

# Soyabean imports poised to decline on muted demand

*Business Line, dt. 15/4/25*

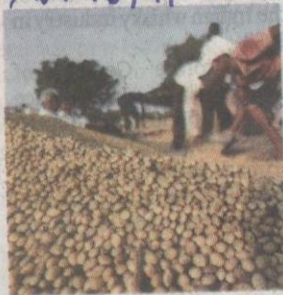
**Vishwanath Kulkarni**  
Bengaluru

Soyabean imports are likely to see a major decline in the oil year 2024-25 on muted demand. Based on the trend so far, the Soyabean Oil Processors Association (SOPA) has reduced the projected import to 1 lakh tonnes during the 2024-25 oil year, down from 6.25 lakh tonnes in the previous year.

According to the latest supply demand report issued by SOPA, imports stood at 0.02 lakh tonnes during the October-March period of the oil year 2024-25 (5.06 lakh tonnes).

## MARKET ARRIVALS

"Looking at the soyabean import pattern, we have reduced the import of soyabean from 3 lakh tonnes to 1 lakh tonnes for the 2024-



2025 oil year," said DN Pathak, Executive Director, SOPA in a statement. India allows the import of only non-genetically modified (non-GM) soyabean.

The market arrivals during the October-March period of the oil year were lower at 72 lakh tonnes against 77 lakh tonnes in the same period last year.

Crushing also has been lower during this period at 60.50 lakh tonnes (67.50 lakh tonnes).

SOPA estimates the stocks with the plants, trade and farmers at 38.51 lakh tonnes and another 20 lakh tonnes with the government agencies, such as Nafed and NCCF.

Production of soyameal stood lower at 47.74 lakh tonnes (53.26 lakh tonnes). The domestic food sector off-take was seen flat at 4.35 lakh tonnes, while the feed sector demand was lower at 32.5 lakh tonnes (35 lakh tonnes) during this period. Export of soyameal was down by around 17 per cent at 11.12 lakh tonnes during the October-March period of 2024-25 (13.47 lakh tonnes).

Germany and France were the largest buyers of Indian soyameal during this oil year at over 1.53 lakh tonnes and 1.44 lakh tonnes respectively. Nepal was the third largest buyer with a volume of 1.16 lakh tonnes.

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# China's March exports up 12% on pre-tariff rush

Reuters  
Beijing

China's export growth beat expectations in March after factories rushed out shipments before the latest US tariffs took effect, as an escalating China-US trade war threatens to sharply restrain growth in the world's second-largest economy.

Exports rose 12.4 per cent year-on-year, as against 2.3 per cent in January-February.

Inbound shipments fell 4.3 per cent.

Trade uncertainties have rocked financial markets this month after US President Donald Trump announced sweeping tariffs on many countries on April 2. Trump unexpectedly paused the higher duties on a dozen economies days later, but slapped even higher levies on

**WTO warned the China-US trade row could cut the shipment of goods between the two economies by as much as 80% and severely hurt global growth**

China that Beijing has dismissed as "a joke".

## BACK AND FORTH

Washington has jacked up tariffs on China by 145 per cent, prompting Beijing to lift levies on US goods by 125 per cent.

Exports have been a lone bright spot in China's economy, which has struggled to mount a solid post-Covid recovery as confidence has remained low in the face of a

protracted property crisis and deepening deflationary pressures.

Beijing has vowed to fight to the end against US tariffs and protect the economy from "external shocks", with markets widely expecting authorities to roll out further fiscal and monetary stimulus measures in the coming months to underpin growth.

The World Trade Organization has warned that the high-stakes China-US trade row could cut the shipment of goods between the two economies by as much as 80 per cent and severely hurt global growth.

## BLEAK OUTLOOK

Goldman Sachs last week lowered its forecasts for China's 2025 GDP growth to 4 per cent from 4.5 per cent, citing the effects of tariffs. Citi cut its forecast to 4.2 per cent from 4.7 per cent two

days earlier. Their revised forecasts are well below the government's growth target of "around 5 per cent".

China was not alone in stepping up efforts to out-run Trump's tariffs ahead of April. German exports also rose more than expected in February, signalling worldwide frontloading, with shipments to the US up 8.5 per cent on the month.

