a one-stop shop for both semiconductor design and manufacturing in India."

The Tata Group has planned two semiconductor plants—a foundry and a chip packaging unit at Dholera in Gujarat and Morigaon in Assam, respectively. The Dholera chip foundry, being made in collaboration with Taiwan's Powerchip Semiconductor Manufacturing Corporation (PSMC), has a planned capacity of up to 50,000 wafer starts per month.

# Onion exporters find new conditions impractical

Wholesale prices rise as govt lifts exports ban

SANDIP DAS  
New Delhi, May 6

**THE GOVERNMENT'S DECISION** to allow onion exports at a minimum price of \$770/tonne may not result in significant shipments from India because of the higher price band approved compared with prices offered by other countries such as Pakistan and China, traders said.

On Saturday, the government lifted a ban on onion exports imposed in December last year and put a minimum export price (MEP) of \$550/tonne and 40% export duty on the staple vegetable. This effectively made onion shipments to be allowed at a minimum price of \$770/tonne or around ₹64/kg.

"Current price band is on the higher side and the government has to reduce export duty on onion for making shipment from India competitive globally," Jaydutt Holkar, director, agricultural produce market committee (APMC), Lasalgaon, Nashik — the hub of the country's wholesale trade — told FE. He said a price band of ₹45-50/kg would help boost shipments.

Balasaheb Misal, former director, Manmard (Maharashtra) mandi board and an onion farmer, said prices approved for exports is on

## AT A PRICE

■ Onion traders point out the minimum export price of **\$770/tonne** or **₹64/kg** on the higher side

■ A price band of **₹45-50/kg** would help boost shipments, according to traders



■ Mandi prices of onion at Lasalgaon rose by around **₹4/kg** on the lifting of ban on exports

■ Govt on Saturday lifted the ban and put an MEP of **\$550/tonne** and **40%** export duty

quite high and not realistic.

According to a report in *Dhaka Tribune*, retail onion prices in Bangladesh, India's biggest export destination for the key vegetable, fell to Tk 60 (₹45.72) on Sunday from Tk70 (₹53.34) last week.

Meanwhile, mandi prices of onion at Lasalgaon on Monday appreciated by around ₹4/kg from an average price of ₹15/kg last week. Correspondingly, wholesale prices of the key vegetable in Azadpur mandi (Delhi), one of the biggest markets for vegetables and fruits, rose to ₹22/kg from ₹18/kg during last week. However, the all-India retail modal prices were at ₹25/kg, which Budhiraja, a trader in Azadpur mandi, said is likely to further go up by around ₹5/kg in the next few days.

The announcement to lift the onion exports ban comes before the start of phase 3 of the Lok Sabha polls, when the onion-growing regions of Maharashtra vote. Farmers here have been demanding lifting of the ban.

On the rationale behind lifting exports ban, Nidhi Khare, secretary, department of consumer affairs, had said the estimated rabi crop (2024-25), which has a share of around 60% total annual output, is projected at around 19.1 million tonne (MT), which is 'reasonably comfortable', considering monthly domestic consumption is around 1.7 MT.

"With a good kharif prospect with 'above-normal' monsoon forecast, the availability of onion is comfortable till arrival of kharif output," Khare had said.

# Petro product exports drop on high domestic demand

ARUNIMA BHARADWAJ  
New Delhi, May 6

**INDIA'S EXPORTS OF** refined oil products fell by 11% in April to 1.21 million barrels per day, primarily due to the increase in domestic demand and weaker export margins, according to data provided by Kpler.

Exports to Asia and Europe — the two top destinations of the country — also declined by 2.5% and 3.4% on month to 446,248 barrels per day and 329,279 bpd, respectively.

In value terms, petroleum product exports declined 13.6% in FY24 to \$84.1 billion, bucking a rising trend of the previous years.

India had become a key supplier of refinery products to the world as many countries stopped direct trade with Russia after its war with Ukraine. In volume terms, these exports grew even in FY24. Data sourced from another ship tracking intelligence firm Vortexa showed a similar trend, with total exports declining to 1.15 million barrels per day in April from 1.37 million bpd in March.

