usiness Standard · Dt: 26/11/24

Maruti hits 3 mn export milestone

Carmaker leads PV exports

Maruti Suzuki currently exports 17 models to nearly 100 countries across the world PHOTO: COMPANY

DEEPAK PATEL

New Delhi, 25 November

Maruti Suzuki India (MSIL) on Monday said it has achieved the milestone of exporting 3 million cars from India, mainly to countries in Latin America, Africa, Asia and the Middle East.

In the April-October period of this financial year, the company exported 181,444 units, recording a growth of 17.4 per cent year-on-year (Y-o-Y). This is in contrast to the domestic market where the sales have remained lukewarm in this financial year.

MSIL currently exports 17 models to nearly 100 countries across the world. Countries in Latin America, Africa, Asia and the Middle East are important export markets for the company.

Hisashi Takeuchi, managing director and chief executive officer, MSIL, said, "Maruti Suzuki is committed to deep localisation and multiplying exports. Today, 40 per cent of passenger vehicles exported from India are from MSIL, making us the number one vehicle exporter in the country. Our success in international markets is the outcome of high acceptance of MSIL's global standard vehicles for quality, safety, design and technology."

MSIL, which started exports in 1986, exported its first one million cars by 2012-13. The next one million cars were exported between 2012-13 and 2020-21. The progression from two million to three million cumulative exports was achieved in just three years and nine months, MSIL noted.

Kia India eyes West Asia, Africa mkts

Kia India on Monday said it is eyeing markets in West Asia and Africa as it aims to double the export of completely knocked down (CKD) units by 2030.

PTI

The Economic Times - Dl: 28/11/24

'Trump Preparing Energy Plan to Boost Gas Exports & Oil Drilling'

Donald Trump's transition team is putting together a wide-ranging energy package to roll out within days of his taking office that would approve export permits for new liquefied natural gas (LNG) projects and increase oil drilling off the US coast and on federal lands, according to two sources.

The energy checklist largely reflects promises Trump made on the campaign trail, but the plan to roll out the list as early as day one ensures that oil and gas production will rank high alongside immigration in Trump's early agenda.

Trump, a Republican, also plans to repeal some of his Democratic predecessor's key climate legislation and regulations, such as tax credits for electric vehicles and new clean power plant standards that aim to phase out coal and natural gas, the sources said.

An early priority would be lifting President Joe Biden's election-year pause on new export permits for LNG and moving swiftly to approve pending permits. Trump would also look to expedite drilling permits on federal lands and quickly reopen five-year drilling plans off the US coast to include more lease sales, according to the sources.

In a symbolic gesture, Trump would seek to approve the Keystone Pipeline, an issue that was an environmental flashpoint and which was halted after Biden canceled a key permit on his first day in office. **Reuters**

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Tyre exports grow 12% in H1: ATMA

Our Bureau
Kochi

KEY DRIVERS. Tyre makers attributed the growth to sustained investments in domestic R&D and manufacturing capabilities

Tyre exports registered 11.7 per cent growth during the first half (April-September) of FY 2024-25, reaching ₹12,131 crore in value, according to the Automotive Tyre Manufacturers Association (ATMA), quoting data from the Commerce Ministry. ATMA attributed the growth to sustained investments in domestic R&D and manufacturing capabilities.

Favourable demand in global markets, coupled with anticipated monetary easing, provided a further boost.

RESILIENT INDUSTRY

The rise in tyre exports in the first half of the year, despite a tough external environment, is a testament to the resilience of the Indian tyre Industry to ride through a challenging environment and carve a niche for itself, said Arnab Banerjee, Chairman, ATMA. The compelling value proposition offered by the Indian tyre manufacturers on quality is being appreciated globally leading to a resurgence in demand after the degrowth witnessed in export in the first half of the previous year, he added.

In volume terms, tyre exports rose 6 per cent with motorcycle tyres export going up 37 per cent. Nearly 3.5 million motorcycle tyres were exported during the first half. Colombia was the largest importer of motorcycle tyres from India.

Passenger car radials (PCR) grew 18 per cent and truck and bus radials (TBR) 19 per cent in the first half of the year. The US emerged as the largest importer of tyres from India accounting for 15 per cent of tyre export in value terms, followed by Brazil, Germany, UAE, France and Italy.

Notwithstanding the good performance, downside risks remain due to geopolitical tensions, supply chain disruptions and rising shipping costs. However, Indian tyre manufacturers are well-positioned to navigate the challenges with focus on quality and innovation, it said.

