Business Line, dt- 23/6/26

Renault begins Duster exports with first shipment to S. Africa

Our Bureau
Chennai

Renault India has begun exports of the all-new Duster, with the first shipment of 750 vehicles departing Kamarajar port in Chennai for South Africa.

GLOBAL MARKETS

The shipment marks the beginning of Renault India's export programme for the new Duster, with additional international markets planned in the coming months. Stephane Deblaise, CEO of Renault Group India, said, "The start of exports of the all-new Duster is an important moment for Renault India and a strong validation of the quality, capabilities and competitiveness of our operations in Chennai. It reflects the progress we have made in building India into an integral part of Renault's global industrial footprint. India possesses all the fundamentals required to emerge as a leading automotive export hub: world-class manufacturing capabilities, engineering talent, scale and a rapidly evolving logistics ecosystem."

Deblaise added, "As Renault continues to expand its international footprint, India will play an increasingly strategic role in our future plans. We remain committed to contributing to the country's manufacturing ambitions, and are working towards our objective of generating €2 billion in annual exports from India by 2030."

The new Duster is the first Renault vehicle in India to be built on the Renault Group Modular Platform, a flexible architecture designed to support multiple powertrain technologies.

Business Line. Dt: 23/06/26

India again pivots towards US for LPG, LNG imports in June

Rishi Ranjan Kala
New Delhi

As the blockade of the Strait of Hormuz nears 120 days with the US-Iran peace talks see-sawing, India continues to import record volumes of liquefied petroleum gas (LPG) and liquefied natural gas (LNG) from Washington, which has already emerged as New Delhi's top supplier for the two commodities in the first 90 days of the West Asia conflict.

In fact, LPG and LNG imports from the US to India during May 2026 were at record levels, Kpler data show.

LNG imports (till June 19) stood around 0.41 million tonnes (mt) on a provisional basis, which is a decline of 55 per cent from the record LNG import in May (0.91 mt).

On an annual basis, shipments were up 46 per cent, according to the latest numbers from the real time data and analytics provider. Similarly, LPG imports stood at roughly 0.50 mt (till June 19th), a decline of 21 per cent from the record 0.63 mt imported last month. Imports were higher by 52 per cent on an annual basis, it added.

"While this improves diversification, it can raise delivered costs due to longer-haul freight. For further diversification, India can look to Saudi Arabia, Qatar, the UAE, Kuwait, and Australia. Additionally, investing in technology to increase domestic LPG yields or shifting the consumer base to PNG could help guard against future disruptions," Sumit Ritolia, Kpler's Kpler's Lead Research Analyst for Refining & Modeling, told *businessline*.

IMPORTS IMPACTED

Besides, India remains structurally dependent on Gulf supply, though sourcing patterns shifted during recent disruptions... Crude imports were more resilient due to bypass routes and incremental volumes from Russia, Brazil and Venezuela, he added. Qatar's share dropped sharply in recent months, while the US, Oman, Nigeria and Angola became more important sources of supply.

During the March-May 2026 quarter, Washington supplied 1.5 mt of LNG to India, compared to a mere 0.1 mt by Qatar. This is against Qatar supplying 3 mt during March-May 2025 against 0.5 mt by the U S. India's cumulative LNG imports for the first 90 days (March- May 2026) stood at 5.8 mt, a decline of 6.5 per cent on an annual basis. On the other hand, India imported around 3.37 mt of LPG in March to May 2026, a decline of almost 40 per cent on an annual basis. India imported roughly 1.49 mt LPG from the US during the quarter ended May 31, 2026, a whopping growth of 1,556 per cent from 0.09 mt in the year-ago period.

LPG imports fell sharply from above 2 mt per month in January-February 2026 to around 1-1.2 mt a month in March-May, with lower West Asian availability partly offset by higher US inflows.