“The overall decline in refined products exports may be attributed to robust domestic demand, and weaker export margins,” said Vortexa’s head of APAC Analysis, Serena Huang. She noted that exports to Southeast Asia fell in April off the back of ample supplies in the region.

India’s diesel exports slumped



Monthly exports of petroleum products (barrels per day)



Total (million barrels per day)



13% m-o-m in April to over 438,704 bpd and that of gasoline exports fell by 17% to 251,681 barrels per day. Jet fuel exports, however, rose marginally by 3.7% to 163,545 bpd.

Asia’s share in Indian petroleum products exports fell to 36.8% in April against 43.5% in March. Europe’s share, however, increased to

27.2% last month from 25% the previous month but still remains substantially lower than the 32% share it held in the same period last year.

Ample supplies from the US and West Asia and Europe resulted in weaker demand for these products from India. The inclination of European countries towards the US and West Asia for purchases can be attributed to the fact that voyages from India are opting for the longer route around Africa to reach Europe due to the Red Sea crisis, which has also resulted in increased freight costs.

Even as the exports to Europe have moderated from the earlier low levels amid tensions at the Red Sea, the volume is still short of the 350,000-400,000 barrel a day average India supplied to Europe in November and December.

India exports a variety of goods via the Red Sea, including petroleum products. The country’s export of petroleum products fell by 14% in FY24 to \$84.14 billion compared with \$97.47 billion in FY23, government data showed.

The country’s demand for petroleum products, including jet fuel, diesel and LPG among others, is likely to grow to 239 million tonne in FY25, as per estimates by the Petroleum Planning and Analysis Cell. The country’s consumption of petroleum products stood at 233 million tonne last year.

# Focus on key auto parts to cut imports

ROHIT VAID

New Delhi, May 7

**INDIA'S AUTOMOBILE SECTOR** has identified 28 key components for indigenisation as part of the 'localisation roadmap' to accelerate the 'Make in India' initiative.

Society of Indian Automobile Manufacturers (SIAM) director-general Rajesh Menon told *FE* that these components are critical to maintain the growth rate. "It is estimated the forex savings on account of the ongoing localisation efforts

**The 28 key components include power control units, miniature motors, and printed circuit boards**

have already saved over ₹7,000 crore," he said.

Accordingly, original equipment manufacturers (OEMs) have requested component suppliers to work on ways to locally manufacture these components, which include high-end electrical and

electronic parts.

"Locally available components will reduce the dependence of OEMs on imports in line with the auto industry's commitment to 'Atma Nirbharta' and also enhance the export potential of the component industry," Menon said.

The identified component list includes automatic transmission, power control units, various sensors, actuators, miniature motors, combined charging systems, and 6- and 10-layer printed circuit boards, among others.

# FY24 plastics export down 3.5% to \$11.55 b

**Our Bureau**  
Chennai

The country's plastic exports declined by 3.5 per cent in the 2023-24 fiscal to \$11.55 billion compared with \$11.97 billion in the previous fiscal despite a surge in shipments during the December 2023-March 2024 period.

According to the Plastic Export Promotion Council (Plexconcil), established by the Ministry of Commerce, plastic shipments in March 2024 increased by 5.6 per cent to \$1.11 billion against \$1.05 billion in March 2023.

Hemant Minocha, Chairman of Plexconcil, said in a statement that in March, exports of made-up fishing nets were at a record high, cementing the country's leadership in the domain. There was robust growth in vital sectors such as cordage, flexible intermediate bulk containers (FIBC),



**SUDDEN GROWTH.** Plexconcil said plastic exports surged during December 2023-March 2024 amidst fluctuating global economic conditions BLOOMBERG

woven fabrics, laminates and composite.

In March, exports of most of the product panels such as plastic films and sheets; FIBC, woven sacks, woven fabrics, tarpaulin; floorcoverings, leathercloth and laminates; packaging items — flexible, rigid; plastic pipes and fittings; fibre reinforced plastics and composites; plastic raw materials; medical items of

plastics; cordage, fishnets and monofilaments; and human hair and related products were higher. However, shipments of product panels such as miscellaneous products and items; consumer and houseware products and writing instruments and stationery declined.