Business Line. Dt: 27/11/24

DAP imports up 59% in October but still short of rabi crop demand

YIELD MAY NOT BE HIT. Fertilizer Ministry dismisses shortage claims, blames Red Sea issue for shipment delays

Prabhudatta Mishra
New Delhi

The import of Di-ammonium phosphate (DAP) — a key fertilizer for rabi crops such as wheat, mustard, and chana (gram) — surged 58.6 per cent to 8.17 lakh tonnes (lt) in October 2024 from 5.15 lt in the corresponding period last year. However, it has not been able to meet the demand for the month, which is estimated at 18.69 lt.

Latest official data show that DAP sales were recorded at 11.48 lt last month, lower than 13.64 lt a year ago.

Experts said while single super phosphate (SSP) is an alternative to DAP in the case of mustard, there is no alternative in the case of the wheat, and farmers are buying complex fertilizer at higher prices to get the same yield due to the shortage of DAP.

As the normal window for wheat sowing in Punjab, Haryana, western Uttar Pradesh and Rajasthan is already over, any planting from now on may lower the yield, said SK Singh, an agriculture scientist.

A top wheat breeder said there may not be any drop in yield due to DAP shortage as farmers who could afford it have used the complex fertilizer, and the number of farmers who have not used either DAP or Complex may be very small.

However, the major concern this year is delayed sowing in most places of the country, he said, adding the real deciding factor for wheat yield will be the temperature in February-March.

DAP's demand & supply in October

Source: Fertilizer Ministry; *Estimated by agriculture ministry based on States' feedback

The Union Agriculture Ministry has been considering a plan to discontinue the weekly sowing update from this rabi season, sources said, adding a final call will be taken by Agriculture Minister Shivraj Singh Chouhan.

Sources also said out of the major wheat growing States, over 81 per cent of the crop had been harvested in Punjab and Haryana, while it is 70-72 per cent in Uttar Pradesh and 50 per cent in Madhya Pradesh as of November 17.

MARITIME CHAOS

On October 30, the Fertilizer Ministry termed media reports on the DAP shortage in Punjab as misleading, misplaced, and devoid of factual position. It said the import of DAP was affected due to the Red Sea crisis and admitted that the crisis had been "ongoing since January."

It also claimed that the government had maintained stable prices of DAP at ₹1,350 for a 50-kg bag.

"When the government was aware in January itself that there was a delay in transit period, planning should have been done accordingly so that the fertilizer reaches in time. Unless there is a policy decision to reduce the use of DAP, the chemical fertilizer has to be made available. This is not the way to reduce sales," said a top industry official, requesting anonymity.

Business Line. Dt: 28/11/24

Steel industry faces pressure as local price falls below imports

Suresh P. Iyengar
Mumbai

Domestic steel prices have dropped below the landed cost of the metal, raising concerns for large companies that recently added fresh capacity.

Leading companies including Tata Steel, JSW Steel and JSPL recently completed major brownfield expansion, and more capacity will come on stream before March.

Domestic hot-rolled coil prices are hovering at ₹48,000 a tonne while imports from China were quoting at ₹51,500 and that from South Korea and Japan at ₹48,600 and ₹48,179 respectively, according to a BNP Paribas Exane report.

The industry sees the stimulus announced by China boosting global steel prices and offering Indian companies an opportunity to hike prices in coming months. Jathin Kaithavalappil, Assistant Vice-President at Choice Broking, said steel prices below the cost of imports will squeeze margins, particularly for integrated players, and the market will stabilise once the demand picks up from automobile and infrastructure sectors.

"While short-term problems remain, the medium-term outlook depends on the sustainability of the revival in domestic consumption and the stabilisation of the global market," he added.

After falling sharply, iron ore prices have started moving up in the hope of a recovery of the Chinese economy. NMDC has hiked lump iron ore (of 65.5 per cent iron content) prices to ₹6,350 per tonne from October 23 – up from ₹5,750 fixed on October 1. Similarly, fines (64 per cent iron content) prices were hiked to ₹5,410 a tonne against ₹5,010 in the same period.

MARGIN PRESSURE

Margins of steel companies may come under pressure with the increase in raw material prices and lower steel prices.

Incidentally, India is the only large economy showing robust growth in steel consumption, of 13 per cent in the first half of this fiscal, according to the Steel Ministry.

However, steel imports rose in the first half of FY25 by 41 per cent to 4.73 million tonnes, up from 3.32 mt logged in the same period last year.

Business Line. Dt:- 29/4/24

Buffalo meat exports likely to rise 4% in 2025, says USDA Post

Our Bureau
Bengaluru

India's buffalo meat (carabeef) exports during calendar year 2025 will likely rise by 4 per cent to 1.65 million tonnes (mt) on rising demand from countries in the Middle East, South-East Asia and Africa, according to the USDA Post New Delhi. In 2024, the carabeef exports were estimated at 1.58 mt.

