

Rice exports: Buyers resist price hike

Global market heads south despite fears of weather affecting paddy in Asia

SUBRAMANIRAMANCOMBU

Chennai, August 16

Rice importing nations are stiffly resisting any rise in prices despite fears of a possible impact on paddy cultivation this year in Asia due to weather-related problems.

According to exporters, though rice prices in the domestic market have increased, the global market is heading south.

No buyers after hike

"Buyers abroad are trying to buy rice at lower prices. Rates have come down by 5-10 per cent. This is mainly on account of a drop in freight charges, which have softened. Prices in the domestic market are high," said VR Vidya Sagar, Director, Bulk Logix.

"A few days ago, our 5 per cent parboiled rice prices in-

creased to \$385 a tonne and this resulted in no buyer showing up. Prices are now lower at \$365," said BV Krishna Rao, President, The Rice Exporters Association (TREA).

"Rice buying has slowed. We are getting good enquiries but they are not being converted into businesses. There is some resistance to higher prices," said M Madhan Prakash, President, Agri Commodities Exporters Association (ACEA).

Asian prices

According to the Thailand Exporters Association, Indian 5 per cent parboiled rice is quoted at \$358-362 free-on-board (f.o.b) currently, while the rice from Pakistan is quoted at \$408-412. Thailand is offering 100 per cent sorted parboiled rice at \$445 a



Bangladesh's rice import is the main reason why prices of foodgrains are increasing in the country.

tonne f.o.b. Even in white rice, India is offering the grain at a competitive \$343-347 a tonne f.o.b for 5% broken, while Pakistan is quoting \$358-362. Vietnam is offering at \$393-397 and Thailand at \$439.

As a result, India faces the risk of losing at least 10 million tonnes (mt) of rice production due to this. During the last crop year (July 2021-June 2022), the country produced a record 129.66 million tonnes (mt) of rice with 11.04 coming from kharif produc-

Bangladesh crops

The problem for India is Bangladesh's Aush and Boro crops have been impacted by dry weather as well as floods this year. Dhaka will likely import 6.5 lakh tonnes of rice this year, the USDA projected.

"Bangladesh is buying

more currently," said Bulk Logistics's Sagar. In order to import more rice, the Sheikh Hasina Wazed government has cut import duty to 25 per cent and is allowing private firms to ship in the grain freely.

"Ethiopia, Djibouti and Ivory Coast are resisting higher prices. They are looking at alternatives such as Pakistan and Thailand," Sagar said.

TREA's Krishna Rao said rice exports could be affected if the Centre decides to end the Prime Minister Garib Kalyan Anna Yojana (PMKAY), under which rice and wheat are distributed free of cost through ration shops to the below poverty line people.

"As long PMKAY continues, the poor will take foodgrains from ration shops. Once it is ended, they will turn to the open market, which will result in 7-8 mt being available for exports being affected," he said.

Business Line dt. 18.8.22

Rapeseed meal powers growth of oilmeals export

April-May soyameal shipments outpriced, drop by 37.5%

of oilmeals in July as against 1.91 It in July 2021, a growth of 18.57 per cent.

BV Mehta, Executive Director of SEA, said that during the first four months of 2022-23 India exported 8.51 It rapeseed meal against 4.79 It in the corresponding period a year ago.

He said a record rapeseed crop and crushing resulted in the highest processing and availability of rapeseed meal for export. At \$295 a tonne (FOB), India is the most competitive supplier of rapeseed meal to South Korea, Vietnam, Thailand and other Far-East countries. The current price of rapeseed meal (FOB Hamburg) is quoted at \$376 a tonne, he said.

However, export of soyabean meal dropped during the re-

OUR BUREAU

Mangaluru, August 17

Export of oilmeals witnessed a 34.6 per cent growth in the first four months of 2022-23 mainly due to a quantum jump of 77.49 per cent in the shipment of rapeseed meal.

According to Solvent Extractors' Association of India (SEA) data, the country exported 12.48 lakh tonnes (It) of oilmeals during April-July this fiscal against 9.27 It in the corresponding period of the previous fiscal. India exported 2.27 It

the period - 1.36 It of rice bran extraction, 88,569 tonnes of rapeseed meal, 1,575 tonnes of soyabean meal, and 448 tonnes of groundnut meal.