Exports of FIBC, woven sacks, woven fabrics and tarpaulin registered 16.1

per cent growth due to higher sales of sacks and bags of plastics and flexible intermediate bulk containers in March.

## **SURGE IN EXPORTS**

Sribash Dasmohapatra, Executive Director of Plexconcil, said plastic exports surged during December 2023-March 2024 amidst fluctuating global economic conditions.

"The surge reflects not only the resilience of the Indian plastics sector but also the diverse export portfolio, spanning raw materials, packaging, and consumer products, that underscore the country's multifaceted approach to global trade, leveraging strengths across various segments," he said.

Plexconcil was optimistic about sustaining this growth trajectory and further enhancing India's position in the global plastics market during the current fiscal, Dasmohapatra said.

Business Line, dt. 9/5/24

# Co-operatives should look at export of 4 crops value-added at farm level, says storage expert

**Subramani Ra Mancombu**

Chennai

Indian co-operatives should look at farm-level value-addition of four products for benefit in the short-term and it can help in overcoming any production glut, storage expert Munishwar Vasudev has said.

In a presentation made to one of the co-operative majors, Vasudev, who has worked as a silo design specialist with the Bangladesh government, said producing tomato puree and potato granules, besides drying corn (maize) and groundnut mechanically can help in exporting value-added products. "These four crops can be focussed as farmers generally are caught in a vicious cycle of supply glut when demand is not there.



The four crops can be focussed as farmers generally are caught in a vicious cycle of supply glut when demand is not there

**MUNISHWAR VASUDEV**  
MD, LOTUS HARVESTEC

This holds true more for potatoes and tomatoes. When there is over-supply against consistent demand, prices drop and a good portion gets rotten substantially," said Vasudev, who worked with Adani Logistics to set up a few silos across the country.

## **RAISING INCOME**

Tomato needs technology to



make puree and properly package it for a longer shelf-life till the new crop arrives. Surplus can be exported, he said. Again making potato granules with airtight packing or converting to French fries are possible near the farmgate, the storage expert said, adding that global demand for granules has been increasing constantly.

Corn and groundnut are

harvested with a high moisture of 30 per cent. They are mostly sun-dried but this results in hygienic issues such as aflatoxin, leading to problems while exporting.

Quick drying through efficient dryers can solve such issues and make it export-worthy, while farmers can get a premium in the domestic market, said Vasudev, currently the Managing Director of Lotus Harvestec. Tackling these four issues can help the Ministry of Cooperation to help raise farmers' income.

"Mapping these four crops based on satellite imaging can guide policy makers where to invest in these technologies. Agricultural universities can be involved in spreading and supervising the installations and operations. Products from these plants should be of international standards," he said.



Business Line Dt: 10/05/24

# Trade sees urad imports from Brazil rising to 50,000 t this year

**Vishwanath Kulkarni**  
Bengaluru

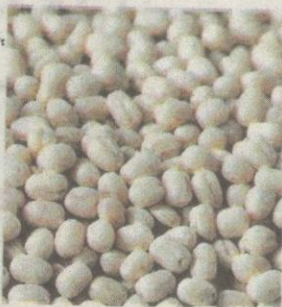
As countries such as Brazil and Argentina start expanding the coverage of black matpe or urad, India the largest consumer of pulses, expects increase in imports from those sources. Currently, Myanmar is the main supplier of urad to India.

“Brazil has already started growing pulses. We expect at least some 50,000 tonnes of black matpe coming from Brazil this year from June-July,” said Bimal Kothari, Chairman, India Pulses and Grains Association (IPGA), the apex trade body for the sector. In the previous year, the urad imports from Brazil were around 5,000 tonnes, he said.

An IPGA delegation led by Kothari visited Brazil recently. “We told them that they should try to grow pulses and that India is a big market,” he said.

## IMPORT REBOUND

India’s urad imports rebounded during 2023-24 on shortfall in domestic supplies as both the kharif and rabi output was impacted due to the



**ON THE RISE.** Urad imports increased by 19% during 2023-24 to 6.23 lt

erratic weather. According to Igrain India, the urad imports registered an increase of around 19 per cent during 2023-24 to around 6.23 lakh tonnes (lt) over the previous year’s 5.24 lt. In FY 21-22, India’s urad imports stood at 6.11 lt, registering a 77 per cent increase from previous year’s 3.44 lt. India has extended the duty-free imports of urad till March 31, 2025 to deal with the pulses inflation.

