Business Line. Dt: 10/09/24

Steel imports surged 25% to 3.5 mt, exports dipped 40% to 1.9 mt in April-Aug

Abhishek Law
New Delhi

The country remained a net importer of steel by 1.6 million tonnes (mt), as shipments coming into the country continued to witness an increasing trend on a year-on-year basis. Imports stood at 3.5 mt, up 25 per cent y-o-y while exports at 1.9 mt, down 40 per cent y-o-y for the April to August (5MFY25) period of the fiscal, as per a Steel Ministry report accessed by *businessline.*

In the comparative period last fiscal, the country was a net exporter of steel.

Total steel production and consumption during the period saw a 5 per cent and 14 per cent increase y-o-y to 59 mt and at 60.3 mt, respectively. August saw the highest average steel usage (amongst the first five months of the fiscal), at 12.6 mt, the report said. In the year-ago period 5MFY24, India's steel exports were at 3.2 mt, while imports were lower at 2.8 mt. Thus, India was a net exporter at 0.4 mt. Finished steel consumption during this period was at 53 mt, while production was 56 mt.

IMPORT TRENDS

For August, finished steel imports stood at 0.8 mt, up 4 per cent, y-o-y as compared to 0.7 mt in the comparative period last year. However, on a sequential basis (compared to July), imports remained flattish.

Non-alloyed steel imports were at 0.54 mt in August, near flat on a y-o-y basis, while on a sequential basis (August vs July) there was 7 per cent decline. July imports in the category was 0.6 mt. Alloyed and stainless steel imports saw a 5 per cent increase to 0.22 mt y-o-y, as per the Steel Min report; while on a sequential basis it increased 29 per cent.

In August, finished steel consumption at 12.6 mt, was up 5 per cent sequentially, with July numbers being around 12.1 mt. Post April, when steel consumption was around 11 mt, the average in May and June has been hovering around 12.2 mt - levels.

Finished steel production in August was around 12 mt, up around 2 per cent sequentially. It stood at 11.66 mt in July. In comparison, y-o-y increase was 4 per cent, with August 2023 production being to the tune of 11.47 mt.

Production by six large producers, which include Tata Steel, JSW, AM/NS India, SAIL, JSPL and RINL, was down 4 per cent y-o-y in August 2024 to 6.4 mt, while other producers increased production by 14 per cent to 5.8 mt.

FINANCIAL EXPRESS.. Dt:- 10/09/24

Schneider Electric exports 50% of India output: CEO

PADMINI DHRUVARAJ
Bengaluru, September 9

SCHNEIDER ELECTRIC INDIA, a key player in the energy management and automation industry, is currently exporting 50% of its products manufactured in India globally, Deepak Sharma, Zone President-Greater India and MD & CEO of the company told *FE*.

DEEPAK SHARMA, MD & CEO, SCHNEIDER ELECTRIC INDIA

THE ROBUST GROWTH TRAJECTORY OF INDIA PROVIDES A FERTILE GROUND FOR INFRASTRUCTURE AND INDUSTRIAL EXPANSION

...OUR TEAM IS STRIVING TO SURPASS CHINA AND SECURE THE SECOND-HIGHEST REVENUE POSITION

"The robust growth trajectory of India, aiming to escalate from a $3.5 trillion to a $5 trillion economy shortly, provides a fertile ground for infrastructure and industrial expansion, necessitating substantial energy solutions," Sharma said.

The energy management company currently operates 31 manufacturing plants across India and is on the verge of opening its largest factory globally in Bengaluru. This state-of-the-art facility entails an investment of ₹450 crore and is slated for inauguration next year.

Sharma said that the Bengaluru plant is a part of the company's ongoing cycle of investment plan of ₹3,200 crore in India, which was announced earlier this year, that will be disbursed over 18 months.

Further, he said that the company is also leveraging the governments PLI scheme to enhance its manufacturing capabilities.

Additionally, the company is also transforming its existing manufacturing facilities into "smart" plants to integrate sustainable practices. "Currently, we have converted five of our facilities into smart plants, which are a testament to our commitment to sustainability and technological advancement," Sharma said.

In line with global sustainability goals, Schneider Electric is focusing on reducing its carbon footprint and enhancing energy efficiency across its operations. "Our smart manufacturing initiatives are pivotal in our strategy to incorporate sustainable practices throughout our production processes," Sharma added.

He was talking on the sidelines of Schneider Electric's Innovation Days event, where the company unveiled its One SE portfolio, featuring a suite of innovative products designed for home automation, industrial applications, and more.