India exported 1.56 It (1.17 It) of oilmeals to Thailand during the first four months of this fiscal - 1.55 It of rapeseed meal, and 986 tonnes of soyabean meal. Bangladesh's oilmeal import from India stood at 1.44 It (1.23 It) during the period -

31,672 tonnes of ricebran extraction, and 1.12 It of rapeseed meal. Taiwan imported 50,582 tonnes of oilmeals (32,823 tonnes) during April-July 2022-23 - 37,569 tonnes of castor seed meal, 10,915 tonnes of rapeseed meal, 1,569 tonnes of groundnut meal, and 529 tonnes of soyabean meal.

(CIF Rotterdam) is quoted at \$548 and Brazil at \$534 a tonne.

Castor, rice bran

He said export of castor meal declined marginally during the first four months of the fiscal, from 1.09 It a year ago to 1.05 It, down by 3.23 per cent.

The country exported 1.98 It of rice bran extraction against 1.92 It, up 3.06 per cent.

Major importers

South Korea emerged the major importer of oilmeals from India at 4.24 It (2.77 It). This included 3.55 It of rapeseed meal, 55,719 tonnes of castor seed meal, and 13,720 tonnes of soyabean meal.

Vietnam's import of oilmeal stood at 2.26 It (1.64 It) during



During the first four months of 2022-23, India exported 8.51 It rapeseed meal

view period, from 1.44 It a year ago to 90,711 tonnes, a decline of 37.35 per cent.

Mehta said export of soyabean meal is at its lowest as India remains outpriced in the international market. The current price of soyabean meal (FOB Kandla) is \$675 a tonne, while soyabean meal Argentina

Business Line dt. 18.8.22

Punjab suspends use of 10 pesticides to help Basmati exports; move draws flak

Mann govt says move in growers' interest; trade not fully convinced

OUR BUREAU

Chennai, August 17

The Punjab Government has suspended the use of 10 pesticides for 60 days in the State to ensure that Basmati rice exported from the country does not have excess pesticide residue, but the move has drawn criticism from some quarters.

According to the State government's order, the sale, stock and distribution of Acephate, Buprofezin, Chloropyrifos, Methamidophos, Propiconazole, Thiamethoxam, Profenofos, Isoprothioland, Carbendazim and Tricyclazole have been barred from August 12.

Balancing food security

The Bhagwant Singh Mann Government said it believed the



The decision has not convinced many since the Centre has not been taken into confidence

pesticides were not in the interest of Basmati rice growers. It also pointed to demand from the Punjab Rice Millers and Exporters Association for such a move.

However, the decision has not convinced many since the Centre has not been taken into confidence over the move and it leaves a bad impression on the rest of the Basmati-growing States. "The policy of the Punjab Government has to be holistic and not reactionary. Though Basmati exports are declining in view of the pesticide residue is-

sue, why hasn't the Centre resorted to such a measure? The Union Government is attempting to find a balance between food security and exports," said S Chandrasekaran, basmati rice historian and author of "Basmati rice: The Natural History Geographical Indication".

An industry analyst pointed out that the Aam Admi Party (AAP), which is currently the ruling party in Punjab, has not resorted to such a measure in Delhi, where it has been in power for over seven years now.

FSSAI MRL norms

The analyst said the Food Safety and Standards of India (FSSAI) had come out with maximum residue limits (MRL) norms which are stricter than Codex standards that are followed worldwide.

"While exporters did not want the FSSAI norms to be implemented, they have welcomed the Punjab Government initiative. This is curious," the analyst said.

'Agmark not needed for imported blended edible oil'

MEENAKSHI VERMA AMBWANI

New Delhi, August 18

The Food Safety and Standards Authority of India (FSSAI) has decided to do away with the requirement for imported food consignments of blended edible vegetable oil products to carry Agmark certification.

This decision comes after the food safety authority received representations from industry stakeholders seeking clarity on whether Agmark certification will be required for blended edible vegetable oil products that are imported.

Why the earlier advisory

According to the regulations, food business operators must obtain Agmark certification to sell blended edible vegetable oil products (BEVO) in the country in addition to obtaining a valid FSSAI license. Agmark is a certification mark for agricultural produce that assures consumers that the product conforms to standards notified by the Directorate of

Marketing & Inspection (DMI), which is part of the Agriculture Ministry.

