Business Line 24.02.2026

Govt slashes export benefits by half under RoDTEP scheme

Amiti Sen
New Delhi

In a major blow to exporters, the government has restricted benefits under the popular Remission of Duties and Taxes on Exported Products (RoDTEP) scheme to 50 per cent of the notified rates and value caps. Trade experts have expressed concern at the reduction in RoDTEP rates, especially as they come at a time when Indian exporters are facing heightened global uncertainty and tariff fluctuations, especially from the US.

Exporters have called for a review of the decision, arguing that the drop in the remission of input duties under the scheme would increase costs and affect competitiveness at a time when global demand was slowing down.

Under RoDTEP, which follows the global principle that taxes and duties should not be exported, exporters are given refunds of embedded Central, State and local taxes that are not otherwise rebated. "RoDTEP benefits

shall be restricted to 50 per cent of the notified rates and value caps, with immediate effect. This is issued with the approval of the Minister of Commerce & Industry," a notification from the Directorate-General of Foreign Trade said.

ALLOCATION DROP

This follows a sharp reduction in the budgetary allocation for RoDTEP for FY27 to ₹10,000 crore, from the previous fiscal's allocation of ₹18,232.5 crore. However, there were expectations that funding could be topped up in the revised Budget estimate after the rate rationalisation exercise for the scheme concluded.

"The reduction in RoDTEP rates and the value caps by 50 per cent come at a highly challenging juncture, when Indian exporters are already contending with slowing global demand, heightened uncertainty, and rising protectionist trends across key markets. We sincerely urge the government to review and reconsider this decision with immediate effect," said Ajay Sahai, Director-General, FIEO.

The move will raise the cost of exporting from India as it reduces refunds of domestic taxes that exporters cannot otherwise recover, pointed out Ajay Srivastava from the Global Trade and Research Initiative. "In price-sensitive sectors, even a 1-2 per cent increase in costs can decide whether orders are won or lost. The cut comes when ... compliance costs remain high, and competitors such as Vietnam and Bangladesh still enjoy lower costs and preferential market access," he said.

India's goods exports in January 2026 were almost flat, growing at a marginal 0.61 per cent (year-on-year) to $36.56 billion, while the trade deficit widened to a three-month high of $34.68 billion due to higher imports.

Business Line 24.02.2026

Nipah: Saudi halts fruit imports from Kerala, WB

V Sajeev Kumar
Kochi

Saudi Arabia has suspended the import of fruits and vegetables from Kerala and West Bengal following concerns linked to the Nipah virus, triggering anxiety among exporters and farming communities.

In a letter dated February 6, the Royal Embassy of Saudi Arabia requested Indian authorities to halt exports of agricultural produce from the affected States until the epidemiological situation stabilises.

It also called for tighter phytosanitary controls on consignments originating from other States and destined for the Kingdom.

The communication said all export consignments must undergo rigorous visual inspection to check for signs of animal activity, such as bite marks or droppings, and to ensure the produce is apparently sound.

TRIGGERS PANIC

Exporters in Kerala have voiced concerns over the move, revealing that no fresh Nipah cases had been reported in the State in recent times. The Kerala Exporters Forum said that the restrictions had sparked panic, particularly among exporters using the Calicut International Airport as a key hub for shipments to the West Asian markets. Munshid Ali, General Secretary of the Forum, told *businessline* that the sudden curbs had led to order cancellations, financial losses and supply-chain disruptions, with small and medium exporters bearing the brunt.

MK Raghavan, MP, has taken up the issue with the Union External Affairs Ministry, saying Kerala's public health situation is fully under control.

Continuing trade restrictions despite the absence of a current public health emergency, he said, were creating unwarranted apprehensions about the safety of agricultural produce from the State.

A large number of exporters and farmers depend heavily on the Saudi market for agricultural and allied products, and the abrupt halt had injected uncertainty across the value chain, he noted.

Munshid Ali pointed out that nearly 3,500 tonnes of fruits and vegetables were airlifted from the four airports in Kerala, warning that the current restrictions could also cast a shadow over shipments to other Gulf destinations.

