

Palm oil imports in January abysmal, says APOA chief

AJ Vinayak
Mangaluru

Palm oil will continue losing market share if prices remain elevated compared to soft oils such as soyabean and sunflower, Atul Chaturvedi, Chairman of the Asian Palm Oil Alliance (APOA) and Special Advisor to the Solvent Extractors' Association of India (SEA) has said.

In his keynote address at Globoil Asia 2025 in Bangkok, he said Indonesia is becoming more and more inward-looking as far as palm oil is concerned.

ADVANTAGE THAILAND

"Incidentally, it is hurting countries like India who are big consumers. I am sure this would definitely affect Indonesian finances as well," Chaturvedi said, adding, "No wonder palm has become the costliest oil."

Indian import numbers during November and December reflect a massive drop in palm oil imports into India. January import numbers are likely to be abysmal, he said.

Palm oil is losing market share and soyabean oil is gaining ground big time. "If this trend continues, it would be a game-changing development in our part of the world," he said. However, he said, a huge opportunity is unfolding for Thailand.

"With Indonesia becoming more and more inward-looking as far as palm is concerned, a huge opportunity is unfolding for Thailand. Close proximity to major consuming countries such as India and China would ensure a ready market," he said.

FOOD INFLATION FEAR

Stating that currency and commodity volatility may become a norm, he said the



Pricey palm oil will likely lose market share to soft oils such as soyabean and sunflower

dollar can potentially become much stronger, and this may impact emerging economies and commodities negatively. "We will have to closely watch Trump mandates for biodiesel and ethanol blending. This can have major impact on sugar and edible oil prices," he said.

Referring to the developments in India in 2024, Chaturvedi said the fear of food inflation in the first half of the year drove policy makers into overdrive to keep prices in check. Indian government kept edible oil import duty at practically zero level, and sugar exports were banned and sugar diversion to ethanol was also stopped. All this made edible oil and sugar industry lose money big time.

Whatever problems the Indian sugar and edible oil sectors faced due to proactive actions to keep prices in check were reversed during second half of the year. Import duty on edible oil was increased massively by 22 per cent and this ensured domestic edible oil prices jumped more than 30 per cent. Industry breathed a sigh of relief after ethanol from sugar was permitted. Heavy investments have gone into creating distillery capacity in the country and keeping it idle due to the ban was suicidal, he said.

Business Line. Dt: 29/01/25

EVs, exports drive Bajaj Auto profit up 8%

Aroosa Ahmed

Mumbai

Growth in its electric vehicle portfolio and export revival propelled two-wheeler maker Bajaj Auto to report an 8 per cent increase in third quarter consolidated net profit at ₹2,195 crore and an 8.24 per cent increase in revenue from operations, though domestic volumes saw an annual fall.

EBITDA margins remained steady at 20.2 per cent. The domestic volumes dropped 10 per cent year-on-year for the Pune-based company that sold 5,87,855 units during the quarter. Exports rose by over a fifth to 4,66,766 units.

In the domestic market, the green energy portfolio consisting of electric two-wheelers and three-wheelers now comprises 45 per cent of the revenues.

“...the overall performance for the quarter was impacted due to a conscious decision of not participating in the deep price discounting,” the company stated.

BAJAJ GOGO

The company that launched the world's first CNG bike in July 2024 sold over 50,000 units and is selling nearly 10,000 units every month in over 350 cities. It will introduce a new range of electric three-wheeler products under the brand of Bajaj Gogo and expand its electric Chetak two-wheeler range.

“In the domestic market, the near-term outlook is that growth will be between 6 to 8 per cent and the 125cc + segment will continue to grow. exports saw a broad-based recovery and returned to 5,00,000 units after nine months,” said Rakesh Sharma, Executive Director of Bajaj Auto.

Business Line, at. 29/01/25

TVS Motor sets sights on E3W growth in domestic, export markets

G Balachandar
Chennai

TVS Motor Company, a leading two-wheeler manufacturer and emerging leader in the electric two-wheeler space, is turning its focus to the electric three-wheeler segment. With battery-powered vehicles in this category nearing 30 per cent penetration in the country this year, the company aims to strengthen its domestic presence while tapping into significant export opportunities.