According to a latest report by the USDA's office in New Delhi, shipments of carabeef to the traditionally high-volume market of Egypt are expected to be down in 2024 due to higher prices. However, exports are anticipated to exhibit a steady growth in markets such as Malaysia, Vietnam, Iraq, United Arab Emirates and Saudi Arabia.

BULLISH ON GROWTH. In the first six months of FY25, India's buffalo meat exports were 5.53 lt, valued at $1,806 million

Additionally, other countries with a relatively smaller demand for Indian carabeef exports, including Oman, Senegal, Russia, and Uzbekistan, are playing a role in the growth trend, the Post said.

As per Apeda data, in the first six months of the current financial year 2024-25, India's buffalo meat exports were over 5.53 lt valued at $1,806 million. In the same period a year ago, buffalo meat shipments were over 6.1 lt, valued at $1,734.40 million. Vietnam was the largest buyer during H1FY25 with volumes exceeding 1.06 lt, valued at $364.70 million, followed by Egypt with volumes of 96,152 tonnes valued at $307.45 million.

Malaysia was the third largest buyer of Indian buffalo meat with volumes touching 76,282 tonnes, valued at $248.70 million.

Iraq, Saudi Arabia, United Arab Emirates, Indonesia, Philippines, Jordan and Oman were among the top 10 buyers of Indian buffalo meat during H1 this fiscal.

DOMESTIC OFFTAKE

Further, the USDA Post estimates that India's 2025 beef production (mostly carabeef) is forecast to reach 4.64 mt, up from 4.57 mt on steady domestic and export demand.

Domestic consumption is expected to remain the same in 2025 as in 2024 at 2.99 mt due to the ongoing food inflation concerns, it said.

India's cattle herd size — comprising of bovine cattle and Asian domestic water buffalo — is forecast at 307 million heads in 2025, largely unchanged in comparison to 2024.

The calf crop in 2025 is forecast to grow marginally to 71 million heads.

The government of India's support for dairy development, animal healthcare, and breeding is producing growth in calf crop and reducing loss and residuals, the Post said.

MORE

The Economic Times. Dt: 29/11/24

Godrej Ent Lays Greater Focus on Export Growth

Co will continue to push local growth in consumer, industrial clusters, says MD

Rica Bhattacharyya

Mumbai: Diversified conglomerate Godrej Enterprises Group (GEG) is hoping to create a bigger impression in the global market with a greater focus on export growth, while it will continue to aggressively pursue growth within India both in the consumer and industrial cluster of companies, said Jamshyd Godrej, managing director.

"We would like to deepen whatever we do in appliances and furniture as well as in our industrial group...We do see a good amount of growth in export both for our consumer-facing goods as well as our industrial group," said Godrej. "We're expanding into new markets like automotive, warehousing, security, and aerospace. Despite geopolitical challenges, we remain committed to sustained growth through diversification and geographic expansion," he said.

"Our exports are steadily growing, reaching ₹1,390 million in FY24 and projected to grow at a CAGR of 20-25% by FY27. Our strong international presence, primarily in the PED (process equipment division) business, drives this growth," Godrej added. Godrej added: "There is good scope for us to grow, both in India and abroad." The Godrej Group was split between two sets of cousins earlier this year—GIG, run by brothers Adi and Nadir Godrej, and GEG, controlled by Jamshyd Godrej; Nyrika Holkar, who is executive director, and Jamshyd's niece (daughter of his sister Smita Crishna), and their immediate families.

"The consumer-facing businesses will grow in a way the economy grows...the industrial will grow on infrastructure development...so both of them have been growing at 15-20% on an average over the years. I don't see that changing very much. We would like to deepen in appliances, furniture and industrial groups," he said. Currently, the group is present in 14 business verticals including appliances, aerospace, engines and motors, energy, security, building materials.

The future strategy of the group will focus both on the organic path and acquisitions within the business areas it already operates. "We have essentially grown organically. We have not entered into many purchases or acquisitions, but we have over time done that. And we will continue to do it," said Godrej. On Thursday, the group announced a brand refresh strategy. "The idea behind repositioning was to give a stronger, distinctive and ownable identity to the Godrej Enterprises Group of businesses," said Nyrika Holkar, executive director, Godrej Enterprises Group.

New Frontiers

NEW MARKETS

Automotive, warehousing, security, and aerospace.

Co to continue with organic growth

Repositioning brand with focus on Gen Z and young consumers

Our exports are steadily growing...projected to grow at a CAGR of 20-25% by FY27. Our strong international presence, in the PED (process equipment division) business, drives this growth.