Fertilizer imports, consumption surge

Financial Express 25.02.2026

SANDIP DAS
New Delhi, February 24

WHILE THE GOVERNMENT aims to cut urea and diammonium phosphate (DAP) consumption by introducing nano-variants, sales and imports of various fertilizers have surged in the current fiscal, trade sources said.

Industry data for April-January, 2025-26 indicate a marginal rise in domestic production of fertilisers at 43.75 million tonne (MT) on year.

According to analysts in the current fiscal, the fertiliser import could surge to over 21 MT while total shipments in the first ten months of 2025-26 has been 20.9 MT, an increase of 50% on year.

In FY25, the world's second-largest fertilizer consumer imported 16 MT of soil nutrients. In terms of sales, over 63 MT of highly subsidised fertiliser has been distributed to farmers in April-January period of 2025-26, which is an increase of 1.5% compared to the same period in FY256.

In the first ten months of the current fiscal, domestic production of urea and DAP declined by 2.7% and 1.6% to 25.1 MT and 3.3 MT respectively.

Sales of urea due to rise in the demand in kharif as well as rabi season rose by 1.9% to over 35 MT in April-January FY26 on year.

Urea imports surged 83% to close to over 8.9 MT in the period while inward shipments of DAP rose close to 40% at 6 MT in April-January, FY26 on year. NPK (nitrogen, phosphorus, potassium) fertilizer imports rose by 103% during the April-January 2025-26 to 3.48 MT.

SECTOR ANALYSIS

Fertilizer sales, production & import (Apr-Jan, 2025-26)

Sales (MT) — % chg y-o-y

	Urea	DAP	NPK	MOP
Sales (MT)	35.2	8.5	12.7	1.9
% chg y-o-y	↑1.9	↓2.2	↓1.0	↑2.7

Production (MT) — % chg y-o-y

	Urea	DAP	NPK	MOP*
Production (MT)	25.1	3.4	10.4	
% chg y-o-y	↓2.7	↓1.6	↑11.8	

Imports (MT) — % chg y-o-y

	Urea	DAP	NPK	MOP
Imports (MT)	8.9	6.0	3.5	2.5
% chg y-o-y	↑83.4	↑39.6	↑103	↓19

Nitrogen (N), phosphorus (P), & potassium (K); Muriate of potash (MOP)
*MOP demand is met through imports; Source: Trade

Business Line 25.02.2026

Pulses imports eased 4.5% to 65.69 lakh tonnes during 2025

Vishwanath Kulkarni
Bengaluru

Pulses imports in calendar year 2025 declined marginally to 65.69 lakh tonnes (lt) from 68.75 lt in 2024, a fall of 4.45 per cent.

The overall decline, however, masks divergent trends across major pulses categories. The drop was driven mainly by a sharp fall in yellow peas imports after the government imposed a 30 per cent duty during the year.

At the same time, lower yellow pea shipments were partly offset by a strong rise in the imports of chana (bengal gram) and urad (black matpe).

According to DGCIS data compiled by the India Pulses and Grains Association (IPGA), yellow pea imports plunged 56 per cent to 12.9 lt in January-December 2025 from 29.39 lt a year earlier. The duty was imposed in November 2025.

Decline in yellow peas imports was largely offset by higher chana and urad purchases

Canada was the largest supplier at 8.82 lt, followed by Russia (3.21 lt), Latvia (33,532 tonnes) and Argentina (26,261 tonnes).

CHANA IMPORTS SURGE

In contrast, chana imports jumped 301 per cent to 15.81 lt. Australia led shipments at 14.23 lt, followed by Tanzania (1.48 lt) and Myanmar (3,936 tonnes).

SUPPLY GAP IN URAD

Urad imports increased 41 per cent during the year due to domestic shortages. Myanmar remained the top supplier at 8.09 lt, followed by Brazil (2.37 lt).