South Korea's exports to China, a leading indicator of the latter's imports, fell 4.1 per cent in March, Korean data showed this month.

China's March trade surplus was \$102.64 billion, down slightly from \$104.8 billion in December, but roughly in line with the level recorded a year earlier. This will likely keep the production powerhouse in Trump's sights given that bringing the trade gap down is at the top of his agenda.

# Exports of Cut And Polished Diamonds Drop 16.7% in FY25

**Sutanuka Ghosal**

**Kolkata:** India's exports of cut and polished diamonds dropped by 16.75% year on year to \$13.29 billion in FY25—the lowest level since the post-pandemic surge in FY22.

Kirit Bhansali, chairman of the Gem & Jewellery Export Promotion Council (GJEPC), attributed the sharp decline to geopolitical tensions, a slowing US economy, and a complete halt in diamond purchases from China, traditionally the second-largest buyer after the US.

India plays a dominant role in the global diamond supply chain, with nine out of 10 natural diamonds cut and polished in the country, mostly in Surat.

The overall gems and jewellery exports in FY25 fell by 11.72% to \$28.5 billion, down from \$32.28 billion in FY24, according to GJEPC.

This marks a significant drop from the post-pandemic surge in FY22, when exports peaked at \$39.57 billion, driven by revenge buying across the globe.

The year 2024-25 has been particularly challenging for the industry as the Russia-Ukraine and Israel-Hamas wars, and the US slowdown impacted gem and jewellery exports. Also, China completely withdrew from purchasing diamonds due to consu-

mer concern over their resale value.

Gold jewellery exports were the most resilient, registering a marginal decline of just 0.11% to \$11.21 billion, GJEPC said.

The export slump has also led to a 24.27% decline in rough diamond imports, which fell to \$10.8 billion in FY25 from \$14.26 billion the previous year.

## TARIFF TALKS

Bhansali said GJEPC is waiting for the outcome of India's ongoing tariff negotiations with the US before issuing its outlook for gem and jewellery exports in FY26.

The industry on Monday formally presented its key demands for the proposed India-US Bilateral Trade Agreement (BTA) to the government at a meeting with Shakuntika Das, principal secretary to the prime minister.

"We urged that import duty on jewellery in US should remain within 10%, which is currently 6% and import duty in US for cut and polished diamonds should continue to remain nil as it is a raw material for use in jewellery manufacturing, which also happens in US," Bhansali said.



**Overall exports of gems and jewellery in FY25 have declined by 11.72% to \$28.5 b**



Business Line. Dt: 16/04/25

# Export of smartphones to US, UK see double-digit growth in 2024: Govt

**Our Bureau**  
New Delhi

India's share of smartphone exports to the US and UK in 2024 has increased by double digits over 2023 in terms of percentage, government data showed on Tuesday.

Smartphone export share to the US grew 13.73 per cent at \$7073.1 million in 2024 against 7.88 per cent at \$4,700.3 million in 2023, while the export share to the UK grew at 14.31 per cent at \$1,506 million (9.27 per cent at \$1039.8 million), the data shared by government revealed.

India's mobile phone



manufacturing has seen a tremendous growth in the last 10 years with major smartphones makers such as Apple and Samsung making India one of their hubs for making their devices.

## RECORD EXPORTS

Mobile phone exports have crossed an all-time high of ₹2 lakh crore in FY25, marking a 55 per cent growth over the

₹1.29 lakh crore recorded in FY24.

In a historic first, smartphones have also now become India's single largest export commodity (smartphones now rank first among India's top export commodities), signalling an unprecedented 'Make in India' success.

According to India Cellular and Electronics Association (ICEA), this phenomenal surge in exports is driven primarily by the strategic implementation of the production linked incentive scheme, which has transformed India into one of the world's fastest-growing mobile manufacturing hubs.

# Niti Backs ₹8,000 cr Aid to Push Tools Exports

Moots labour & regulatory reforms, building infra in PPP mode

**Our Bureau**

**New Delhi:** Niti Aayog on Tuesday proposed financial support to the tune of ₹8,000 crore, labour and regulatory reforms and development of infrastructure in public-private-partnership mode to boost exports of hand and power tools from India.