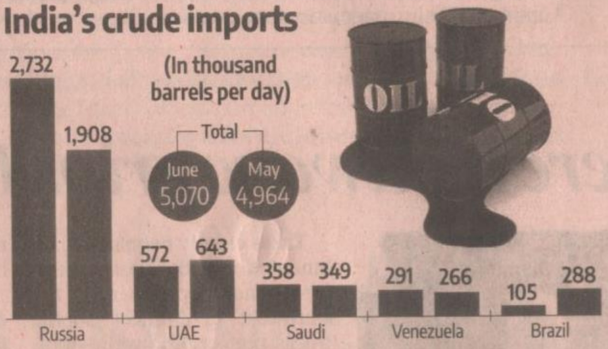
Under our base case of a gradual reopening from early July, the initial focus will be on clearing trapped cargoes and restoring shipping flows before Gulf exporters can materially increase exports," Ritolia anticipated.

Business Standard Dt: 23/06/26

Discounts drive Russian oil imports to new high

SHUBHANGI MATHUR
New Delhi, 22 June

India's crude imports



Data is till June 20, Source: Kpler

As the West Asia crisis choked crude oil supplies from India's traditional suppliers, the country's refiners ramped up imports from Russia to a record high at around 2.73 million barrels per day (mbpd) in June on the back of discounts of $2-5 a barrel.

Until June 20, Russia contributed nearly 50 per cent of India's total crude oil imports in the month, showed the data from maritime intelligence firm Kpler. The recent discounts on Russian oil barrels compare to a premium of $13-15 per barrel paid by Indian refiners from March to May, during the beginning of the conflict, as countries raced to secure supplies.

With China, the world's largest crude oil importer, significantly reducing purchases as it draws oil from its inventories, Russia is again offering crude oil at discount to India, said sources. As energy prices spiked, China strategically withdrew from seaborne markets, with its imports falling by more than 6 mbpd between March and May.

"As China curtailed oil purchases, Russia has again started offering crude oil at discount to India. However, the discount is quite low as compared to pre-conflict levels," said a refinery executive, on condition of anonymity. Prior to the West Asia crisis, Indian refiners were receiving discounts as high as $10 per barrel on purchase of Russian oil.

Even the low discounts on Russian oil come as a major relief to India amid the ongoing crisis. Elevated energy prices have resulted in an 81.5 per cent year-on-year (Y-o-Y) increase in the country's crude oil import bill in May to $18.7 billion, even though oil import volumes remained largely the same as last year, showed government data.

The US sanctions waiver, which allows countries to buy crude oil and petroleum products from Moscow that are stranded at sea, also aided India in ramping up purchases. The waiver expired on June 17. Before the Iran war began, India had scaled back imports of crude oil from Russia due to sanctions slapped by the US and the European Union (EU).

Meanwhile, the US on Monday issued a 60-day general licence waiving sanctions on Iranian oil, which authorises the production, delivery and sale of Iranian crude, petroleum and petrochemical products through August 21. The move is part of an agreement aimed at ending the war between the countries.

The sharp increase in Russian oil purchases also helped stabilise India's monthly crude oil imports to pre-conflict levels of over 5 mbpd, which had dropped to 4.4-4.5 mbpd in March and April due to supply constraints. India is the world's third-largest crude oil importer.

Apart from Russia, India also purchased a significant amount of crude oil from the United Arab Emirates (UAE) and Saudi Arabia at 572,000 bpd and 358,000 bpd, respectively, in June so far.

Non-traditional crude oil suppliers such as Venezuela and Brazil supplied 291,000 bpd and 105,000 bpd, respectively, in June.

Fuel margins now above pre-conflict levels

PRESS TRUST OF INDIA
New Delhi, 22 June

Profitability at state-run oil marketing companies (OMCs) is set to improve as falling crude oil prices lift fuel marketing margins, although rising debt levels and uncertainty over fuel taxes could limit the sector's longer-term earnings outlook, according to a JP Morgan report.

Composite margins on petrol and diesel sales at state-run refiners and fuel retailers are now above levels seen before the West Asia war, with gains driven by lower crude prices and reduced central excise duties, it said.