"We launched ten new products that embody our commitment to energy efficiency and sustainability," Sharma said. These products have been well received in the market, with initial bookings contributing significantly to the company's business.

Further, the European company has established its largest AI hub in India, emphasising the strategic importance of Indian operations in the company's global innovation roadmap.

Sharma also expressed ambitious goals for the Indian operations, aiming to elevate India's position within the company. Currently, the US leads as the highest revenue contributor to Schneider Electric, which boasts an annual revenue of 36 billion euros. "However, our team in India is striving to surpass China and secure the second-highest revenue position," he said.

Further, the Indian branches of the company has deployed AI across various company functions, including sales and HR, to enhance efficiency and productivity.

The company plans to add over 6,000 employees by 2027, expanding its workforce by nearly 20% from the current 38,000.

"This increase will support our extensive growth plans and help us in achieving a balanced and diverse workforce," Sharma said. The focus remains on achieving gender parity in hiring and leadership roles within the organization, he added.

The company's hiring is focused on technology and new-age talent for skills such as data analytics, data science, digital services, AI, and cybersecurity.

"30% of the new job opportunities created will be in the domains of technology, digital and software. Right now, 30% employees in India are women employees, we plan to achieve women representing 50% of all new hires, 40% of frontline managers, and 30% of senior leadership," he added.

Business Standard Dt:- 11/09/24

iPhone exports surge 54% in April-August to $5 billion

Production of 16 Pro and Max in India set to give further fillip to exports in FY25

SURAJEET DAS GUPTA
New Delhi, 10 September

Apple's export of iPhones from India touched the $5-billion mark for the first five months (April-August) of FY25 — a heady growth of 54 per cent over $3.2 billion during the same period last year, the company's vendors informed the government.

With Apple deciding to make the iPhone 16 Pro and iPhone Max in India, it is set to give a fillip to the value of its exports from the country this financial year. An Apple spokesperson, however, did not respond to queries on the issue.

When compared with Apple's own numbers, the five-month export is equal to its full-year figure for FY22.

Apple is making iPhones through its three vendors — Foxconn, Pegatron and Wistron (now Tata Electronics) — under the smartphone production-linked incentive (PLI) scheme.

Jointly, the three vendors have committed an export output of $8.9 billion under the PLI scheme for FY25, which is also the scheme's fourth year.

At $5 billion, the three Apple vendors have already delivered 54 per cent of their full-year's commitment within the first 5 months.

EXPORT JUGGERNAUT

- The three vendors of iPhone in India have already met 54% of this year's commitment to govt on exports
- Export value will also go up because for the first time, the iPhone Pro and the Pro Max will be assembled in India
- Exports will pick up again from November till the end of the financial year

Going by previous years' export patterns, iPhone exports from India usually slow down between August and October when Indian factories start diverting supplies to serve the domestic market.

This follows the global launch of the new iPhone model, which usually occurs in September each year.

Apple simultaneously launched iPhone 16 from India and China on Monday.

Following the launch of the new iPhones and the festival season — especially Diwali — exports from India are expected to pick up in a significant manner between November and March, just like earlier. The average export during this period is almost 20-30 per cent higher than the previous seven months, especially in the case of Apple.

This year, the value of iPhone exports is expected to be higher post November since Foxconn will start producing iPhones Pro and Pro Max models, which are at least 25-30 per cent more costlier even at freight on board (FOB) value than the normal iPhone models.

At the end of FY24, Apple had produced over $14 billion of iPhones in India, with over $10 billion exports to countries in Europe, West Asia, and in a significant manner, the US.

In FY25, Apple is also looking at pushing sales in the domestic market which has already hit ₹67,000 crore in FY24. Bulk of this is coming from iPhone sales.

In the ₹1-lakh segment, India saw a sharp growth of 53 per cent in 2023 with only two players dominating the market. These are Samsung, with a 53 per cent share, and Apple, with 46 per cent, based on Counterpoint Research.

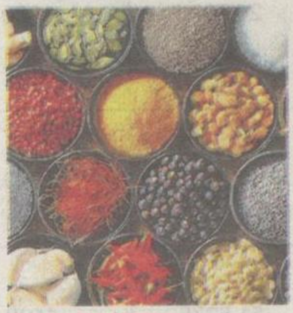
Business Live. Dt:- 12/09/24

April-June spices exports down a tad at $1.15 billion

Vishwanath Kulkarni
Bengaluru

A 29 per cent decline in shipments of chillies pulled down overall spices exports by some 1 per cent to $1.152 billion during the April-June quarter over the corresponding period last year, offsetting growth in other varieties such as cumin and turmeric. During April-June 2023, spices exports were $1.164 billion.