In its report on 'Unlocking \$25+ billion export potential - India's hand & power tools sector' released on Tuesday, the Aayog said India has the potential to capture a larger share of the global market, targeting \$25 billion in exports over the next decade, creating approximately 3.5 million jobs by achieving a 10% global market share in power tools and 25% in hand tools.

According to the report, the global trade market for power and hand tools is projected to touch \$190 billion by 2035 from \$100 billion now with hand tools accounting for \$60 billion vis-a-vis \$34 billion now and power tool market accounting for \$134 billion compared to \$63 billion now.

The report said China dominates global exports with a market share of 50% in the hand tools mar-

ket (\$13 billion) and 40% or \$22 billion in the power tools market while India has a miniscule market share of 1.8% or \$600 million in hand tools and 0.7% or \$470 million in power tools exports.

As per the report, India faces a 14-17% cost disadvantage compared to China, driven by higher structural costs and smaller operational scale. Furthermore, higher interest rates and logistics costs for transporting goods from inland states to ports further hinder India's competitiveness in the global market," it said.

Developing world-class hand tool clusters with advanced infrastructure is critical, requiring 3-4 clusters aggregating around 4,000 acres, it said.

The report suggests addressing structural cost disadvantages through market reforms including rationalizing Quality Control Order (QCO) restrictions and import duties on essential raw materials like steel and machinery.

"Simplifying the Export Promotion Capital Goods (EPCG) scheme by easing Authorized Economic Operator (AEO) requirements, and reducing penal provisions like interest on defaults will be needed," it said.

# Goods exports flat in FY25 despite low base

## Trade deficit in March at \$21.5 bn

MUKESH JAGOTA  
New Delhi, April 15

**MERCHANDISE EXPORTS GREW** by a modest 0.7% to \$41.97 billion in March, showing a marginal recovery from the contraction witnessed in the previous four months. Imports of goods rose by 11.3% to \$63.15 billion in the month, precipitating a trade deficit of \$21.54 billion.

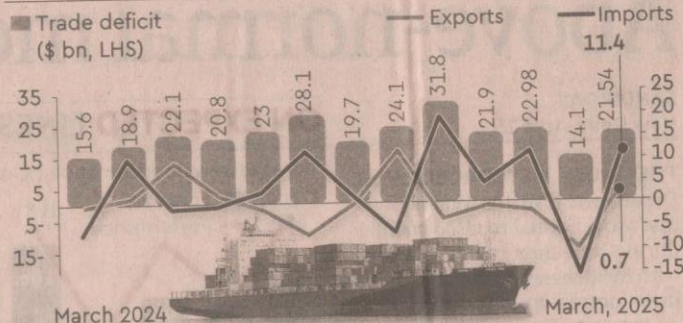
For the whole of 2024-25, the country's goods exports stood at \$437.42 billion, a flat growth of 0.08% year-on-year on a low base, while imports rose 6.62% to \$720.24 billion. In 2023-24, goods exports had declined by 3.1%.

Inclusive of services, the overall exports crossed \$820 billion, recording a growth of 5.5% on year.

Services exports in the last finan-

### ROAD TO RECOVERY

(% chg, y-o-y, RHS)



cial year are estimated at \$383.51 billion, a healthy growth of 12.4% on year. In the services sector, imports were \$194.95 billion, resulting in a surplus of \$188.56 billion.

Shipments in March exceeded the performance of the past 11 months in absolute terms, on the back of higher engineering and electronics

shipments. This may also have been helped by hurried shipments for fear of reciprocal tariffs by the US.

The US, which accounts for 18% of India's goods exports, has announced a 90-day pause on the additional tariff of 26% announced earlier, but a baseline tariff of 10% exists, along with a 25% duty on

steel and aluminum items. Despite global challenges like disruption in sea routes due to geopolitical tensions and recession in some countries, merchandise exports touched the "highest-ever" figures in 2024-25, commerce secretary Sunil Barthwal said. "The government will be waiting for the final figures of services, but our internal assessment is that overall exports in 2024-25 will go up by two billion dollars. So it should be a figure of more than \$822 billion," he added.

