

Marine exporters see fortunes improving

US cut anti-dumping duty, which makes Indian exports profitable at a time, when shrimp production is low in major producing nations

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After a plunge in sea food exports in 2015-16, exporters are seeing good times with low production of shrimps in producing economies and an upbeat 'new year buying'

season. The reduction in anti-dumping duty by US government on import of frozen shrimps from India, the major export item, is bringing a respite to the farmers.

"Reduction in anti-dumping duty will have a positive impact on Indian exports subject to US demand. The international prices being steady and the increasing farm-gate prices have been cutting into the wafer thin margins of exporters. This reduction in anti-dumping duty will give some respite. With demand looking steady profits for exporters will increase only, when the international prices go up and this would mainly depend on the global shrimp production," said Ramakanth V Akula, chief executive, Waterbase limited.

The exports from India had dipped by more than 9% value wise (in rupee terms) in 2015-16 with the slowdown in global economies and better supply from competing countries like Thailand and Vietnam. In

dollar terms the percentage of plunge in exports was about 15% in 2015-16 compared to \$5511.12 million exports registered in 2014-15.

The final average duty determined in US for shrimp imports from India for 2014-15 is now fixed at 2.20% from earlier duty 4.98%.

The 'new year buying' season has been good but for the farmed shrimp production, which took a beating in the major state like Andhra Pradesh. Outbreak of diseases like Whitespot, white feces and EHP impacted shrimp production in Andhra Pradesh and Tamil Nadu pushing up the farm-gate prices. Farmed shrimp production seems to be higher in Odisha, West Bengal and Gujarat when compared to previous year, Akula added.

Demand in the US and EU being more or less the same, exports to Asian countries seem to be picking up. Exports to China and Vietnam are increasing owing the lower shrimp production in their countries. Exports to Japan are on the rise with the strengthening of Yen, Akula said.

With shortage of production in other countries the prices are surging up by 15-20% during the new year buying period, which stretches between September and October every year, compared to the last season.

"There are shortage of supply of material in world for which prices have increased. There is supply only from India and not from other countries worldwide like Vietnam, South American countries, Thailand and Indonesia. It is boost to the new year buying and the prices are hovering above around 20% compared to last year, said Ajay Dash, president, Seafood Exporters' Association of India (SEAI) Odisha region.

The average prices are up by 15-20%. However, the shrimp prices are volatile, said an expert.