In 2020, the FSSAI had raised concerns that a large number of blended edible oil manufacturers had obtained FSSAI licenses without the mandatory Agmark certification. It had also observed that some food business operators were also selling blended edible oil products without the requisite FSSAI licenses. It had issued an advisory on requirement of Agmark certification prior to import of blended edible vegetable oils. The food authority had also directed state food safety commissioners to initiate action against those manufacturers that were selling blended edible vegetable oils without Agmark certification mark and FSSAI license.

In its latest advisory issued on Thursday, the FSSAI said it received representations from various industry stakeholders on the issue of applicability of requirement of Agmark certification in case of imported food products.

Centre to assess impact of EU's decision to withdraw GSP benefit for certain exports

Machinery, plastics among items that will lose preferential market access from Jan next

AMITI SEN

New Delhi, August 21

The Centre may engage with the industry to assess the impact of the European Union's decision to withdraw preferential tariff benefits for certain products from India, including electrical machinery, plastics, articles of stones and articles of leather, from January 2023.

"A number of items are graduating out of the Generalised System of Preferences (GSP) scheme from next year and there is little that anyone can do about it. The main issue now is to look into whether exporters will lose their market share and if there is a case for extending some support to such sectors," a person tracking the

matter told *BusinessLine*. Under the scheme, the EU allows preferential access to identified products originating in certain developing countries, in its markets in the form of reduced or zero rates of customs duties. According to EU rules, GSP beneficiaries can lose preferences for specific product categories that are deemed to have become sufficiently competitive.

Envisaged by UN

The scheme was first envisaged by the UN over 50 years ago to help developing countries integrate with the world economy. Today, there are more than a dozen countries that offer GSP benefits including the US, Canada, Australia, New Zealand, Norway



GSP beneficiaries can lose preferences for certain product categories that are deemed to have become sufficiently competitive

and the UK. "The government is taking heart from the fact that even after withdrawal of GSP scheme by the US for several Indian products in 2019, exports of most items actually increased and their market share was not adversely affected. One has to see if the same would happen in case

of the withdrawal by the EU," the source said.

The Federation of Indian Export Organisations (FIEO) has already done a rough analysis of how the move could affect Indian producers and flagged the matter with the government. India exports machinery worth

about \$5.1 billion and plastic items worth about \$1.7 billion to the EU annually, pointed out Ajay Sahai, Director General, FIEO.

FTA possibility

Articles of leather (excluding footwear) and articles of stones — the other two categories set to lose GSP benefit — are not critical as exports there are not significant. "In the first two product sectors, the government has to look into whether or not the industry is competitive enough to survive this kind of withdrawal. If not, then what could be done to help them," Sahai said.

As India is negotiating a Free Trade Agreement (FTA) with the EU, there also exists a scope of getting preferential tariff benefits for the affected sectors through the trade pact.

RECESSION FEARS HIT SUPPLIES TO US, EU; SHARP PLUNGE IN SHIPMENTS TO CHINA

Slowdown in exports to top markets stokes concerns

Financial Express dt. 19.8.22

BANIKINKAR PATTANAYAK
New Delhi, August 18

INDIA'S EXPORTS TO THE US and the EU, its top two markets, climbed at a slower pace in June than in earlier months, while despatches to China, the fourth-largest destination, plunged 31% in June from a year before, according to the latest official data. The decline in growth only accentuated in July, trade sources told FE.

With fears of recession mounting in the US and the EU, and order flow from China faltering amid a Covid outbreak there, the slowdown in supplies to these economies may continue for a few

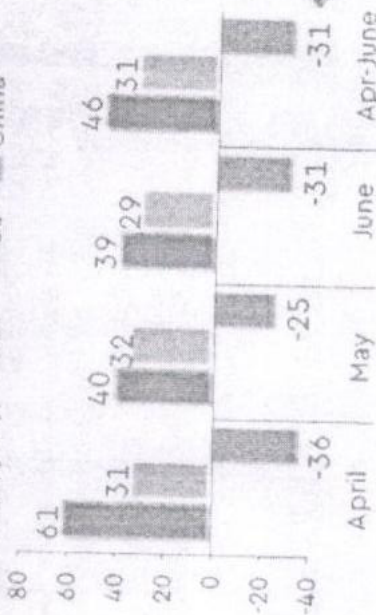
months, the sources said. Moreover, concerns about a slowdown in Chinese demand flared up after Beijing announced a surprise rate cut this week. Indian exporters now pin hopes on an expected large order flow in the build-up to the Christmas season to turn the corner, said the sources.