JAMSHYD GODREJ
MD, Godrej Enterprises Group

FINANCIAL EXPRESS. Dt: 02/12/24

Russian oil imports fall marginally in Nov

ARUNIMA BHARADWAJ
New Delhi, December 1

RUSSIA REMAINED THE largest crude supplier to India in November, accounting for 38% of India's total crude oil imports. However, imports from the country registered a marginal decline of 4% to 1.60 million barrels per day, against 1.67 million barrels per day in October, data from Vortexa showed.

The country imported 4.2 million barrels of crude oil per day in November, largely unchanged from last month, with Russia, Iraq, Saudi Arabia, United Arab Emirates, and United States, being the top five suppliers.

While the share of crude oil sourced from Iraq and Saudi Arabia fell in November, the share of crude imports from the US increased. Imports from Iraq declined by 20% on month at 699,029 barrels per day in November, as per the data. Imports from Saudi Arabia also fell by 8% to 568,236 barrels per day last month, from 614,598 barrels per day in October.

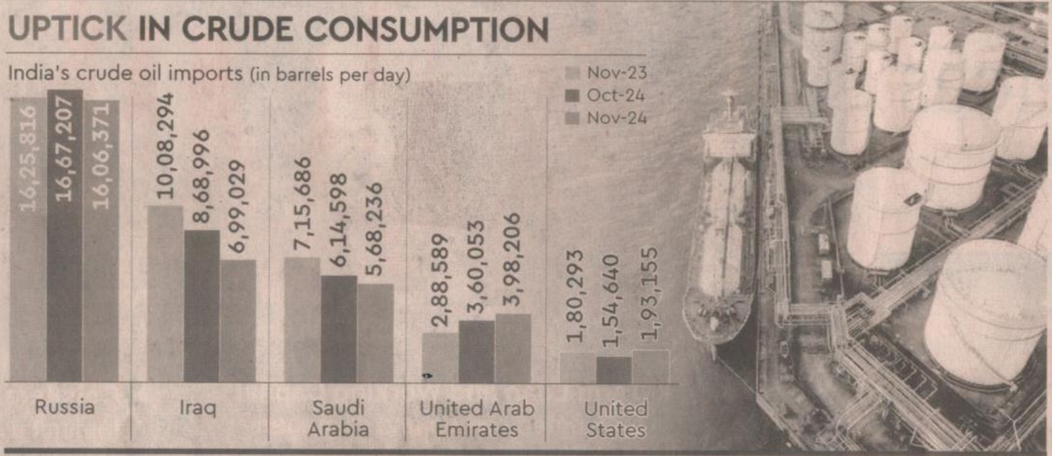
"Iraq's share of Indian imports fell to 17% this month, down from 20% last month. India's import share from the rest of the top 5 suppliers remained relatively stable, with around 1% change month-on-month," said Xavier Tang, market analyst at Vortexa.

"India has been maximising its imports of Russian crude, as delivered Russian crude prices are still cheaper than most Middle Eastern grades," Tang noted. "If Middle Eastern producers reduce their prices to stay competitive, Indian refiners could adjust their imports in favour of Middle Eastern crude."

India's crude imports are also dependent on the country's domestic oil demand and export margins.

While the domestic demand is seasonally the strongest in the fourth quarter, and slows thereafter, clean product export margins outlook for Indian refiners is leaning towards more bearishness, amidst well-supplied Asian and European markets, according to Tang. "This may pose downside risks to India's crude imports in the months ahead," he said.

Meanwhile, the country's crude imports from the US is likely to remain unaffected under the new administration, analysts say. US domestic production is projected to increase next year, as part of the new drilled and completed wells coming online. "The US incoming president, Donald Trump, has announced that he intends to impose 25% tariffs on imports from Canada and Mexico. This would greatly increase the cost of Canadian heavy crudes, which are transported via pipeline into the US, of which, some are exported to India.



With the new import tariffs, Canadian heavy crude will almost be economically unattractive to Indian refiners, as such, we could expect to see lower exports of these crudes from the US Gulf to India," said Tang. "The mainstream US crude will likely remain unaffected, and their exports to India will still be driven by economics."

While Trump has announced that he plans to expedite drilling permits on federal land, analysts at Vortexa believe that this would have limited impact on US crude production in the near-term.

According to the data, India's private refiners bought 1.57 million barrels of crude oil per day in November, while public downstream companies imported 2.65 million barrels of crude oil accounting for 63% of the total imports.

The government is now expecting a term deal between Indian refiners and Russia for supplies of crude oil to conclude by next year. "They (Indian refiners) were talking jointly. I do not have an update as now everything has been overtaken by this change in crude oil prices. The discussion (with Russia) is ongoing," a government official had earlier told reporters.