The start of the West Asia conflict triggered a surge in global oil prices but retail pump rates in India remained steady for large parts and rising only by a fraction of the required increase. Even after the ₹7.50 per litre increase in petrol and diesel prices in May, retail pump rates were lower than the cost.

"Our estimates for OMC composite margins on petrol and diesel are now higher than pre-war levels. Losses on LPG are still elevated, but should also start to track oil down soon," JP Morgan said, adding that earnings in April-June will likely be hurt by large inventory losses, but Q2 profitability should be better.

"Two issues limit our excitement around this improvement in margins: the OMC will have acquired material debt during the last few months — affecting valuations, and a major part of the restoration of profitability is on account of the reduction in excise duties," it said. "It is possible that the government keeps taxes low for some time, permitting debt repayment at the OMC. The risk of an eventual increase in excise duties remains." The government had cut excise duty on petrol and diesel by ₹10 per litre each in March to avoid an immediate increase in retail prices. The duties may be restored once global oil prices fall to pre-war levels and stabilise.

FINANCIAL EXPRESS. Dt: 24/06/26

Niti seeks pharma chapters in FTAs to ease exports

FE BUREAU
New Delhi, June 23

NITI AAYOG HAS proposed a series of reforms to transition India from pharmacy of the world to a global pharmaceutical innovation hub, including boosting R&D, accelerating patent approvals, promoting high-value drug manufacturing, strengthening industry-academia linkages, addressing trade barriers, enhancing FTA provisions, and encouraging sustainable production.

While India's pharmaceutical sector has strong foundational advantages in generic manufacturing, scale, and regulatory compliance, its global competitiveness remains constrained by limited presence in high-value segments, Niti Aayog said in its Trade Watch report for Q4FY26.

The latest edition focuses on India's API and pharmaceutical trade, highlighting opportunities in a global market valued at $1.3 trillion, including $261.2 billion in APIs. The sector contributes 1.7% to India's GDP, 7.2% of manufacturing GVA, supports 2.7 million jobs, and exported $35.8 billion worth of products. Despite being a leading supplier of generic medicines and vaccines, India's global export share is only 2.8%, underscoring significant potential to expand into high-value segments such as biologics, immunologicals, vaccines, and advanced therapeutics, it said.

The report said India must realign its pharmaceutical ecosystem to capture emerging opportunities and move up the value chain. Niti has recommended a strategy centred on innovation, regulatory reforms and sustainability.

The report calls for diversification into high-value pharmaceutical segments, building on initiatives such as the Mission Biopharma SHAKTI scheme. It also stresses the need to strengthen the innovation and R&D ecosystem through expanded incentives, public-private research pacts and dedicated funding for advanced therapies and biopharmaceuticals.

AT A GLANCE

- Pharma sector's global competitiveness remains constrained by limited presence in high-value segments
- Latest edition focuses on India's API and pharmaceutical trade
- India must graduate from pharmacy of the world to pharmaceutical innovation

mium lifestyle segment, value

FINANCIAL EXPRESS Dt:- 24/06/26.

Skipper targets to raise export share to 50% in 3–4 years

RAGHAVENDRA KAMATH
Mumbai, June 23

SKIPPER, THE COUNTRY'S largest manufacturer of transmission towers, is looking to increase the share of international markets in its engineering order book from 20% to 50% over the next three to four years.

Half of this business is expected to come from Latin America, Africa and West Asia, while the other half will be sourced from developed markets such as North America, Europe and Australia, said Sharan Bansal, executive director of Skipper.

"Our aspiration is to do more in exports because exports obviously come with better margins. In developed countries, margins are even better. We want to improve the company's margin profile by increasing the export share from 20% to 50%," Bansal said.

The company currently has blended Ebitda margins of 10.3%. With exports accounting for a larger share of business, it is targeting Ebitda margins of more than 12% over the next couple of years, he said.