Following the recent launch of its passenger electric three-wheeler, TVS is also evaluating prospects in the e-rickshaw segment.

"The EV 3-wheeler market is expanding rapidly. Currently, EV penetration stands at 21 per cent year-to-date and 26 per cent for the last quarter, approaching 30 per cent, which is a healthy figure. We are committed to securing a strong position in this category with the recently launched TVS King EV



SOFT THROTTLE. The firm reported a slight increase in Q3 net profit at ₹618 crore from ₹593 crore a year ago BIJOY GHOSH

Max," said KN Radhakrishnan, Director & CEO, TVS Motor Company, during the company's Q3FY25 earnings call.

E-RICKSHAW MARKET

"We are closely monitoring the e-rickshaw category. With TVS's strong R&D and design capabilities, we can evaluate and adapt to market needs. However, our current focus is on establishing the TVS King EV Max as a prominent player in the electric three-wheeler category."

Last week, TVS launched the TVS King EV Max electric autorickshaw in New

Delhi. With a range of 179 km on a single charge and fast charging capability (2 hours and 15 minutes for 0-80 per cent charge), the vehicle features several innovations.

"We believe the TVS King EV Max will be a game-changer. We see strong export potential for this vehicle," Radhakrishnan noted.

On Tuesday, TVS Motor announced the merger of Sundaram Auto Components Ltd (SACL), a wholly-owned subsidiary, with the parent company. SACL, a plastic components busi-

ness, is in the process of being sold to Coimbatore-based Pricol.

The cash generated from the sale, along with 2,400 acres of land near TVS Motor's factory, will be merged into the parent company. "There won't be any business or revenue transfer to TVS from Sundaram Auto Components. Post-sale, it will remain a holding entity with cash and land assets," clarified RK Gopala Desikan, Chief Financial Officer, TVS.

For the quarter ended December 31, 2024, the firm reported a slight increase in net profit, rising to ₹618 crore from ₹593 crore in the same period last year. Operating revenue grew 10 per cent to ₹9,097 crore from ₹8,245 crore. Operating EBITDA grew by 17 per cent to ₹1,081 crore (₹924 crore), with the EBITDA margin reaching a record high of 11.9 per cent, up from 11.2 per cent. On Tuesday, TVS Motor's stock reflected market confidence, closing at ₹2,334.95 per share, up 4.85 per cent on the BSE.

Chana outlook turns bearish on hopes of higher domestic crop, rising imports

PRICE SUPPORT SCHEME. Centre approves procurement of 96,498 tonnes of the commodity by Karnataka

Vishwanath Kulkarni
Bengaluru

As the new chana (bengal gram) crop begins arriving in the Karnataka and Maharashtra markets, prices have started trending lower, hovering around or below the minimum support price (MSP) level of ₹5,650 per quintal. Chana, or desi chickpea, is quoting between ₹5,500 and ₹6,300 a quintal. The minimum support price for chana for the 2024-25 marketing season has been raised from ₹5,440 per quintal last year.

With arrivals set to increase in the days ahead, prices are likely to be bearish going ahead in the marketing season.

The arrival of the domestic crop, coupled with rising imports and the huge availability of yellow peas, imported over the last calendar year, is seen weighing on chana prices.



MORE COVERAGE. Pulses acreage in the ongoing 2024-25 rabi season increased by 2.3 per cent as of January 24 to 142.49 lh against 139.29 lh a year ago

The new chana in markets of Karnataka, such as Kalaburgi, Bidar and Yadgir, is trading in the range of ₹5,500-6,000. In Maharashtra's Akola and Latur, chana is trading in the range of ₹6,000-6,400 while in markets such as Udgir and Dhudhani, prices are hovering in the range of ₹5,500-5,800. Old chana crop prices are

already trending lower, inching closer to the ₹5,000 levels across markets in Madhya Pradesh.

Data from Agmarknet show that the weighted average price of chana is currently ₹6,039 a quintal compared with ₹6,060 a year ago. But imports are higher this year. However, there could be some relief for growers.

As prices start trending lower, the Agriculture Ministry on Monday approved the purchase of 96,498 tonnes of chana under the price support scheme in Karnataka.