As per the latest data put out by the Spices Board, exports of chilli, the largest spices commodity both in volumes and value terms, saw a 29 per cent decline to $265 million during April-June against $376.67 million in the same period a year ago. In volume terms, spices exports fell 17 per cent to over 1.14 lakh tonnes (1.37 lakh tonnes in April-June 2023).



GOING SOUTH. In volume terms, spices exports fell 17% to over 1.14 lakh tonnes

Sluggish buying by China and Bangladesh, the top two buyers of Indian chillies, impacted shipments during the quarter. The decline in chilli shipments was offset by other spices such as cumin, turmeric, pepper and cardamom, among others.

TURMERIC EXPORTS UP

Exports of cumin registered a 13 per cent increase at $251 million ($223 million), while the volume was up 46 per cent at 78,087 tonnes (53,399 tonnes).

Similarly, turmeric exports were up 44 per cent at $90.57 million ($62.92 million) on higher realisation as the volume declined by a fifth during the period. Turmeric export stood at 46,497 tonnes during the quarter (57,557 tonnes).

Exports of large cardamom were up 179 per cent at $6.49 million ($2.33 million), while the volumes were up 40 per cent at 346 tonnes (247 tonnes).

The exports of small cardamom also registered a 107 per cent increase at $34.71 million ($16.77 million). Small cardamom exports were up 68 per cent during the quarter at 1,782 tonnes (1,059 tonnes). Exports of pepper were up 26 per cent at $25.91 million ($20.52 million), while the volume was up 14 per cent at 4,750 tonnes (4,174 tonnes).

Business Line, dt. 12/09/24

Vibaantta enters sugar biz, plans exports from Brazil

Subramani Ra Mancombu
Chennai

Multi-trade organisation Vibaantta Global has entered the sugar business and its acquisition of US-based BGE Global Distribution earlier this year is to handle the commodity's trade.

It plans to open a subsidiary of BGE Global Distribution, a Florida-based company specialising in the distribution of food-based commodities, particularly refined sugar sourced from Brazil and other South American countries, in Brazil for the sugar business and import ethanol into India, the company's director Paras Sachdev said. "This acquisition isn't just a business transaction; it's a testament to Vibaantta's vision for the future of food," he told *businessline* in an online interaction.

> The quality of the rice there (Brazil) is the same as in India. So, we are planning to enter the import market there
>
> **PARAS SACHDEV**
> Director, Vibaantta Global

Vibaantta, which entered the rice business recently, has entered the sugar trade with ICUMSA 45 sugar, which is highly refined and high-quality. In India, S-30 grade sugar, which is ICUMSA 150, is produced.

"West Africa, Europe, the US and the Middle East consume ICUMSA 45 sugar. East African nations consume grades such as S-30. In sugar you need allocation (of sugarcane area) for the next 3-5 years. In Brazil, these allocations are made in November and December," said Sachdev.

CANE ALLOCATION

Vibaantta plans to get as much sugarcane allocation as possible. Since it produces ICUMSA 45 sugar, it will be "easier to produce ethanol". This is where the company thinks it can import ethanol directly into India. Vibaantta plans to acquire stakes in "certain factories" in Brazil. "We are talking to a few of the biggest hedge funds in India and the US, mainly owned and managed by Indians. We plan to do 5-6 million tonnes annually," he said.

The sugar business will mainly be based in Brazil, which has the latest technology including in ethanol manufacturing and huge production capacity. Vibaantta, which plans to export about 6,00,000 tonnes of rice this fiscal, will export to West Africa, the Middle East, the US, India and China. "We are trying to import rice into Brazil," he said. Recent floods in the southern part of Brazil resulted in a 40 per cent rice production loss. Due to this prices have increased by $300 a tonne. "The quality of the rice there is the same as in India. So, we are planning to enter the import market there," he said.

FINANCIAL EXPRESS. Dt:- 12/09/24

Ford may restart cars ops in India for export

CHRIS THOMAS &
ADITI SHAH
Bengaluru, September 11

FORD MOTOR HELD talks with Tamil Nadu to explore producing vehicles for export, state's chief minister MK Stalin said, potentially signalling that the US carmaker could restart production in India after exiting the country three years ago.

Tamil Nadu chief minister MK Stalin during a meeting with the team of Ford Motors in the US

PTI

Ford stopped producing cars in India for domestic sale in 2021 after struggling to boost volumes and pulled the plug on exports in 2022, effectively exiting the world's third-largest car market which is dominated by Asian rivals.