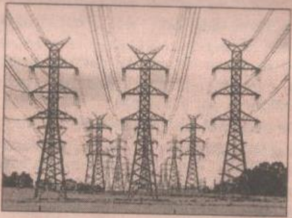
Bansal said global capital expenditure in the transmission segment is rising significantly, driven by the energy transition and the growing demand for AI data centres. Against this backdrop, Skipper is expanding its presence from developing markets to developed ones.

"Utilities around the world are looking to diversify their supply chains beyond China," he said.

He added that the company also expects strong demand from West Asia as reconstruction activity gathers pace after recent conflicts.

Currently, West Asia contributes less than 5% of Skipper's order book.

ROAD MAP



- Firm has Ebitda margin of **10.3%**
- They are targeting margin of over **12%**
- It is looking to increase its capacity to 600,000 tonne by FY30
- It has grown at CAGR of 30% in last 3 years

Business Line. Dt:- 25/06/26

Corn exports may rise to 2.4 mt in MY25-26

Vishwanath Kulkarni
Bengaluru

Corn exports are likely to touch 2.4 million tonnes (mt) in the marketing year (MY) 2025-26 ending October, as relatively weak domestic prices have triggered a surge in demand from neighbouring countries in recent months.

The US Department of Agriculture's (USDA) India office has revised upwards its estimate for India's corn exports to 2.4 mt, citing strong shipment trends in recent months, while lowering imports to 50,000 tonnes. Earlier, the USDA had projected exports at 1 mt for MY2025-26.

India exported 9,96,000 tonnes of corn during the first five months of MY 2025-26 (November 2025-March 2026), more than three times the volume shipped during the corresponding period last year.

HIGHER COVERAGE. Maize sowing is up 7% at 5.69 lakh ha till June 19, despite weak onset and slow monsoon progress

EXPORTS STEADY

Monthly exports have averaged around 2,00,000 tonnes, the USDA Post said.

"Relatively weak corn prices have resulted in a resurgence in exports to neighbouring markets such as Bangladesh, Vietnam, Nepal, Sri Lanka and Bhutan, aided by lower freight costs and the ease of shipping smaller consignments. Trade sources expect exports to remain steady during the remainder of the marketing year, supported by weak domestic prices and the competitiveness of Indian corn in these destinations," the Post said.

Assuming current price parity with competing origins persists, corn exports in MY 2025-26 are estimated to reach 2.4 mt. However, export prospects for MY 2026-27 could weaken due to relatively tighter domestic supplies and steady growth in domestic demand, it added.

Meanwhile, maize sowing, as of June 19, stood marginally higher at 5.69 lakh hectares (5.34 lakh hectares), according to Agriculture Ministry data. This comes despite the delayed onset and sluggish progress of the monsoon across key producing regions in Central India.

In the previous kharif season, maize was sown over a record 98.61 lakh hectares.

Based on the third advance estimates, maize production for 2025-26 has been revised upwards to a record 55 mt, marking an unprecedented 27 per cent increase over the previous year.

The sharp rise in output is attributed to record acreage and improved yields, aided by last year's above-normal monsoon and firm prices during the previous marketing season.

For 2026-27, the government has raised the minimum support price (MSP) for maize by ₹10 to ₹2,410 per quintal.

Maize prices, however, have remained below MSP levels for several months.

Average market prices in May 2026 improved marginally on strong export demand, but remained subdued. Spot prices in major producing and consuming States ranged between ₹17,950 and ₹21,000 a tonne, with average May prices estimated to be 14 per cent lower year-on-year and nearly 19 per cent below the MSP.

FINANCIAL EXPRESS Dt: 25/06/26

Rajesh Exports shares hit 5% lower circuit after ED raids

SHARES OF GOLD refining and jewellery manufacturing company Rajesh Exports tumbled 5% on Wednesday to hit the lower circuit limit, a day after the Enforcement Directorate (ED) conducted searches at multiple premises linked to the firm.