HIGHER ACREAGE

Pulses acreage in the ongoing 2024-25 rabi season has increased by 2.3 per cent as of January 24 to 142.49 lakh hectares (lh) against 139.29 lh a year ago. Chana acreage is up by 2.8 per cent at 98.55 lh over 95.87 lh a year ago.

The chana imports into the country have increased 93 per cent during the January-November period of calendar 2024 at 2.32 lakh tonnes from 1.19 lakh tonnes a year ago. Bulk of the imports are from Australia, estimated at 1.41 lakh tonnes during January-November, followed by Tanzania at 70,687 tonnes, Ethiopia at 8,837 tonnes, Burma at 5,761 tonnes and other origins at 4,677 tonnes, as per data col-

lated by the India Pulses and Grains Association.

"Prices will trend lower in the near future as we are having a good crop and also imports are on. Also, the huge quantity of imported yellow peas is impacting the chana demand," said Rahul Chauhan of IGrain India.

Yellow pea is considered a near substitute for chana and the government had opened up the imports in December 2023 to boost the supplies as the chana crop was lower last year. The duty free import of chana is allowed till March 31, 2025.

CONDUCTIVE CLIMATE

"The domestic production of chana may go up this year as the area has gone up and the prevailing climate is also seen conducive for the crop," Chauhan said.

Of the estimated crop of between 1.62 and 1.9 million tonnes in Australia, over 1 million tonnes is being exported this year.

Business Line Dt: 29/01/25

EU signals tightening agriculture, food imports

Subramani Ra Mancombu
Chennai

The European Union (EU) will likely come up with stricter controls on agriculture and food imports with its Commissioner for Agriculture and Food Christophe Hansen hinting at "significant changes" in the EU stance on trade.

This should worry Indian exporters as EU rapid alerts on food imports from have increased over five times in the past two decades.

"The annual rapid alert issued by the European Commission (EC) on Indian agri-

culture and food exports have increased from 61 to 324 during last two decades," said S Chandrasekaran, a New Delhi-based trade analyst.

Hansen has been raising the issue of standards of food production in non-EU countries. He has been, in particular, raising concerns over the presence of pesticide residues banned in the EU above the stipulated norms.

RAPID ALERTS UP 5 TIMES
For India, Chandrasekaran said, the concern is that the authorities' response to the rapid food alerts has been tardy. "EC data reveal that

the rate of India's reply on rapid alert notification is 23 per cent, whereas Brazil's is 100 per cent. Even African countries have responded better," he said. The tardy response indicates the "incompletion of the root cause analysis of the rapid alert", he said.

Speaking at a meeting of the Irish Farmers Association, where farmers sought reciprocity in food trade and easing of stringent environment rules, last week, Hansen said, it was something neither farmers nor consumers understood. "We have to be bolder," he said. Earlier in Vienna, he said the

EU should "be stricter" on food import controls. This is at variance from the EC's earlier stand.

Chandrasekaran said since India's post-shipment system looks weak, it needs to strengthen its pre-shipment systems and procedures.

As Europe strengthens its regime, the Directorate-General of Foreign Trade (DGFT), export inspection agencies (EIAs) and other export organisations should review the current implementation of advisories and notifications by customs and exporters. "It is essential to monitor the sensitive

product to defend our existing exports," he said.

The EU has made several proposals to maintain the maximum residue levels for some imported agricultural and food products, in view of certain conditions existing in non-EU countries. But the European Parliament has rejected the proposals calling for a policy that allows "zero tolerance".

Chandrasekaran said these point to the need for the Indian government to take up the issue of non-tariff barriers (NTBs) in bilateral discussions. "We have taken less number of NTBs so far," he said.

Robust exports drive Bajaj Auto PAT up 8%

Outbound shipments hit 500K units after 9 qtrs; Chetak margins improve

SOHINI DAS

Mumbai, 28 January

Pune-based Bajaj Auto, which recently forayed into CNG bikes and made the Chetak the best-selling electric scooter in December, posted an 8 per cent year-on-year (Y-o-Y) rise in consolidated profit after tax (PAT) for the third quarter of the current financial year (Q3FY25) to ₹2,196 crore while its revenues grew by 8.2 per cent to ₹13,169 crore.