Masoor (lentil) imports were largely unchanged at 10.61 lt (10.60 lt in 2024). Canada led with 5.75 lt, followed by Australia (3.91 lt) and smaller volumes from the US, the UAE and others.

Tur imports rose 5.42 per cent to 13.25 lt from 12.57 lt. Mozambique was the largest exporter (5.20 lt), followed by Myanmar (3.46 lt) and Tanzania (3.02 lt).

Imports under the "other pulses" category fell sharply by 48 per cent to 2.42 lt from 4.64 lt in 2024.

Business Standard 26.02.2026

US announces preliminary 126% duty on Indian solar imports

PRESS TRUST OF INDIA
New Delhi, 25 February

The US has announced a preliminary countervailing duty of 125.87 per cent on imports of certain Indian solar goods, alleging that these products are unfairly subsidised by New Delhi.

The US has also announced different duties on the imports of 'Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules' from Indonesia and Laos.

"On February 24, 2026, the US Department of Commerce announced its preliminary affirmative determinations in the countervailing duty investigations of crystalline silicon photovoltaic cells, whether or not assembled into modules (solar cells), from India, Indonesia, and the Lao People's Democratic Republic (Laos)," a US order has said.

These duties are over and above the 10 per cent tariffs announced by the Donald Trump administration on all countries from February 24.

THESE DUTIES ARE OVER AND ABOVE THE 10 PER CENT TARIFFS ANNOUNCED BY THE DONALD TRUMP ADMINISTRATION ON ALL COUNTRIES FROM FEB 24

According to the order, solar imports from India into the US increased to $792.6 million in 2024 from $83.86 million in 2022.

"Unless postponed, the final determination in these CVD (countervailing duty) investigations are currently scheduled to be issued on July 6, 2026. Commerce (department) is also conducting concurrent anti-dumping duty investigations of solar cells from India, Indonesia, and Laos," it said. Countervailing duties help firms to protect them from increase in subsidised imports.

India is taking a series of measures to promote renewable energy production in the country and reduce its import dependence. Solar energy is one of the key components in this.

India is the world's third-largest solar power producer.

According to an official statement, India's solar manufacturing sector includes key components like solar modules, solar PV cells, ingots and wafers. Producing these within the country supports the domestic economy and reduces dependence on imports. To boost domestic manufacturing, the government has made it mandatory for projects under schemes like the Rooftop Solar Programme, Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhiyan (PM-KUSUM) Scheme, and CPSU Scheme Phase-II to use panels and cells made in India.

Domestic players like Vikram Solar, Waaree Energies, and Premier Energies, said the US decision to impose countervailing duties on certain solar goods from India will have a limited impact on them.

The US has announced a preliminary countervailing duty of 125.87 per cent on imports of certain Indian solar goods.

Russian crude flows to India rise slightly in Feb as RIL resumes imports: Vortexa

Business Line 27.02.2026

Rishi Ranjan Kala
New Delhi

Russian crude oil imports to India have increased, *albeit* slightly, in the current month (till February 24), as Reliance Industries (RIL) resumed supplies from Moscow, a report by energy intelligence firm Vortexa said.

Citing data, Vortexa said that five Aframax/ Long Range2 (LR2) and one Suezmax vessels discharged Russian crude oil into RIL terminals in February 2026 month-to-date.

The firm also anticipated that Indian imports of Russian crude may have already hit a "low point" in January 2026 at close to 1 million barrels per day (mb/d).

Vortexa data on India's crude oil imports by destination terminal show that the overall Russian shipments have been rising in February after the decline witnessed last month.

Similarly, shipments to RIL terminal have also been growing after the country's largest private sector refiner stopped procuring barrels from Moscow in January.

However, HPCL Mittal Energy (HMEL) is yet to receive cargoes from Russia.

Besides, arrivals at Nayara Energy's Vadinar refinery and State-run refiners' terminal have declined in February on a monthly basis.

ASIAN BUYING

The report pointed out that global seaborne crude imports continue to grow thus far in 2026, with demand coming from non-OECD buyers, mainly India and China.