According to the latest DGCIS data, growth in India's exports to the EU eased from 61% in April to 40% in May and 39% in June (See chart).

In the first quarter, exports to the 27-member bloc totalled \$19.3 billion. The shipment to the US grew 29% in June, compared with 32% in May and 31% in April. The

India's exports to key markets

(% change, y-o-y) ■ EU ■ US ■ China



Exports in Q1FY23 (\$ billion)



Total*
121.2
*Including other countries

despatches to the largest economy stood at \$21.7 billion in the first quarter.

Exports to China, however, crashed 31% in the June quar-

ter, almost at the same pace as in June, to \$4.7 billion. India's overall goods exports rose 27% in the June quarter to \$121 billion.

The EU's proposed rollback of duty relief for Indian exports totalling about \$8 billion from January 2023 under the so-called Generalised Tariff Pref

erence Scheme can potentially add to the woes, they said.

The US and the EU alone accounted for 33% of India's record goods exports of \$422 billion in FY22, as an industrial resurgence there in the aftermath of the Covid spurred demand for Indian merchandise. Any slowdown in these two economies, therefore, would hurt India's exports prospects.

Lower purchases by Covid-hit China, which made up 5% of Indian exports in FY22, will add to the woes.

Importantly, the slowdown precedes the government's imposition of a windfall tax on petroleum product exports on

July 1, a move that is expected to have contributed to a sharp drop in the export growth in July. Of course, the June data still reflected the move to curb despatches of certain steel products and iron ore through elevated export taxes in late May.

Given the strong external headwinds, commerce and industry minister Piyush Goyal has asked domestic firms to harness free trade agreements (FTAs) and boost exports in sectors where they have competitive edge. Earlier this year, India signed an FTA with the UAE and another interim trade deal with Australia; it's eyeing another FTA with the UK by Diwali.

No plan to import wheat, have sufficient stock, says govt

Financial Express dt. 22.8.22

SANDIP DAS
New Delhi, August 21

THE GOVERNMENT ON Sunday ruled out any move to import wheat and said there is sufficient grain stock to meet domestic demand as well as for public distribution.

"There is no such plan to import wheat into India. The country has sufficient stocks to meet our domestic demand and Food Corporation of India (FCI) has enough stock for public distribution," said a tweet by the department of food and public distribution in response to a media report.

The government last week had estimated wheat production to have dropped almost 3% to 106.84 million tonne (MT) in the 2021-22 crop year

(July-June). However, the overall food grain output is expected to have hit a record 315.72 million tonne, buoyed by a record rice harvest.

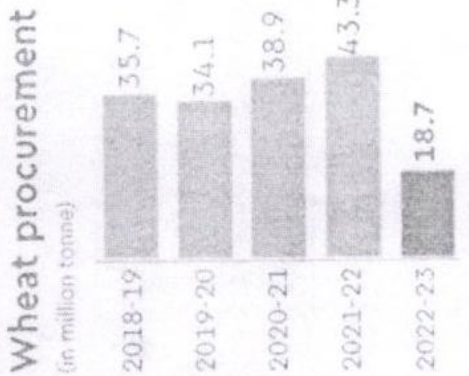
The drop in wheat output is attributed to the heatwave between March and June that hit the crop in the northern states of Punjab and Haryana. This eventually forced the government to impose restrictions on wheat exports in May to keep local supplies steady.

Of course, trade sources estimated that the actual wheat output could have been below 100 MT. The United States Department of Agriculture (USDA) had projected India's wheat production at 99 MT.

As reported by *FE* recently, wheat stocks in the central



Source: Agriculture ministry, crop year (July-June)



Source: FCI, rabi marketing season (April-June)

pool held by the FCI and state government agencies had fallen to 26.6 MT at the beginning of this month, the lowest level since 2008. According to

estimates, the wheat stock is expected to be around 22.9 MT by October 1, against the buffer norm of 20.5 MT.