The merchandise exports held up and its growth sustained despite a \$20 billion drop in exports of petroleum products in FY25. Petroleum exports were down 24.73% to \$63.34 billion in the last financial year. Much of the decline was due to lower international prices of crude oil. Gems and jewellery exports fell 7.33% to \$29.81 billion while chemical exports were down 2.3% to \$28.70 billion.



# Sales, exports of SUVs zip past sedans, hatchbacks in FY25

**CHANGING PREFERENCES.** Domestic sales of compact cars fell 11.48%, sedan 28.12%

**S Ronendra Singh**  
New Delhi

The compact car and mid-size sedan segments in the passenger vehicles (PVs) category declined not only in the domestic market in FY25 but also in exports compared to FY24, as customers are choosing utility vehicles over these two.

During the year, the total domestic wholesales (dispatches to dealers) of the compact segment (Maruti Baleno, Swift and Dzire, Hyundai Aura and i20, Tata Tiago and Altroz, and Honda Amaze) declined 11.48 per cent year-on-year to 11,46,070 units, compared with 12,94,798 units in FY24. Similarly, exports declined 11.53 per cent to 2,09,260 units (2,36,547 units), data from the Society of Indian Automobile Manufacturers (SIAM) show.

In the mid-size sedan category, including Maruti Ciaz,



**SHARP FALL.** Brands like Honda City, Maruti Ciaz and Hyundai Verna experienced steep sales decline, leading to Maruti's decision to discontinue the Ciaz model REUTERS

Honda City and Hyundai Verna, total domestic sales declined 28.12 per cent to 56,328 units (78,373 units). In FY25, total exports reached 1,53,510 units (1,57,510 units), declining 1.53 per cent.

## SEGMENT OF CHOICE

Market leaders in mid-size sedans have seen sales dwindle over the last couple of years. "Sedans are declining and the hatchbacks are not growing anymore, espe-

cially the A segment (mini cars). This a global phenomena where sports utility vehicles (SUVs) are preferred," said a Delhi-based analyst. For instance, Honda City sales in the domestic market in FY25 declined to 10,901 units (16,925 units). Exports, too, declined to 14,099 units (26,206 units).

Sales of Maruti Ciaz declined to 8,402 units in the domestic market (10,337 units). Exports declined to 9,977 units (10,973 units).

Maruti Suzuki India has even decided to discontinue the Ciaz and may bring back the Ciaz in some other form or platform in the future, it said.

Hyundai Verna sales also declined to 15,593 units in the domestic market (30,017 units), and exports, too, to 52,615 units (55,177 units).

## EXPORT DEMAND

That is why domestic SUV sales have also grown 11 per cent to 27,97,229 units (25,20,691 units). Exports have also grown 54.3 per cent to 3,62,160 units (2,34,720 units). According to SIAM, export demand in key markets is likely to continue as 'Made in India' vehicles gain traction.

Overall, the automobile industry will closely monitor macroeconomic factors and global geopolitics, which will determine the key demand conditions and supply chain dynamics going forward, it added.

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# Organic exports zoom 35% to \$666 million in FY25, volume up 41%

**Our Bureau**

New Delhi

The government on Tuesday said India's export of organic products jumped 35 per cent to \$665.96 million (about ₹5,710 crore) during the 2024-25 fiscal from \$494.80 million in the previous year due to a surge mainly in the shipments of cereals, tea, spices, medicinal plants, oilseeds and processed foods.

In volume terms, the growth was 41 per cent at 0.37 million tonnes (mt) from 0.26 mt.

Though the government said the upward trend shows rising global demand for Indian organic products, experts said a lot of steps are needed to re-build the brand 'Organic India' amid ques-

tions raised over the credibility of certifying agencies.

Export of organic cereals (rice) and millets increased to \$161.67 million in FY25 from \$86.66 million in FY24, that of organic processed food to \$154.01 million (\$129.61 million), medicinal plant products to \$88.57 million (\$72.42 million), organic tea to \$45.13 million (\$34.11 million), organic spices to \$45.42 million (\$35.93 million) and organic oilseeds to \$36.20 million (\$25.64 million).