"Asian buying reflects supply security concerns and reshuffling of some flows away from sanctioned barrels. China is soaking up sanctioned barrels at unprecedented pace," it added.

Atlantic Basin crude stays intra-basin, as high freight rates for very large crude carriers (VLCCs) forces key buyers in the Pacific Basin to look for short-haul barrels instead, which are on strong offer from Middle East Gulf (MEG). Long-haul flows such as USGC (US Gulf Coast) to Asia, West Africa to Asia and South America East Coast to Asia all posted declines, Vortexa said.

RISING DEMAND. Global seaborne crude imports continue to grow thus far in 2026, with demand coming from non-OECD buyers, mainly India and China REUTERS

India crude import reshuffling is not supporting freight rates, as replacement supplies come primarily from short-haul flows from MEG.

Current indications—including continued discharges of sanctioned crude in China and India, and declining flows from the Atlantic Basin to the East—suggests a potential easing of VLCC freight rates in the coming weeks to a level that is more aligned with fundamentals, it added.

Overall, global seaborne crude exports exceeded seasonal highs in the first two months of 2026, supported by robust OPEC+ exports, while non-OPEC+ exports rose moderately.

Saudi Arabia is leading the export growth amongst OPEC+ members, as the country has revised its official selling prices for Asian customers to a five-year low, Vortexa said.

US-IRAN TENSION

The US-Iran tensions in the MEG added a risk premium to oil prices, as oil flows via the Straits of Hormuz represent one third of global seaborne crude/condensate flows.

Countries such as Saudi Arabia, the UAE and Iran have been pushing out more oil from the MEG over the last four weeks, probably out of war concerns, it added.

The firm pointed out that while sanctioned crude oil exports rose by around 1 mb/d year on year with Indian imports of Russian crude declining by about 440,000 b/d on an annual basis.

INDIA-US TRADE TALKS

In a separate commentary on Tuesday, Anna Zhminko, Associate Market Analyst at Vortexa, said, "The share of Russian oil in India's total crude imports has been on a downward revision since last December, falling to 20 per cent this February (around 1.1 mb/d, days 1-24), compared to 36 per cent in November 2025."

Amid India-US trade negotiations, only the EU-sanctioned Nayara refinery continues a robust import programme of Russian crude, she added.

Zhminko pointed out that it was not yet clear whether India will continue to scale back on imports of Russian crude oil further or reverse the trajectory due to a recent US Supreme Court decision to reset tariffs.

However, displaced volumes would most likely be diverted to China's private refining sector. In turn, predominant reliance on China's private refiners subjects Russian crude to steeper discounts and prolonged clearance, pressuring vessel availability, she explained.

Slack demand, competition weigh on onion exports

Business Line 27.02.2026

ERODING SHARE. Bangladesh and Saudi Arabia cut imports from India, while Pakistan gains on price edge; currency advantage boosts rival suppliers

Vishwanath Kulkarni
Bengaluru

India's onion exports have come under further pressure this financial year, reflecting a sustained decline driven by changing global market dynamics.

Shipments have slowed primarily due to reduced offtake from key buyers such as Bangladesh and Saudi Arabia, as these countries increasingly rely on their own domestic production, exporters said.

POLICY IMPACT

This structural shift in demand has curtailed the shipment volumes, even as competitive pressures are weighing on exports.

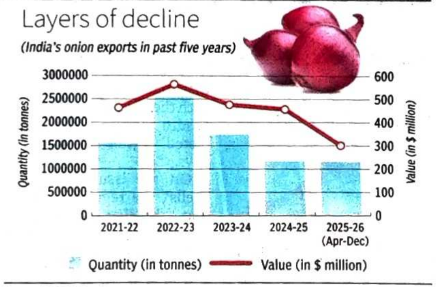
The weaker currency of Pakistan, a major competing origin, has enhanced its price competitiveness in international markets, making it more difficult for Indian exporters to defend market share, particularly in price-sensitive destinations.