Ford sold one of its two plants in India to Tata Motors in 2023. Its other plant, which is in Chennai, was shut down.

"Had a very engaging discussion with the team from Ford Motors. Explored the feasibility of renewing Ford's three decade partnership with Tamil Nadu, to again make in Tamil Nadu for the world," Stalin said in a post on X.

Ford continues to explore suitable alternatives for its plant in Chennai, the automaker said in a statement.

Ford, which made its EcoSport and Endeavour SUVs in India, had a less than a 2% share of the country's passenger vehicle market when it stopped production, having struggled for years to turn a profit. When it stopped production, Ford said it had accumulated losses of more than $2 billion over a decade and demand for its new vehicles had been weak. —REUTERS

Business Line Dt: 13/09/24

Green hydrogen exports: India flags issue of single bidding zone in EU regulations

Rishi Ranjan Kala
New Delhi

Power Secretary Pankaj Agarwal said on Thursday that India had, in August, raised the issue of single bidding zones in the European Union's Renewable Energy Directive (RED II).

The issue relates to the European Union's (EU) RED II which, along with the delegated act (DA), defines a methodology for the source of renewable electricity used for the production of green hydrogen.

INDUSTRY CONCERNS

Speaking at a session during the second day of the International Conference on Green Hydrogen, Agarwal pointed out that Indian industry has been raising a few concerns in the recent past, particularly regarding the delegated legislation following the RED II.

"But the issue of geographic and temporal correlation is something that has been bothering the industry in India. There has also been concern regarding the single bidding zone which our industry has been regularly flagging, and how exactly we can address it."

"Though we have given an adequate explanation to the delegation from the European Commission, which visited a month ago, we are looking forward to further interactions with the officials, the Director General and the team from the European Commission for further clarification," Agarwal said. The issue of additionality probably is more or less accepted, he added.

Additionality means that after a phase-in period, a RE plant cannot be much older than the electrolyser and cannot receive public support unless it is located in a low-carbon bidding zone.

SPATIAL STRUGGLES. The issue of geographic and temporal correlation is bothering the industry in India

Jorgo Chatzimarkakis, CEO of Hydrogen Europe, who represents the European hydrogen industry, explained that hydrogen is only defined 'green' in Europe if the electricity required for the electrolyser is produced in the same hour, which means that electricity from renewables is produced in the same hour as the electrolyser splits water into hydrogen and oxygen.

SINGLE BIDDING ZONES

Speaking on the issue of single bidding zones, he said Europe has a complex system of bidding zones, which stipulate that electricity is deemed green only if the electrolyser is in the same bidding zone where the electricity is being generated.

"The same rules apply for imports, including those from India, and this is what we need to stop. This straitjacket hinders hydrogen production in Europe. It hampers hydrogen production in India which is a key production country for Europe.

"And if I have a wish for Ursula von der Leyen (President of the European Commission) because she said her first 100 days of her office will be devoted to (removing) unnecessary bureaucratic burden to cleantech. This should be a priority, and it would be good, Mr Secretary (Agrawal), if your government humbly hints that this issue is also detrimental to India. She will understand and address it."

Considering India as a single bidding zone would allow green hydrogen producers to set up manufacturing facilities near ports and source renewable energy (RE) from generators in other parts of the country.

This will lower the production costs of green hydrogen, thereby bringing down import costs to Europe.

Government officials emphasise that India is one of the world's largest synchronous interconnected electricity grids globally with a very low (as low as 0.06 per cent) quantum of electricity not being cleared in power exchanges, which is much lower than the congestion happening in the European grids. The green hydrogen requirement in Europe, which will be importing 10 million tonnes by 2030 besides producing a similar quantity, is being considered as a very good export opportunity for India.

Business Lines. Dt: 13/09/24

SEA projects 2023-24 season edible oil imports at 165 lt

Our Bureau
Mangaluru

The Solvent Extractors' Association of India (SEA) is expecting India's edible oil imports to be at around 160 lakh tonnes (lt) to 165 lt during the 2023-24 season (November-October). In its latest data, SEA said India imported 136.87 lt of edible oils during the first 10 months of the oil year against 141.21 lt in the corresponding period a year ago, down by 3.07 per cent.

BV Mehta, Executive Director of SEA, said the trade estimate for the import of edible oils during September-October is about 27 lt to 28 lt.

The total import for the oil year 2023-24 is likely to be between 160 lt and 165 lt, almost the same as last year.

Soyabean ex-mandi price was much below the minimum support price (MSP) of ₹4,892 a quintal over the past two months. The market price was ₹550-600 a quintal lower than MSP, he said, adding, this created a lot of unrest among farmers.