## HUGE POTENTIAL

While launching the eighth edition of the National Programme for Organic Production (NPOP) with new regulations in January 2025, Commerce Minister Piyush Goyal said India had the po-

tential to increase exports of organic products up to ₹20,000 crore in the next three years as more and more farmers enter organic farming.

## BTA TALKS

"In the current bilateral trade agreement being discussed with the US, the government should insist on re-recognition of NPOP so that Indian organic products can be easily shipped there as currently the US government's accredited agencies are only allowed to certify the same," an expert said.

"If any other agency certifies a product, an organic exporter has to spend additional amount to get the certification done from the US-accredited body," the expert added.



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# China now faces up to 245% retaliatory tariff on imports, says White House

**Press Trust of India**

Washington

China now faces tariffs up to 245 per cent on imports to the United States due to its retaliatory actions, the White House has said, as the trade war escalated between the world's two largest economies. Separately in a post on Truth Social, President Donald Trump said on Tuesday that China "just reneged on the big Boeing deal, saying that they will 'not take pos-

session' of fully committed to aircraft." He appeared to be confirming reports that China has asked its airlines not to take deliveries of planes from American aircraft manufacturer Boeing. In the post, he also vowed to protect the US and its farmers in a trade war with its adversaries, such as China.

## **EXECUTIVE ORDER**

In a fact sheet issued on Tuesday, the White House said President Trump signed an executive order launching

an investigation into the national security risks posed by US reliance on imported processed critical minerals and their derivative products.

"On Day One, President Trump initiated his America First Trade Policy to make America's economy great again," it said. "More than 75 countries have already reached out to discuss new trade deals. As a result, the individualised higher tariffs are currently paused amid these discussions, except for China, which retaliated."

# Agri, processed food exports rise 13% to \$25 bn

**SANDIP DAS**  
New Delhi, April 16

**INDIA'S EXPORTS OF** agricultural and processed food products rose by 13% year-on-year to \$25.14 billion in 2024-25 compared to FY24, even though overall exports grew only marginally. The rise in farm produce shipments were driven primarily by a sharp rise of 20% in rice exports.

According to data provided by the Directorate General of Commercial Intelligence and Statistics, exports of rice, including basmati and non-basmati varieties, in 2024-25 surpassed \$12.47 billion compared with \$10.41 billion in the year-ago period.

The government started easing restrictions on rice exports in September 2024 on prospects of bumper output and significantly higher stocks, around a year after they were imposed. It has since removed all

## GROWING DEMAND



Source: DGCIS, \*including items - cashew, oil meals & other cereals, excluding items - marine, tobacco, coffee & tea

export restrictions, including the minimum export price, on rice shipments. Exporters say that in terms of volume, rice exports in 2024-25 may

have crossed 20 million tonne (MT). "The government's move to remove the minimum export price of \$950/tonne on basmati rice last year

allowed Indian exporters to competitively deliver premium rice to global consumers," Akshay Gupta, India head, export, KRBL, which ships basmati rice to over 90 countries under the India Gate brand, told *FE*. Gupta said the rice industry anticipates the export momentum to continue due to rising demand from non-traditional markets, accelerated adoption of agri-tech across the supply chain, and growing commitments to sustainability by all stakeholders.

"With an export of 5 MT in FY25 for premium basmati rice, India has outpaced its closest competitor, Pakistan, which manages less than one million tonne annually," Ranjit Singh Jossan, MD, Jossan Grains, a leading exporter of basmati rice in Punjab, said. Trade sources say India's dominance in global rice trade has been restored with a spike in shipments, especially to Africa and Southeast

Asia. India has been the largest exporter of rice for a decade now.

Meanwhile, exports of buffalo meat, dairy and poultry products rose by close to 12.5% on year to \$5.09 billion in FY25 compared with \$4.52 billion in FY24. Officials said that in the past decade, there has been a rise in demand for the Indian bovine meat across the globe due to its quality and nutrient value. The shipment of fresh fruits and vegetables in FY25 increased by over 5% to \$3.86 billion, and cereal preparations by more than 8% to \$2.85 billion. The Agricultural & Processed Food Products Export Development Authority (APEDA) had set an export target of \$26.56 billion for FY25. The share of exports of products under the APEDA basket is around 51% in the total shipments of agricultural produce. The remaining agri exports include marine, tobacco, coffee, and tea.