"Demand is there, but we have lost some markets. Bangladesh, one of the biggest buyer, is not buying from us. Lot of countries have developed their own crop; now even Saudi, a good buyer, is not buying," said Ajit Shah, President, Horticulture Exporters Association.

"Also, India had imposed a ban 2-3 years ago. So all our traditional buyers shifted to other suppliers like Pakistan, Sudan and Yemen," he said.

Earlier, these countries used to export in small quantities, about 2-3 months a year. Now they are exporting for 6-7 or even nine months a year, Shah said, adding that as a result, "buyers had started comparing our price with these other suppliers".

"Our quality is always good as compared to the other suppliers, but now every market is price sensitive. So our quantity, our share of demand has decreased and that's why the export is not going so much. But it's not so less also," Shah said.



Layers of decline
(India's onion exports in past five years)

Source: DGCIS, Apeda

According to DGCIS data, India's onion exports during April-December of the current financial year registered a 22 per cent decline in value terms at $298.69 over the corresponding last year's $380.08 million on lower prices.

VOLUMES UP

However, the shipment volumes during this period were up 37 per cent at 11.33 lakh tonnes compared to 8.26 lakh tonnes in the corresponding last year.

In fact, onion shipments have been on a downward trend in recent years when a ban was imposed in December 2023 until March 2024 to ease domestic supplies. All restrictions were removed by March 2025 when supplies improved.

Further, Shah said, Bangladesh, when it doesn't have its own crop, is buying the maximum quantity from from Pakistan, whereas Saudi Arabia is buying from Yemen and Sudan.

"Our prices are similar or up by say $10-50 per tonne, when compared with onions from Sudan or Yemen. However, we are expensive in comparison with Pakistan as there is a vast difference in their dollar rate and our rate. Our dollar-rupee rate is 90.5, while their dollar to Pakistan rupee rate is 280 and that's the main reason they are cheaper than us in the international market," Shah said, adding that weaker currency is giving them an edge.

However, Indian onion exports are taking place to countries such as Sri Lanka and West Asian countries, Shah said, adding that the rabi arrivals will be starting soon.

RABI ARRIVALS

Trade sources said the prices had eased in recent weeks with improving arrivals.

Per the Agmarknet data, the modal prices are hovering in the range of ₹775-1,500 per quintal in Maharashtra, the major producing State.

The all-India average wholesale mandi prices have eased from ₹1,410.44 per quintal a week ago on February 17 to ₹1,085.64 on February 24.

Shah said the rabi onion crop is expected to be bigger than last year.

Imports Power Growth February GST Collections Rise 8.1% to ₹1.84 L Crore

Robust import revenues and steady consumption keep collections on a stable growth path

The Economic Times
02.03.2026

Our Bureau

New Delhi: India's gross goods and services tax (GST) collection increased 8.1% year-on-year to ₹1.84 lakh crore in February, driven by steady domestic demand and a surge in import-related revenue, showed official data released on Sunday.

Experts say that the number, along with other economic indicators, shows both cyclical recovery and structural gains from the GST rate rationalisation, pointing at the inherent resilience and steady consumption driven growth of the Indian economy.

"India's continued rise in GST collections, despite persistent global uncertainties, underscores the inherent resilience and expanding formalisation of the economy," said Saurabh Agarwal, tax partner, EY India.

He added that strong growth in Jammu & Kashmir, Bihar, Sikkim, Nagaland, Manipur, Meghalaya, Odisha and Ladakh reflected the deepening of economic activity across the country, which signalled that growth was becoming increasingly broad-based.

"These GST collection figures reflect that there has been a consumption uptick that has more than compensated for the rate reductions," said MS Mani, tax partner, Deloitte India.

He pointed out that while monthly collections had been inching toward the ₹2 lakh crore-mark, the rate cuts pulled them back, and that it might take some time before that milestone is consistently achieved.

While some of the large states—such as Tamil Nadu (-6%), Madhya Pradesh (-8%) and Rajasthan (-1%)—continued to report a decline in GST collection, others such as Uttar Pradesh (5%) and Maharashtra (6%) saw single-digit growth, which would be a matter of concern for the states and the policymakers, Mani added.