The stock dropped 4.99% to hit the lower circuit limit of ₹102.85 on the BSE. At the NSE, it tanked 5% to end at ₹102.12. The stock had extended gains for the past seven trading sessions, rallying over 40%.

ED: Firm 'fails' to show transaction records

According to the ED, Rajesh Exports "failed" to produce documentation regarding its foreign transactions. "For example, contemporaneous records and documentation of the claimed investment of ₹1,035 crore into African mines were neither found nor provided by the company as yet," it said. The agency claimed that the company's "key business indicators" showed "significant" departures from normal commercial practices. For instance, it said, the remuneration paid to senior management was "unusually low" compared to the scale of the company's operations. The chief financial officer has not received any salary since 2020, while the managing director was paid only about ₹17,000 per month, despite the company reporting consolidated revenue of approximately ₹7.7 lakh crore, the agency said.

Meanwhile, the BSE on Wednesday sought a clarification from Rajesh Exports over reports of searches conducted by the ED at multiple locations linked to the company. —PTI

Business Line. Dt: 29/06/26.

Pakistan's loss is India's gain: Basmati rice export to Afghanistan likely to surge

EXPLORING OPPORTUNITIES. Traders expected to meet next month to work out the modalities

Prabhudatta Mishra
New Delhi

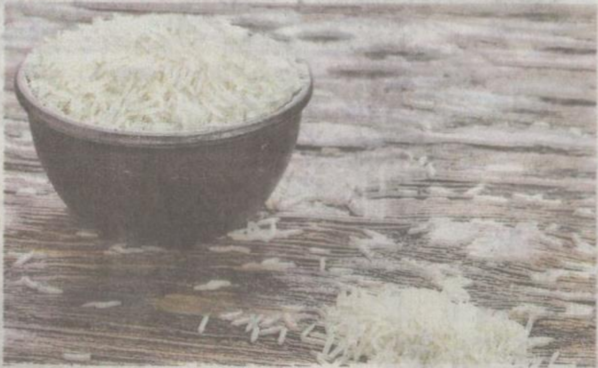
Indian and Afghan traders are expected to meet next month to work out modalities for expanding direct trade in basmati rice, following preliminary discussions between officials of the two countries last week under the facilitation of the PHD Chamber of Commerce and Industry.

The initiative comes at a time when Afghanistan is looking to diversify its sourcing of basmati rice.

The country consumes nearly 0.5 million tonnes of basmati annually and has traditionally relied on supplies from Pakistan, aided by the advantage of a shared land border.

ALTERNATIVE CHANNELS

However, the current tensions between Afghanistan and Pakistan have prompted Kabul to explore alternative supply channels, including direct import from India, according to industry sources.



GROWING NUMBERS. India exported 6.52 million tonnes of the aromatic grain in 2025-26, up from 6.07 mt a year earlier

Officials familiar with the discussions said representatives from the Afghan diplomatic mission in New Delhi participated in the meeting and expressed interest in increasing procurement of Indian basmati.

Afghanistan currently sources Indian-origin basmati indirectly through traders in Dubai and Iran, a route that adds to costs.

"Afghan officials believe direct sourcing from India can make supplies more economical and reliable," an industry source, who attended the meeting, said. One option under discussion is delivery of rice through Iran's Bandar Abbas port, subject to agreement between the two governments.

Industry representatives said the proposed July meeting between exporters and importers would focus on issues such as logistics, payment mechanisms and possible barter arrangements.

India imports substantial quantities of dry fruits from Afghanistan, opening up the possibility of structured trade settlements.

KEY CHALLENGE

A key challenge remains the absence of formal diplomatic relations between New Delhi and the Taliban-led administration in Kabul.

"Without an established diplomatic framework, uncertainties will continue to surround any trade arrangement. Exporters also need assurance on payments before committing to larger volumes," the source said, adding that Indian exporters remain cautious about travelling to Afghanistan despite requests from Afghan authorities for a trade delegation.