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# Vehicle exports race past 5 m units in FY25

**G Balachandrar**  
Chennai

India's automotive export engine accelerated sharply in FY25, with total vehicle exports rising 19 per cent to cross the 5-million mark, reaching 5.4 million units after two years of moderation. However, exports are still below the FY22 peak of 5.6 million units.

According to data from the Society of Indian Automobile Manufacturers (SIAM), all vehicle categories — except passenger cars and three-wheeler cargo carriers — posted growth in FY25. Notably, utility vehicles (SUVs, MPVs, MUVs), trucks, passenger carriers, scooters and motorcycles recorded increased exports.

## Automobile exports from India

(shipments in units)

| Particulars                             | FY24            | FY25            |
|---|-----------------|-----------------|
| <b>Total exports</b>                    | <b>45 lakh</b>  | <b>54 lakh</b>  |
| <b>Total passenger vehicles exports</b> | <b>6.7 lakh</b> | <b>7.7 lakh</b> |
| Maruti                                  | 2.8 lakh        | 3.3 lakh        |
| Hyundai                                 | 1.6 lakh        | 1.6 lakh        |
| Nissan                                  | 0.43 lakh       | 0.71 lakh       |
| <b>Total two-wheelers exports</b>       | <b>35 lakh</b>  | <b>42 lakh</b>  |
| Bajaj Auto                              | 15 lakh         | 17 lakh         |
| TVS Motor                               | 9 lakh          | 11 lakh         |
| Honda Motorcycle                        | 3.6 lakh        | 5 lakh          |

Source: SIAM

Although motorcycle exports grew by 21 per cent in FY25, total shipments around 4.2 million units remained below the FY22 peak. The overall surge in FY25 exports was driven by higher shipments of scooters and utility vehicles (UV).

UV exports grew sharply to 0.36 million units, up from

0.2 million in FY22. Scooter exports also saw a strong uptick, rising to 0.6 million units from 0.35 million in FY22.

### MARUTI SUZUKI

Maruti Suzuki, India's leading passenger carmaker, made a notable impact, increasing its exports to 3.3

lakh units in FY25, a 17.5 per cent jump from FY24. The company's strategic focus on emerging markets fuelled this growth, with South Africa, Saudi Arabia, Chile, Japan, and Mexico emerging as its top five export destinations.

Honda recorded impressive gains, with its car exports tripling from 19,323 units in FY22 to 60,229 units in FY25. Nissan also ramped up shipments of its Chennai-built cars to a range of overseas markets, while Volkswagen regained export momentum after a dip in FY23.

In the scooter segment, Honda Motorcycle & Scooter India remained the dominant player, accounting for 55 per cent of total scooter exports. The company nearly doubled its export volumes during the review period.

Bajaj Auto continued to lead in motorcycle exports from India, holding a 46 per cent share in FY25. However, its volumes dipped from 2.2 million units in FY22 to 1.7 million in FY25, despite recovering from 1.5 million in FY24. Key markets for India-made two-wheelers include ASEAN countries, Africa, and Latin America.

During its Q3FY25 earnings call, Bajaj Auto expressed cautious optimism, highlighting potential currency volatility in South Asia and Africa. Nevertheless, the company expects exports to grow over 20 per cent year-on-year going forward. Latin America has emerged as the most promising market for motorcycles — nearly double Africa in volume and more than triple in value, according to Bajaj Auto.

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# Tea, coffee, tobacco and spices register 16% export growth in FY25

**Our Bureau**

New Delhi

Export of key plantation crops, such as spices, coffee, tobacco and tea, which had a combined share of nearly 16 per cent in India's \$50 billion agri export (in 2023-24), surged to a record \$9.16 billion in 2024-25 against \$7.82 billion in the previous year — up by 17.1 per cent.

Latest data from the Commerce Ministry show a moderate 4.7 per cent growth in spice exports at \$4.45 billion in FY25 from 4.25 billion a year ago.