As per Agriculture Ministry’s second advance estimates, the urad output during 2023-24 was down at 20.55 lt compared to the previous year’s 26.31 lt. Kharif production was down at 15.50 lt over previous year’s

17.61 lt, while the rabi output was lower at 5.05 lt over previous year’s 6.33 lt, as per the second advance estimates. “Brazil and Argentina have started growing black matpe and the production is going to increase in those countries” said Rahul Chauhan of Igrain India.

## AN ALTERNATIVE

Production earlier in these two countries ranged between 30,000-40,000 tonnes. Myanmar has been the traditional supplier of urad and these two South American countries have the potential to emerge as an alternative source of urad for India, he said.

Despite the shortfall in output, urad prices have been largely stable and range-bound in the past two months on steady supplies, Chauhan said. Production in Myanmar is estimated to be around 6.6 lt, he said. Prices of imported urad in Chennai are ruling ₹8,950 per quintal for the fair average quality (FAQ) and ₹9,550 per quintal for the standard quality (SQ). The FAQ quality urad in Mumbai and Kolkata ruled at ₹9,100 on Thursday.

● RISE 1.5% IN MARCH

# China's exports return to growth

BLOOMBERG  
May 9

**CHINA'S EXPORTS ROSE** slightly more than expected in April in a boost for the economy, and imports surged.

Exports increased 1.5% in dollar terms from a year earlier, reversing a drop in March, while imports climbed 8.4%, the customs administration said on Thursday. That left a trade surplus of \$72.4 billion for the month. Economists had forecast that exports would rise by 1.3% while imports would climb by 4.7%.

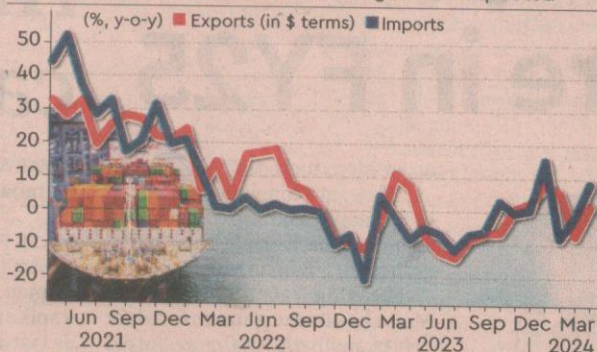
A key gauge of Chinese shares listed in Hong Kong extended gains after the trade numbers were published, rising 1.6% to snap a two-day losing streak.

The data confirms signs that global demand is strengthening and will also provide a boost to domestic growth. Beijing is relying on strong sales abroad to offset weak consumer spending at home, where a real estate slump has led households to tighten their belts.

"Exports have been the bright spot in China's economy so far this year," said Zhiwei Zhang, president and chief

## CHINA'S TRADE REBOUNDS FROM SLUMP

Exports and imports were both stronger than expected



Source: General administration of customs/Bloomberg

economist of Pinpoint Asset Management.

"The weak domestic demand led to deflationary pressure, which boosts China's export competitiveness. This is actually good news for the global economy given the inflation pressure many central banks are fighting against."

Other Asian trading nations also saw overseas sales climb last month on strong US demand. South Korean exports rose almost 14%, while Taiwan reported a record level of shipments to the US.

China's exports were slower

to some of the developed economies, where complaints about cheap imports are growing. Sales to the US were little changed, while those to the EU fell. By contrast, shipments to the Asean bloc of southeast Asian nations were up almost 13%. The volume of exports of steel products rose 27% in the year through April, while prices continued to fall, with the value of those shipments down 13%. Countries from Europe to emerging economies like Brazil and Turkey have started probes into claims of Chinese dumping of the metal.

# Coal Import Rises 8% to 268 MT in FY24

**New Delhi:** India's coal import rose by 7.7 per cent to 268.24 million tonne (MT) in FY24 driven by softness in seaborne prices and likelihood of increase in power demand during summer.