India's basmati exports to Afghanistan have remained modest over the years. Shipments first began in 2005-06, when about 63 tonnes were exported. After a brief hiatus, exports resumed in 2010-11 and have continued at relatively low levels since then.

The highest export volume was recorded in 2020-21, when India shipped 19,440 tonnes of basmati rice worth ₹108.9 crore. In April 2026, exports stood at 979 tonnes valued at ₹7.74 crore, with average realisation of around ₹79 per kg.

The move assumes significance at a time when India is seeking to expand markets for basmati rice. The country exported 6.52 million tonnes of the aromatic grain in 2025-26, up from 6.07 million tonnes a year earlier.

However, export earnings declined to $5.67 billion from $5.94 billion due to lower prices, with average realisation falling to around ₹77 per kg.

Trade sources said a successful arrangement with Afghanistan could help India gain a foothold in a market that has historically been dominated by Pakistani suppliers. While Pakistan exported about 0.8 million tonnes of basmati rice in 2024-25, industry officials estimate that a significant portion of rice shipped to Afghanistan under non-basmati categories also contains blends of aromatic varieties.

Business Standard. Dt:- 29/06/26

Tiruppur spun record ₹46,000 crore exports in FY26

Industry sets target of achieving ₹1 trillion in exports by 2030

SHINE JACOB
Chennai, 28 June

Tiruppur, the city in Tamil Nadu known as India's knitwear capital, recorded its highest-ever exports of ₹46,000 crore in 2025-26 (FY26), despite uncertainty arising from additional imposed by the United States (US) and the West Asia conflict, the Tiruppur Exporters Association (TEA) said on Sunday. Exports rose 3 per cent from ₹44,747 crore in FY25. The body has also set a target of achieving ₹1 trillion in exports by 2030.

This was announced at an event attended by Union Textiles Minister Giriraj Singh, who assured support for the region's industrial growth. Addressing the gathering, Singh said the Centre aims to increase India's textile exports from the current $38 billion to $100 billion by 2030.

According to TEA President K M Subramanian, Tiruppur accounted for nearly 60 per cent of India's knitwear exports in FY26 and generated employment for more than one million people during the year. He said that despite geopolitical concerns, a strong order book and a weaker rupee against the US dollar boosted exports. The average exchange rate during FY26 was around ₹85.6-86 per $, compared with about ₹83.1-83.3 in FY25.

To achieve the ₹1 trillion export target, the industry body submitted several demands to Singh, including worker accommodation and hostel facilities, zero import duty on cotton, extension of the Rebate of State and Central Taxes and Levies (RoSCTL) scheme, and early implementation of the Textile Expansion and Employment (TEEM) scheme.

The Union minister assured the representatives that the Centre would extend full support to establish hostels for women workers, develop new industrial clusters and adopt modern manufacturing technologies. He added that India's economic growth, infrastructure development and free-trade agreements (FTAs) have created new opportunities for the textile sector.

Singh also lauded Tiruppur's transition from cotton-based manufacturing to blended and man-made fibre (MMF)-based production, calling it the need of the hour. He urged the industry to adopt sustainable manufacturing practices and environmentally friendly technologies. The Tiruppur textile industry is aiming to shift towards a manufacturing structure comprising 50 per cent cotton and 50 per cent MMF-based products.

A Sakthivel, chairman of the Apparel Export Promotion Council and honorary chairman of TEA, said the Union Ministry of Textiles has been continuously introducing initiatives to develop the textile sector. He noted that textile parks are being established across the country under the PM MITRA scheme, while special emphasis is being placed on promoting the production and export of MMF garments. He also urged the speedy implementation of the Affordable Housing Scheme, saying it would significantly benefit Tiruppur's textile and readymade garment industry.

Sakthivel further said India has entered into trade agreements with 38 countries, including the India-UK FTA, which will come into force on July 15. Together, these countries account for nearly 66 per cent of the world's population. He also sought a 50 per cent capital subsidy for the MMF processing sector, simplified import procedures and the establishment of a dedicated centre for green processing in Tiruppur.