Tea shipments were 10.8 per cent up at \$0.92 billion. But tobacco exports registered an impressive 36.6 per cent growth at \$1.98 billion from \$1.45 billion.

Coffee, too, surged 40.3



per cent to \$1.81 billion. Commenting on the tobacco export, an industry expert said that after hovering between \$0.88 billion and \$0.98 billion since 2014-15, its shipments, for the first time, crossed \$1 billion in 2022-23 and had now reached near \$2 billion.

## **TOBACCO SHOW**

"Agri exports dipped in 2023-24 from \$54.78 billion

in 2022-23, and in FY25 it recovered from the setback as quick estimates show. But, the government has to analyse items like raw tobacco, which has a huge potential in the export market, so that the overall farm export is given momentum as per target," said an expert.

Raw tobacco export in 2023-24 increased to \$1.05 billion from \$822.2 million in 2022-23, whereas manufactured tobacco (cigarettes) had negligible growth growth to \$397 million from \$391 million.

The government is yet to release separate data of raw and manufactured tobacco for the last fiscal.

Belgium, the UAE, Indonesia, Russia and Egypt were India's top five destinations for raw tobacco in 2023-24.



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# Hike in duty drawback on gold, silver to offset US tariffs, boost exports

Suresh P Iyengar

Mumbai

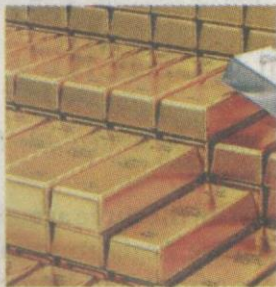
The government's decision to increase the drawback rate on select gold and silver articles will help moderate the impact of the proposed US tariff and sliding global demand for jewellery.

The Customs has notified that gold jewellery drawback rate has been increased to ₹405.40 per gm from ₹335.50 of net gold content. For silver jewellery and related articles, the rate has gone up to ₹4,950.03 per kg from ₹4,468.10 of net silver content.

A drawback is a refund of domestic duties and taxes, especially on an imported product subsequently exported or used to produce a product for export.

The move to increase drawback rates will enable exporters to get some relief in terms of input costs, especially when gold prices are on a record-breaking spree.

Though the US government has paused the 27 per cent reciprocal duty on gem and jewellery imported from



India for 90 days, the uncertainty still continues over the bilateral trade agreement between India and the US amid weak demand.

The US had imposed 32-34 per cent duty on gold and platinum jewellery, while silver jewellery was taxed at as high as 40.5 per cent. Levy on other items such as lab-grown diamonds and imitation jewellery was hiked up to 38 per cent.

## 'RIGHT MOVE'

Colin Shah, MD, Kama Jewellery, said the government's move to increase the duty drawback rates for gold is a step in the right direction for the jewellery export sector and will ensure price com-

petitiveness of India in overseas markets besides improving liquidity.

"We are hopeful that this step will boost export momentum, particularly in important markets like the UAE and the US, where demand for lightweight gold jewellery remains strong," he said.

## EXPORTS MAY RISE

In FY26, the industry expects gold jewellery exports to increase 12 per cent supported by steady global demand, empowering Indian exporters to maintain their edge among their competitors, he added. In FY25, gold jewellery exports were down at \$11.21 billion against \$11.23 billion in the same period last year, according to the Gem and Jewellery Export Promotion Council of India data.

Despite the gold prices increasing sharply, the volume was down due to geopolitical tension and tariff war across the globe. Overall, gems and jewellery exports were down 12 per cent in FY25 at \$28.50 billion against \$32.28 billion in FY24.

# Electronics climbs to third spot on export ladder

From fifth place in FY24 to now a pharma, gems & jewellery challenger

**SURAJEET DAS GUPTA**  
New Delhi, 20 April

Electronics has catapulted to become the third-largest export segment from the country, hitting a record high of ₹3.27 trillion (\$38.6 billion) in 2024-25 (FY25), representing growth of 36 per cent over ₹2.41 trillion last year.

With this, electronics, which was ranked fifth in the pecking order of exports in 2023-24, has now outdone drugs and pharmaceuticals (₹2.57 trillion) and gems & jewellery (₹2.52 trillion) to claim the third spot, behind petroleum goods (₹5.34 trillion) and engineering (₹9.86 trillion).