The country's coal import was 249.06 MT in FY23, according to data compiled by B2B e-commerce com-

pany mjunction services. Coal import in March FY24 also rose to 23.96 MT, over 21.12 MT in the corresponding month of the previous fiscal. Of the total volume recorded in March 2024, non-coking coal import stood at 15.33 MT, against 13.88 MT in March FY23. Coking coal import in March 2024 was 5.34 MT against

3.96 MT a year ago.

During FY24, non-coking coal import was at 175.96 MT, higher than 162.46 MT imported during FY23. Coking coal import was at 57.22 MT in 2023-24, against 54.46 MT in 2022-23. "There was an increase in coal import volumes due to the continued softness in seabor-

ne prices and expectation of a demand uptick during the summer season. However, as there is ample availability of domestic coal in the market, it is to be seen if import demand remains strong in coming months," mjunction MD & CEO Vinaya Varma said.

The all-India production of coal during 2023-24 was at 997.25 MT, registering a growth of 11.65 per cent over FY23. —PTI

● SURPLUS STOCK, 'ABOVE-NORMAL' MONSOON

# Govt may consider lifting curbs on rice exports

SANDIP DAS

New Delhi, May 12

**GIVEN THE HUGE** surplus of rice stocks and the forecast of an 'above normal' monsoon that is likely to boost paddy sowing in the kharif season, the government may need to look at lifting the restrictions on rice exports imposed last year.

Sources told *FE* that the government will assess the sowing of kharif paddy—expected to commence next month—before taking a call on removing curbs on shipments. "We need to look at lifting restrictions on rice shipments as kharif crop prospects look bright," an official said.

With the onset of monsoon over the Kerala coast next month, sowing of kharif paddy, which has a share of 80% in total rice output, is carried out in the June-July period with the progress of rains across the country.

Last month, the India Meteorological Department (IMD) forecast 'above normal' rainfall in June-September this year, with 90% chances of the rains being in the "normal-to-excess" range. Last year, precipitation was patchy and below normal, which had hit the rice output.

"Surplus stocks and prospects of bountiful monsoon rains augur well for lifting restrictions on rice exports," an official said.

While retail prices of rice rose by 12.69% on year in March, the price rise is expected to soften in the next few months due to higher base effect. The inflation in rice prices has been in double digits since October 2022.

The rice stocks held by the Food Corporation of India (FCI) is currently

## INDIA'S RICE EXPORTS

■ Volume (in million tonne)    ← Value (\$ billion)



Source: DGCIS



close to four times the buffer for July 1 despite a 7% fall in procurement in the current season (October-September) compared with the same period last season. Currently, FCI holds 53.19 million tonne (MT) — 31.81 MT of rice stocks and 21.38 MT of grain received from millers. The stock is against the buffer of 13.54 MT for July 1.

In addition, officials said FCI so far has received purchase indent for 1.5 MT of rice from the agencies such as Nafed, NCCF and Kendriya Bhandar for selling 'Bharat' rice. About 0.71 MT of grain has been lifted by these agencies for distribution through retail outlets at ₹29/kg.

Last year, the government had initially banned white rice exports and subsequently imposed a 20% shipment duty on parboiled rice to improve domestic supplies as price rise remained in double digits. The government, from time to time, allowed rice exports to meet the food security needs of some countries on the basis of request.

The shipment of aromatic Basmati rice currently has a minimum export price of \$950/tonne.

In FY23, India exported a record 22 MT of rice to more than 100 countries and last fiscal because of restrictions on rice shipment, the volume of exports dropped to around 16 MT.

India has been the world's largest exporter of rice since 2012 with more than 40% share in annual global trade of 52-54 MT.

Paddy procurement by the government agencies has crossed 68.59 MT (45.95 MT in terms of rice) in the current season – 2023-24 (October-September) so far, which is 7% lower than the same period in the last fiscal.

In addition, the agencies are targeting to purchase around 10 MT of rice in the ongoing rabi marketing season in Odisha, Telangana, Tamil Nadu and Andhra Pradesh, which is expected to bolster grain stock further.

The government had purchased a total of 56.87 MT of rice in the 2022-23 season.