Gross domestic revenue increased 5.3% to ₹1.35 lakh crore, indicating steady consumer and business spending. Revenue from imports surged 17.2% to ₹47,837 crore, suggesting robust industrial demand and higher inflows of goods.

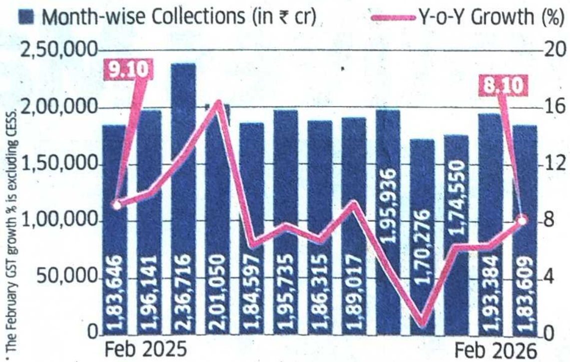
"This indicates that trade activity and tighter customs-side compliance are currently providing a stronger lift to overall collections than core domestic demand," said Manoj Mishra, partner and tax controversy management leader, Grant Thornton Bharat.

Refunds continued to accelerate, increasing 10.2% year-on-year to ₹22,595 crore, led by a 26.5% jump in export-related integrated GST refunds to ₹12,656 crore.

"This indicates a maturing GST architecture that is balancing revenue strength with timely liquidity flows to businesses," added Mishra.

Collection after refunds increased 7.9% to ₹1.61 lakh crore.

Momentum Intact



STEADY AND STABLE

(Collections numbers in ₹ crore)

Net collection
1,61,014 — 7.9%

Gross collection (Apr-Feb):
20,27,033 — 8.3%

Net collection (Apr-Feb)
17,56,772 — 6.9%

Net domestic collection
1,25,833 — 6.2%

Net customs revenue
35,181 — 14.2%

Deferred Duty Scheme Opens for Manufacturer-Importers

The Economic Times 02.03.2026

From April 1, eligible firms can clear imports without upfront payment

Our Bureau

New Delhi: The Central Board of Indirect Taxes and Customs (CBIC) has introduced a deferred customs duty payment facility for eligible manufacturer importers. The step, first announced in the FY27 budget, is aimed at helping companies effectively manage cash flows and working capital, supporting local manufacturing.

The trust-based "Eligible Manufacturer Importer" (EMI) scheme, effective April 1, will allow approved companies to defer customs duty payments, the CBIC said, adding it has also notified eligibility criteria and operational guidelines for the programme.

Applications under the EMI scheme can be submitted online from March 1, 2026, and the facility will run through March 31, 2028. Under this initiative, EMIs would be able to clear imported goods without paying customs duty at the time of clearance. Instead, the applicable duty can be paid on a monthly basis as prescribed under the Deferred Payment of Import Duty Rules, 2016.

The deferred payment facility will be available to EMI meeting prescribed criteria related to customs and goods and services tax (GST) compliance, revenues, financial standing, and past track record.

Customs commissioners will monitor usage through ICES dashboards to ensure timely payments. Approval can be suspended or revoked if eligibility conditions are breached.

"This reform is expected to significantly improve ease of doing business, strengthen the compliance culture, promote wider participation in the AEO programme and provide a boost to domestic manufacturing," the ministry said.

CONDITIONS APPLICABLE

In a separate circular, CBIC said the applicant must be a manufacturer-importer with a valid importer exporter code and at least one active GST registration, having filed a minimum of 25 export-import documents such as bills of entry or shipping bills in the previous financial year and having an annual aggregate turnover exceeding ₹5 crore.

The applicant must have carried on business for at least two financial years, have filed all pending GST return–3B forms, and must not have collected tax without depositing it with the government. Further, the entity must have no record of arrest, conviction, prosecution, insolvency or bankruptcy under the law with positive net worth for the last two financial years, supported by a certificate issued by a chartered accountant.