Depletion in wheat stocks

is attributed to a more than 56% drop in procurement in the current rabi season to only 18.8 MT against 43 MT purchased by FCI and agencies in

the 2021-22 season (April-June) because of lower production and the free ration scheme being implemented since May 2020.

Sources had earlier said that to contain the rise in domestic wheat prices, which could accentuate inflationary pressures, the Centre is likely to scrap the 40% import duty on wheat soon.

Wheat inflation rose by 11.66% in July 2022. Prices at key mandis across the country are currently ruling around 14%-19% above the minimum support price (MSP) of ₹2,015 a quintal for the current rabi season (2022-23), as traders are holding on to stocks in anticipation of a further rise in prices in the build-up to the festive season,

industry sources said.

However, a duty cut may not be very effective in the current context to cool local prices as domestic prices are much cheaper than the current global prices. "Domestic prices are around ₹23-24/kg, the landed cost of imported wheat currently is around ₹33-34 a kg," an official said.

Besides scrapping the import duty, the Centre is also looking at imposing stock-holding limits on wheat and voluntary disclosure of wheat stocks held by stockists, traders and millers.

In April 2019, India raised the import duty on wheat to 40% from 30%, as domestic prices had dropped, to discourage cheaper wheat imports.

Exports from job-intensive sectors

Financial Express dt. 22.8..22

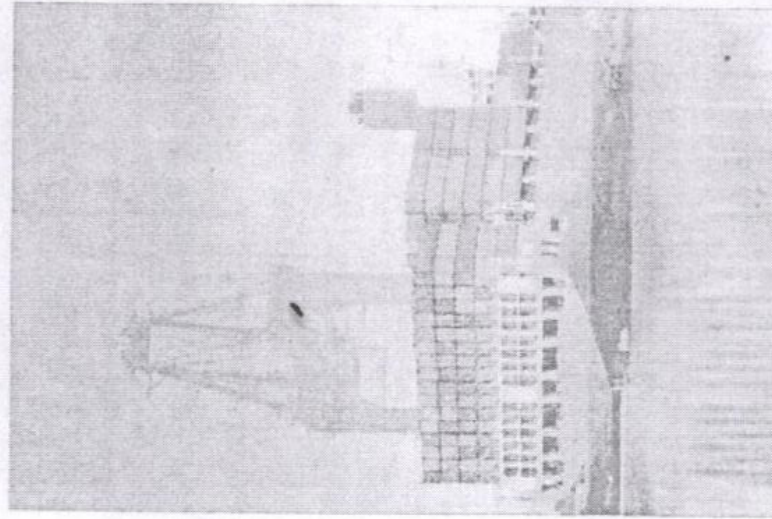
slow down

In Q1, despatches from such sectors grew 15.7% vs 26.8% in overall goods exports

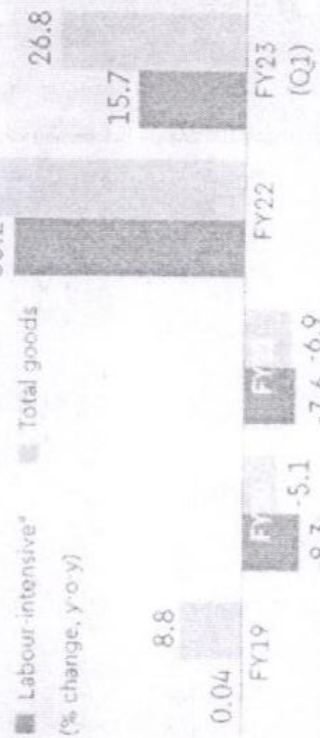
BANIKINKAR PATTANAYAK
New Delhi, August 21

AMID MOUNTING CONCERNS about an economic slowdown in India's top export markets, the country has another reason to worry about. Growth of exports from key labour-intensive sectors has been decelerating at a faster pace than that of overall goods despatches.