The Ebitda (earnings before interest, taxes, depreciation and amortisation) margin remained steady at 20.2 per cent — fifth consecutive quarter of over 20 per cent Ebitda margin — as favourable US dollar-INR realisation and judicious pricing and cost efficiencies offset the significant investments Bajaj Auto made on strategic priorities.

The impact of currency fluctuations (rupee depreciation) on Ebitda was around 0.5 per cent (positive) in Q3FY25, a senior company official said. Sequentially, profits grew by 58.5 percent even as revenues dipped marginally. The company said it had the highest-ever festive retail volumes in the domestic market, although billed volumes were recalibrated to normalise channel inventory that was built up between previous quarter and this. Exports saw a broadbased recovery that led to the return of over 500,000 units after nine quarters.

Rakesh Sharma, executive director, Bajaj Auto, said that export revenues have grown by 16 per cent in Q3FY25 to ₹4,500 crore. Going forward they expect exports growth to remain strong (over 20 per cent) in the near-term as they are positive on growth



REPORT CARD

Consolidated figures for Bajaj Auto (in ₹ cr)

	Q3FY25	Q-o-Q	Change %	
			Y-o-Y	
Revenue from ops	13,169	-0.6	8.2	
Other income	348	-13.0	-2.5	
PBT	2,876	25.1	7.9	
Net profit	2,196	58.5	8.0	

PBT: Profit before tax

Source: Company; compiled by BS Research Bureau

from the Latin American markets.

On the domestic front, Bajaj Auto's focus on green energy has started to pay off. The green energy portfolio now contributes around 45 per cent of revenues (up from 30 per cent last year) as it delivered around 100,000 units of both two-wheelers and three-wheelers in the quarter. It has grown market share in both electric two-wheelers (e2Ws) and electric three-wheelers (e3Ws). The firm's Q3FY25 exit market share in e2Ws was 25 per cent, up 11 per cent Y-o-Y, and in e3Ws it was up to 35 per cent from 13 per cent.

Sharma said that the margin profile of Chetak has improved and with the new 35-series, Bajaj Auto has now gone out of the red zone into profitable growth. Chetak is already the leader in the sub-₹1 lakh segment (2903 series), and now with the 35-series, it aims to gain share in the above-₹1 lakh segment where it has single-digit market share. Bajaj will launch a couple of more variants in the Chetak portfolio in the next two-three months.

Also, the over-125cc motorcycles delivered the highest-ever quarterly volumes in retail and Sharma said that he expects the overall motorcycle industry to clock 6-8 per cent growth over the next 6-8 months. In the first

'No impact on KTM's India sales'

Austrian motorcycle maker KTM, which is seeking to raise funding of euro 1-2 billion and is in talks with banks and investors as it is in the middle of a debt restructuring process, is also in talks with Bajaj Auto for potential investments, a senior Bajaj Auto official said. He added that the current situation at the European two wheeler major whose CEO Stefan Pierer stepped down recently, has not impacted the India sales of the bikes. Rakesh Sharma, ED, Bajaj Auto said that the KTM bikes sold in India are made at Chakan and sold through Bajaj's distribution network, and thus it faced no impact. SOHINI DAS

half of the current financial year (H1FY25), industry growth was around 6 per cent and during the festive season, it went up to 11-13 per cent. Overall industry growth has been around 8 per cent for the first nine months of the financial year (9MFY25), Sharma added.

INDUSTRY TOLD TO SUPPORT MSMEs

PM hints at push for value-added exports

FE BUREAU

Bhubaneswar, January 28

PRIME MINISTER NARENDRA Modi on Tuesday hinted at a new set of policies aimed at promoting value-added exports from India, and reducing the reliance on imported goods.

Emphasising the need for Indian industry to move up the value chain, he said more finished products should be exported, not just raw materials. "Development is not possible only by exporting raw materials. Therefore, we are changing the entire ecosystem and working with a new vision," he said.

Inaugurating the 'Utkarsh Odisha, Make in Odisha Conclave' in Bhubaneswar, Modi also underscored that India must seamlessly integrate itself with the global supply chains, amid geopolitical uncertainties and a

NARENDRA MODI, PRIME MINISTER

We cannot rely on fragmented and import-based supply chains

India's development is not possible only by exporting raw materials



looming tariff war. Cautioning against the challenges in a rapidly changing world, the PM said India cannot rely on fragmented and import-based supply chains. Instead, a robust sup-

ply and value chains must be built "within India" to minimise the impact of global fluctuations, he said.