Under India's target of achieving textile exports worth $100 billion by 2030, Tamil Nadu has been assigned a target of $21 billion, of which Tiruppur is expected to contribute $11.5 billion.

Business Standard. Dt:- 29/06/26.

Board of Trade meet on July 3 to discuss $2 trn exports target

MONIKA YADAV
New Delhi, 28 June

Commerce and Industry Minister Piyush Goyal, senior government officials and industry executives will on July 3 discuss ways to scale up India's exports to $2 trillion by 2030-31, especially by improving utilisation of free trade agreements (FTAs), reducing logistics and compliance costs and strengthening the country's export ecosystem, according to an official document reviewed by *Business Standard*.

These issues will figure at the next Board of Trade (BoT) meeting to be chaired by Goyal.

Representatives from industry bodies, including the Federation of Indian Micro and Small & Medium Enterprises, Confederation of Indian Industry, the Federation of Indian Export Organisations, and export promotion councils, are expected to attend the meeting.

BoT is the Ministry of Commerce and Industry's premier consultative body on trade and exports. It comprises senior government officials, state representatives, industry bodies and various export promotion councils.

An email sent to the Commerce Ministry on Thursday remained unanswered until press time.

At the meeting, the Department of Commerce is expected to make presentations on FTAs and their utilisation, the Export Promotion Mission, Government e-Marketplace (GeM), trade remedies and how stakeholders can use them, the Bhavya industrial park scheme, innovation and startup funds, and data centres.

The meeting will also feature presentations by states and Union Territories, followed by interventions from BoT members. According to the commerce ministry, the meeting will focus on improving logistics efficiency, reducing compliance costs, leveraging FTAs for market diversification and strengthening the Districts as Export Hubs initiative in order to enhance India's export competitiveness.

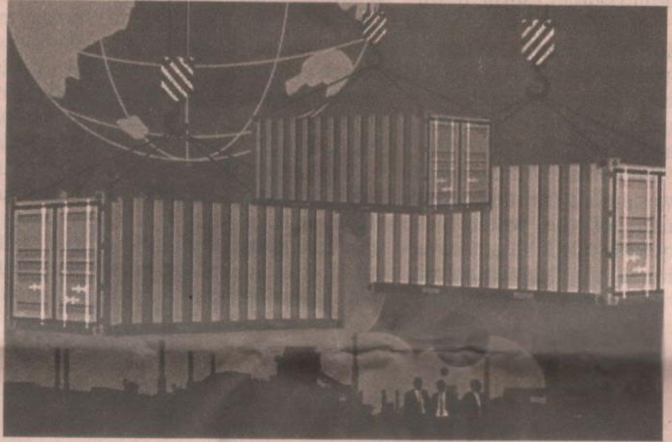


ILLUSTRATION: AJAYA MOHANTY

On the cards

- Focus on boosting FTA utilisation and market diversification
- Logistics efficiency and lower compliance costs to be discussed
- Export Promotion Mission, GeM and trade remedies to be reviewed
- Bhavya industrial park scheme, innovation and startup funds, data centres in focus
- States to present export strategies and best practices
- Districts as Export Hubs initiative to get a push
- Industry seeks simpler FTA rules and stronger MSME support
- Experts call for sector-specific strategy to counter China

Experts said the government's focus should now shift from negotiating trade pacts to ensuring exporters are able to derive greater commercial benefits from them.

Gautam Khattar, principal at Price Waterhouse & Co LLP, said FTAs have become one of India's key instruments for expanding exports and diversifying markets, but the bigger challenge now is improving their utilisation.

He said micro, small and medium enterprises (MSMEs) need greater support in understanding tariff preferences, partner-country regulations and rules of origin, backed by simpler procedures, digital certificates of origin and training.