Stating that the new crop is just four to five weeks away, he said it will bring additional pressure on price realisation to farmers during the harvesting period.

BEST SOLUTION

Complimenting the Union government for permitting Madhya Pradesh, Maharashtra, Telangana and Karnataka to procure soyabean at the MSP of ₹4892 a quintal, he said this will provide support to the price. The price has improved to ₹4,600-4,700 a quintal over the past 2-3 days.

India imported 16.1 lt of RBD palmolein during the first 10 months of oil year 2023-24

Mehta said the best solution would be to increase import duty on crude edible oils and refined oils by 20-25 per cent across the board with a duty difference of minimum 15 per cent. This will translate into a remunerative price for farmers for their produce, and market forces will able to pay above MSP price to them. At the same time, the government will not have to procure it at MSP. It will be a win-win situation for farmers, industry and the government, he said.

India imported 16.1 lt of refined oil (RBD palmolein) during the first 10 months of the oil year 2023-24 against 19.24 lt imported during the corresponding period of the previous oil year, a decline of 16 per cent. Total crude edible oil import was at 118.6 lt during November-August of the 2023-24 season against 120.5 lt in the corresponding period of the previous oil year, a decline of 2 per cent.

Total palm oil imports to India stood at 76.42 lt during the first 10 months of the oil year 2023-24 against 82.46 lt in November-August of oil year 2022-23, a decline of 7 per cent. In contrast, India's import of soft oils increased to 58.28 lt during the first 10 months of oil year 2023-24 against 57.28 lt in the corresponding period of the previous oil year.

FINANCIAL EXPRESS. Dt:- 16/09/24

MEP removal to push exports of basmati rice, local prices

SANDIP DAS
New Delhi, September 15

THE GOVERNMENT'S DECISION to abolish the minimum export price (MEP) of $950/tonne, which was imposed a year ago, is expected to boost basmati rice exports, bringing India's pricing in line with competitor Pakistan in global trade. This move is also likely to ensure that farmers receive remunerative prices just before the commencement of paddy harvesting, according to rice exporters.

Several exporters of aromatic and long-grain rice have urged the government to also lift the export prohibition on non-basmati white rice and the 20% export duty on par-boiled rice. This, they said, will prevent the misclassification or illegal shipment of non-basmati rice, which could benefit from the removal of the MEP on basmati rice.

"As we approach the new crop harvest, sales and export orders need to be booked, and this provides much-needed clarity to global importers on India's policy stance," Akshay Gupta, head of bulk exports at KRBL, a leading exporter of basmati rice under the 'India Gate' brand told *FE*. Gupta added that the previous restrictive policy had given Pakistan basmati exporters an undue advantage, but the market is now level playing for all.

Trade sources have reported a recovery in the mandi price of the early harvested 1509 basmati paddy variety. Prices, which had dropped to ₹2,400/quintal earlier this month from ₹3,000/quintal a year ago, have now climbed back to around ₹2,900/quintal in recent days.

In Punjab, one of the key basmati-producing states, the area under basmati cultivation has increased by more than 12% to 0.67 million hectare (MH) this year, up from 0.59 MH last year. The 1121 basmati paddy, which accounts for more than 70% of the state's basmati output, is expected to hit the market soon.

Vijay Setia, MD, Chaman Lal Setia Exports, another leading exporter of aromatic rice, said the higher MEP had negatively affected mandi prices, thus hurting farmers' income. "With the removal of MEP, prices are set to rise, benefiting farmers by improving export prospects and enhancing parity in global trade," Setia said.

On the abolition of MEP for basmati rice, the commerce ministry stated that the Agricultural and Processed Food Products Export Development Authority (APEDA) will closely monitor export contracts to prevent non-realistic pricing of basmati rice and ensure transparency in export practices. The ministry said the floor price of $1,200/tonne, introduced in August 2023, was a temporary measure to address rising domestic rice prices and to curb the potential misclassification of non-basmati rice as basmati in light of the export prohibition on non-basmati white rice. The MEP on aromatic and long-grain rice was reduced to $950/tonne in October 2023.

"We lost more than 0.5 million tonne (MT) of market share to Pakistan in recent months due to the MEP," said Ranjit Singh Jossan, vice president of the Basmati Rice Millers and Exporters Association of Punjab. Pakistan currently imposes a MEP of $750/tonne on basmati rice.

AT A GLANCE

- MEP of $950/tonne on basmati rice was imposed a year ago
- It will bring India's pricing in line with competitor Pakistan
- This will help farmers receive remunerative prices just before the commencement of paddy harvesting