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Sluggish exports drag Jindal Stainless' FY25 growth forecast

Abhishek Law
New Delhi

Jindal Stainless has revised its guidance downwards to 8-10 per cent growth for FY25 — nearly half the growth it was anticipating in the beginning of the year. The estimates come following a slowdown in exports, increased Chinese dumping in key markets and continued depression across Europe.

According to Managing Director Abhyuday Jindal, Jindal Stainless did see a 20 per cent-odd volume growth in the domestic market where it was pushing for high-margin, high-value products. But the drag happened in exports, especially in Europe where “there have been no (economic) recoveries”.

Export to domestic sales mix stood at 8:92 for Q3FY25, as against a 12:88 in the year-ago-period.

“So the growth would be around 10 per cent-odd now. In the beginning of the year, we had hoped for recoveries in Europe. But so far, it has not happened. Neither do we see it happening in the short



Abhyuday Jindal, Managing Director, Jindal Stainless

run,” he told *businessline*.

Tapping into new markets — Middle East, UAE, South Korea and some other South East Asian nations — have helped spread out exports, but even growth here has been flattish q-o-q, although 8-10 per cent up y-o-y. This, however, did not offset the slowdown in key European markets.

CAPEX REVIEW

“It’s early to comment on how President Trump’s proposed tariff regime will play out on us. If he goes against China, it could help us tap the US market better. But, then, it will also mean China will up supplies in other markets — where are a major player — and also into India,

which is already facing increased dumping,” Jindal said.

Jindal Stainless will review new capex plans for FY26, because of ongoing trade uncertainties.

The ₹5,500-crore capex plan that is underway includes brownfield and inorganic expansion with nearly ₹3,700 crore having been invested so far.

The remaining will be spread out over the next quarter (Q4) and “some going into the next fiscal”. There will be no change in these announced capex, but new ones — that had been planned towards ramping up of melting capacities — could be slowed down.

REVENUE UP

For the quarter that ended December 31, 2024, the company’s standalone net revenue was ₹10,066 crore, up 10.8 per cent y-o-y. Profit after tax was at ₹619 crore, down 21 per cent (₹779 crore).

Net debt (excluding inter corporate deposit) for the quarter was recorded at ₹3,344 crore and the net debt-to-equity ratio was maintained at 0.2.

Business Line Dt: 31/01/25

Maruti, Hyundai to push for export growth amid geopolitical challenges

G Balachandrar

Chennai

India's leading automakers Maruti Suzuki India and Hyundai Motor India Ltd (HMIL) are ramping up efforts to expand exports of India-built cars and SUVs, despite ongoing geopolitical disruptions.

Maruti Suzuki, which accounted for nearly one in every two cars exported from India in the December 2024 quarter, aims to sustain its momentum with plans to introduce its 'Made in India' electric car eVitara to global markets.

Hyundai Motor India, the second-largest carmaker in the country, is looking for a rebound in export growth this quarter after setbacks caused by the Red Sea crisis.

Maruti Suzuki and Hyundai contribute to nearly two-thirds of India's passenger vehicle (PV) exports. Maruti Suzuki recorded its highest-ever quarterly exports, shipping 99,200 units in the December 2024 quarter, marking a 38 per cent year-on-year growth.



VOLUME IMPACT. Maruti Suzuki and Hyundai contribute to nearly two-thirds of India's passenger vehicle exports

In FY24, the company held a 42 per cent market share in India's PV exports, increasing to 49 per cent in Q3FY25, retaining its position as India's top passenger vehicle exporter.

GLOBAL FOOTPRINT

Maruti Suzuki witnessed strong growth across multiple regions, with robust traction in Africa, Latin America and West Asia. Its Q3FY25 exports matched the company's total exports for an entire year just four years ago. In FY20, Maruti Suzuki exported a little over 1 lakh units for the full year whereas in Q3FY25 alone, it has already shipped nearly 1 lakh vehicles, reflecting the company's expanding global footprint and doubling ex-

port volumes on a monthly basis over the past year.