He also said export promotion should be approached as an integrated mission covering the entire value chain — from product development and standards to logistics, trade finance and market intelligence, while reducing port delays, compliance burdens and such other costs that erode exporters' competitiveness.

On trade remedies, Khattar said anti-dumping, countervailing and safeguard measures should be more accessible to industry, including MSMEs, with greater awareness and capacity building to help domestic producers respond to unfairly priced imports through evidence-based petitions.

Rishi Shah, partner and economics advisory services leader at Grant Thornton Bharat, said India's expanding FTA network marks an important strategic achievement, but signing agreements alone is not enough. He said many exporters continue to face hurdles in claiming FTA benefits because of complex rules of origin, documentation requirements and limited market intelligence, suggesting district- or cluster-level FTA literacy programmes, particularly for MSMEs that account for nearly 46 per cent of India's exports.

Shah added that India also needs a sector-specific strategy to strengthen its position in global value chains amid intensifying competition from China if it is to achieve its $2 trillion export target.

"The harder conversation is China. China's 12-month rolling trade surplus hit a record $1.1 trillion in Q1 2026, controlling majority of global export categories — competing increasingly on quality, not just price. The $2 trillion export target demands we have an honest, sector-specific strategy to capture value chains before China's overcapacity permanently crowds us out of markets," Shah said.

Stakeholders to meet govt on June 30 on SEZ issues

The commerce ministry has called a meeting of stakeholders on June 30 to discuss issues related to special economic zones (SEZs), an official said. The meeting will focus on issues related to the harmonisation of export promotion schemes and SEZ reforms, the official said. The issues which are expected to figure in the deliberations include rupee payment for SEZS to domestic tariff area (DTA) services; job work by units of these zones for DTA without linkage to exports, import substitution, reforms in the free trade warehousing zones, and further promoting ease of doing business in these enclaves. PTI

FINANCIAL EXPRESS DT:- 29/06/26

Engineering exports to West Asia bounce back in May after two-month decline

FE BUREAU
New Delhi, June 28

ENGINEERING EXPORTS TO key markets in West Asia staged a sharp rebound in May as the exporters found alternative routes, ports and even vessels get to the markets of the United Arab Emirates (UAE) and Saudi Arabia..

Engineering exports to the UAE grew 81.7% on year to $ 1.24 billion in May after contracting 66.8% in March when the war in West Asia started and shrinking 31.7% in April. A similar trend was seen in shipments to Saudi Arabia. In May growth in engineering exports was at 11.6% to $ 375.9 million. In March the decline of 45% was recorded while in April the engineering exports to Saudi Arabia were down 9.7%.

This rebound helped engineering exports in May grow 24.4% to $ 12.3 billion. The share of the sector in overall exports in May to 27.2%, up from 25.8% in May of 2025.

The biggest market for the sector, the US, is also showing a pick-up in demand. In May exports of engineering goods to the US were up 9.3% on year to $ 1.89 billion. In April growth in the US market was 4.9% and in March there was a contraction of 2.3%.

In May Sri Lanka and Malaysia were the markets showing the highest growth. Engineering exports to Sri Lanka were up by 360% to $ 357.7 million while in Malaysia the growth was 234% and value of shipments was $ 322.9 million.

"Indian engineering exporters have been diversifying both their products and markets to expand their presence and de-risk exposure to dominant markets. This strategy has helped them grow despite geopolitical uncertainty, supply chain realignment, and protectionist trade policies in several major markets," Chairman of Engineering Export Promotion Council Pankaj Chadha said.

China is another market that is showing a lot of promise. Engineering goods exports to China were up 63% to $ 338 million in May. In April this growth was 81.7% and in March, it was 111%. In 2025-26 the engineering exports to China were up 32.4% on year to $ 3.5 billion.

Other high growth markets for the sector were the UK, France, Spain, Korea, Vietnam and Australia.

The biggest contributor to the exports from the sector was automobiles. Auto exports were up 14% to $ 2.4 billion. Within the auto sector, car and motor vehicles had the biggest share.