In FY20, when the production-linked incentive (PLI) scheme was announced, electronics exports ranked far behind at sev-

## RINGING LOUD

| India's top sectors in exports  | FY 25<br>(in ₹ trn) | % change |
|---------------------------------|---------------------|----------|
| Engineering                     | 9.86                | 9.06     |
| Petroleum                       | 5.34                | -23.24   |
| Electronics                     | 3.27                | 35.67    |
| Drugs and pharmaceuticals       | 2.57                | 11.86    |
| Gems & jewellery                | 2.52                | -6.83    |
| Organic and inorganic chemicals | 2.42                | -0.2     |

Source: Ministry of commerce and industry

enth. In its race to the third position, electronics has become India's fastest-growing export among the top 10.

"We are humbled by the success, but can't rest on our laurels. Deep policy changes in the areas of tax, tariff, and industrial infrastructure are needed to meet the Prime Minister's vision of \$500 billion by 2030," said Pankaj Mohindroo, chairman, India Cellular & Electronics Association (ICEA). A

bulk of the push in electronics, of course, comes from mobile phone exports, which totalled over ₹2 trillion in FY25, contributing 61 per cent to the explosive growth. As much as 85 per cent of the incremental increase came from exports of mobile devices.

Breaking it down even further, the contribution of Apple Inc's iPhones, which exported ₹1.5 trillion worth of iPhones, was significant, accounting for 45.8 per cent of

the total electronics exports in FY25.

Commenting on the sector's performance, Minister for Electronics and Information Technology (IT) Ashwini Vaishnaw said: "Electronics manufacturing has risen fivefold in the past decade, and exports grew six times during this period. The entire ecosystem has spurred 2.5 million jobs."

Clearly, much of the boost has come from the success of the smartphone PLI scheme, which kicked off in 2021 and has another year to go. There has already been demand from many eligible PLI companies, such as Dixon Technologies (India), to extend the scheme for a few more years.

In 2017, the Phased Manufacturing Programme introduced by the government — and later the smartphone PLI scheme — helped transform India's smartphone industry from being 78 per cent import-dependent in 2014-15 to becoming largely self-sufficient by 2022.





# India Eyes ₹1,000-cr Rapeseed Meal Export Boost to China

Edible oil industry writes to Centre requesting to start negotiations

Jayashree Bhosale

**Pune:** The China-Canada tariff war has opened up a ₹1,000 crore opportunity for India to export to Beijing rapeseed meal, a by product of mustard oil production. Such exports to China have gathered pace during past couple of weeks.

The edible oil industry has also written a letter to the Centre requesting to start negotiations with China to relax some stringent conditions imposed on Indian rapeseed meal about a decade ago.

Increased exports are likely to support the local mustard prices, which are suppressed now. China has imposed 100% duty on rapeseed meal and Canola oil as to retaliate against Canada's duties imposed on Chinese EVs.

"An opportunity has come up to export Indian rapeseed meal to China. India is surplus in rapeseed meal and can export additional half a million tonnes of rapeseed meal valued at around ₹1,000 crore," said industry body Solvent Extractors' Association (SEA) in a letter written to the Ministry of Commerce.

Till 2011, India used to export about 3-4 lakh tonnes of rapeseed



meal to China. It was suspended due to Malachite Green contamination. China again allowed the import of Indian rapeseed meal with stringent conditions in 2026.

"Only five companies could fulfill the stringent conditions, of which, currently only two companies are actually exporting rapeseed meal to China," said BV Mehta, executive director, SEA.

China, a major consumer of rapeseed meal, sources it from Canada and EU. China's retaliatory tariff of 100% on Canadian rapeseed meal, coupled with shortages in the European Union has led to a significant increase in global prices.

"Given the current supply constraints and rising prices, India

has a renewed opportunity to explore and recapture its lost share in the Chinese market," said SEA in the letter.

Currently, Indian rapeseed meal is cheaper than the international market by about 35%. In India, mustard prices are suppressed due to India's growing used of grains for the Ethanol Blended Petrol program.