The management attributed this success to several key factors, including an extensive dealership network, customer-centric initiatives, financing options, effective complaint resolution systems and the launch of new models. In FY24, Maruti exported 2,81,000 units, and in the first nine months of FY25, it has already shipped 2,46,000 units.

Hyundai, which faced a decline in exports due to geopolitical disruptions, expects a recovery in Q4FY25. The company's exports dropped to 40,386 units in Q3FY25, from 43,650 units in the same period last year, mainly due to the Red Sea crisis affecting shipments to the

Middle East, one of its key export markets.

EMERGING MARKETS

To mitigate risks, Hyundai has diversified its export strategy, shifting focus to other regions like Africa.

Despite short-term challenges, the company remains optimistic, expecting stability in the near term and stronger growth in the medium to long term. Hyundai's SUV lineup expansion, including models like the Exter and Alcazar facelift, helped strengthen its presence in emerging markets. A key growth driver in the coming months will be the Exter left-hand drive (LHD), which is expected to significantly boost export volumes.

Also, Hyundai is exploring EV exports, starting with the Creta Electric, in response to the growing global demand for electric vehicles. Its new Pune plant, set to become operational by the end of 2025, will be a crucial part of Hyundai's global export strategy, helping increase production capacity, scale exports and enter new international markets.

Import duty cuts to benefit American exports to India

Amiti Sen
New Delhi

Ahead of Prime Minister Narendra Modi's visit to the US, the government has slashed customs duties on not just America's iconic Harley Davidson motorbikes but also several other items of interest to American exporters. The unilateral lowering of tariffs may help set a positive tone for Modi's meeting with US President Donald Trump, who has been a constant critic of India's "high tariffs", a source tracking the matter said.

India's plans to amend its nuclear liability law and set up a nuclear energy mission is also likely to please the US as it would boost private and foreign investments and encourage India-US collaboration in the civil-nuclear field, sources said.

"These latest reductions signal a policy shift that could enhance US exports



STRENGTHENING TRADE. The halving of import duties on ethernet switches will benefit American companies, which exported items worth \$653.4 million to India in FY24

across various sectors. With key tariff cuts on technology, automobiles, industrial inputs and waste imports, India appears to be taking steps toward facilitating trade even as the global trade environment remains tense," said Ajay Srivastava from the Delhi-based research body GTRI.

The government is of the view that the customs duty rejig will benefit industry and businesses at large. "We

have always been responsive to industry's requests on reduction of tariffs and duties. This is a continuation of that effort and will send a positive message to the business and industry. It will help manufacturing grow because raw materials and intermediate products will make our products more competitive in the international market," Commerce and Industry Minister Piyush Goyal told *businessline* when asked if the

duty cuts were to satisfy Trump.

BILATERAL TRADE

In his phone call with Modi on January 28, Trump said that India needs to move towards a fair bilateral trading relationship with the US and buy more American-made security equipment. The two leaders also discussed plans for the Indian PM to visit the White House. Trump had earlier threatened India with "reciprocal tariffs" if it did not reduce its tariffs.

In the Budget announced on Saturday, key tariff reductions favouring the US include lowering of import duty on fish hydrolysate (used in aquatic feed) to 5 per cent from 15 per cent. US exporters, who shipped the item valued at \$35 million to India in FY24, directly stand to gain, a GTRI report noted. The halving of import duties on ethernet switches, in the 'others' category, will benefit American companies which

exported items worth \$653.4 million to India in FY24. Lowering import duties on synthetic flavoring essences to 20 per cent from 100 per cent and eliminating duties on ground installations for satellites are also set to benefit American companies.

The Budget brought down tariffs on motorcycles, most significantly for the above-1,600cc category, to 30 per cent from 50 per cent, a move likely to benefit Harley Davidson, which has most of its product line-up in this category. "US motorcycle exports to India stood at \$3 million in FY24, and this tariff cut could help expand market access for American manufacturers," the GTRI analysis said.

India also eliminated tariffs on specific waste and scrap items, reducing duties from 5 per cent to zero. The US exported a total of \$2.5 billion worth of waste and scrap of all types to India in FY24.