Exports from the job-sensitive sectors rose 15.7% on year in the June quarter to \$37.6 billion, compared with a 26.8% jump in the overall merchandise exports to \$121.2 billion. Consequently, the share of such sectors in merchandise exports dropped to just 31.1% in the first quarter this fiscal from 34.1% a

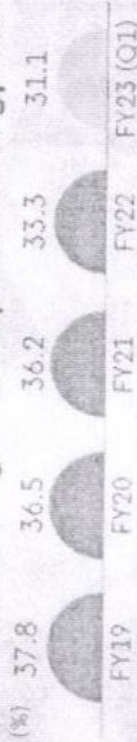


Exports from job-sensitive sectors slowing faster



*Textiles & garments, farm, plantation, marine, gems & jewellery, leather, stone, cement, ceramic and glass, and allied products across these sectors

Their share in goods exports falling, too



Source: DGCIIS, Ministry of commerce

year before. Despite an export resurgence in FY22, the share of such sectors in total outbound shipment of goods shrank to 33.3% from 36.2% in FY21, according to an FE analysis, based on the official data (See chart).

In fact, their share in mer-

chandise exports has been steadily declining in recent years — it was 37.8% in FY19 and 36.5% in FY20. These sectors include textiles & garments, farm, plantation, marine, gems & jewellery, leather, stone, cement, ceramic, glass and glassware,

and some other allied segments. This slowdown also partly explains why not enough jobs are being perceived to have been created in recent years.

This trend may accentuate in the current fiscal, with key markets — the US, the EU and

China — already gripped by slowdown fears, while supply-side woes in the wake of the Ukraine war are yet to dissipate substantially.

More importantly, given that most exporters in the labour-intensive sectors are small and medium enter-

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prises with limited financial muscle, they are more vulnerable to currency volatility and inadequate financing than larger companies.

The pandemic, arguably, hit these small units harder, severely undermining their ability to supply goods and services. Similarly, any sudden spurt in input costs hit them hard, as they struggle to pass on the rise in costs to end-customers, especially in times of subdued demand. Moreover, domestic supply bottlenecks, including elevated logistics costs, crimp their ability to ship out. Importantly, most of these factors come into play this year.

Although a weak rupee is expected to offer some cushion to all exporters, a slowdown in over flow and depreciation of the currencies of India's competitors in the export market will blunt the advantage for New Delhi. A ban on wheat exports, tight regulation of shipment of wheat flours, cap on sugar despatches and non-availability of cotton at reasonable

rates for months for the textile industry are weighing on export prospects. The move to raise the import duty on gold to 15% from 10.75% to curb current account deficit has driven up costs of jewellery exporters.

More importantly, thanks to the usual structural issues — elevated expenses on logistics (as much as 15-16% of consignment value, according to industry executives) and higher costs of raw materials and labour — India has been beaten by countries like Bangladesh and Vietnam in segments like textiles and garments where China has been trimming its dominant exposure.

The International Monetary Fund (IMF) last month pared down its forecasts of world trade volume growth for 2022 by 90 basis points from its April projection to 4.1%; for 2023, it's cut by 1.2 percentage points to just 3.2%. This will also weigh on the trade prospects of India, which witnessed an export resurgence in FY22.

The Economic Times dt.19.8.22

New Foreign Trade Policy Likely Next Mth; Focus on Ecomm Exports, Hubs

IN THE WORKS Cut compliance burden for small exporters, proper categorisation of 'others'

Kirtika.Suneja
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New Delhi: The government is likely to release next month the new foreign trade policy with a focus on boosting e-commerce exports and developing districts as export hubs.

The commerce department is working on the policy that may detail ways to reduce the compliance burden on small exporters and fund MSMEs to increase exports. It may also seek to make proper categorisation of products which are at present clubbed as "others", as this system leads to misclassification and tax evasion, thereby adding to the growing trade deficit.

"We are working on ways to



In Line with Online

Current Foreign Trade Policy
2015-2020 in place till Sept 30

MSME exports,
district as export hub key focus areas

Exporters
seek separate chapter on ecomm

Measures likely
to curb 'Others' category imports

'Others' escape
restrictions, low-quality products



Demand for
easier norms for re-import of exported goods under e-comm

pled to \$30 billion.

In fiscal 2022, India's outbound shipments were a record \$421.8 billion. The government aims to take the value to \$1 trillion by 2030.

The commerce department is in consultations with stakeholders to integrate global markets through bilateral trading arrangements, government-to-government engagements and making use of the multilateral agreements of the WTO. Product and country strategies are also being discussed to diversify India's export products.

Exporters have sought a separate chapter on e-commerce in the policy that would enlist all the export benefits available to the sector that should be at par with conventional exports.

developing districts as export hubs. The policy comes amid India's export growth slowing. Goods exports rose 2.14% from a year earlier to \$36.27 billion in July, even as the trade deficit almost tri-

facilitate e-commerce exports through the policy," said an official, adding that the policy could be put in place by the end of next month.

Attention is likely to be given on MSME exports as well as

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'Govt has No Plans to Import Wheat'

Official sources say stocks are sufficient

New Delhi: The government has no plans to import wheat as it has sufficient stocks to meet the country's requirements, official sources said. The Food Corporation of India (FCI) has enough stock for public distribution, they added.

"There are no plans to import wheat. The country has sufficient stocks to meet our domestic requirements," a source said.

The comments come against the backdrop of some reports which said India may import the foodgrain.

- India's wheat production is projected to have declined nearly 3% to 106.84 million tonnes while the overall foodgrain production is estimated to have touched record 315.72 million tonnes in 2021-22 crop year.



Wheat production is estimated to have declined due to a heatwave.

According to the fourth advance estimate for the 2021-22 crop year released by the agriculture ministry recently, record output is estimated for rice, maize, gram, pulses, rapeseed and mustard, oilseeds and sugarcane.

A wheat flour millers' body earlier this month demanded that the government scrap the 40% import duty on wheat to

boost domestic supplies and control prices.

Members of Roller Flour Millers' Federation of India met Food Secretary Sudhanshu Pandey last week to discuss price rise and shortage of wheat in the market, it said.

The federation's President Anjani Agarwal has said the price of wheat has increased by Rs 300-350 per quintal in the last 15 days. The industry body has raised concerns regarding unavailability of wheat and the drastic rise in price in the last few days even though the harvest season ended just a month back and the new crop would arrive only after eight months from now.

It has also demanded the release of wheat under the Open Market Sales Scheme (OMSS) through a tender process for user industries.

In May, India had banned wheat exports in a bid to check high prices amid concerns of wheat output being hit by a scorching heat wave. In July, the government had stated that wheat stocks in FCI godowns are expected to be 134 lakh tonnes at the start of next fiscal, 80 per cent more than the buffer norm.

In a written reply in the Rajya Sabha, Food and Consumer Affairs Minister Piyush Goyal had said the central pool stock of wheat as on July 1, 2022 is well above the foodgrains stocking norms. —PTI

Rising Prices, Rupee Gain Hurt Tea Exports to Europe, Japan

Exporters getting inquiries from newer mkts such as Turkey, Saudi, Iraq

Sutanuka Ghosal
@timesgroup.com

Kolkata: India's tea exports to the traditional markets of Europe and Japan have declined following an increase in tea prices and appreciation of the Indian currency. The impending fear of recession amid increasing inflationary pressure is also making buyers in Europe cautious about buying tea at higher prices.

But even as good quality Indian tea prices have soared 40-50% over the past year, exporters are witnessing more enquiries from newer markets such as Turkey, Saudi Arabia and Iraq.

"Buyers from the EU and Japan are not keen to pay higher prices. So, the offtake is less. Moreover, the British pound and Japanese yen have weakened against the rupee, which too is impacting Indian tea exports to the UK and Japan," Anshuman Kanoria, chairman of the Indian Tea Exporters Association, told ET. According to the Tea Board,



exports to Japan fell 10.71% year-on-year in the first five months of 2022, to Germany 10.33% and to the UK 2.46%.

The picture for the coming months will be clearer once export figures for the June-August period come out, said Kanoria.

However, buyers in newer markets like Iran have shown interest in Indian orthodox tea – loose-leaf tea, which is produced using traditional methods that involve plucking, withering, rolling, oxidation or fermentation and drying.

"Orthodox tea market is at an

all-time high. The market is booming in Iran for Indian orthodox teas. Orthodox tea production too should be at an all-time high. Iran and the UAE together will exceed 54 million kg of tea exports from India," said Mohit Agarwal, director, Asian Tea & Exports. "The Assam government is giving full support and it has increased orthodox subsidies to ₹10 per kg." India produces 100-120 million kg of orthodox tea annually.

Exporters are hopeful that shipments will increase to 225 million kg in 2022, as against 195 million kg in 2021.