

Business Line. Dt: 05/01/24

SEA urges govt to re-evaluate ban on export of de-oiled rice bran

Our Bureau
Mangaluru

The Solvent Extractors' Association of India (SEA) has urged the government to urgently re-evaluate the ban on the export of de-oiled rice bran (DORB).

In a letter to various Central Ministers, SEA said this decision could have far-reaching negative consequences for multiple sectors.

Sanjeev Asthana, President of SEA, said India is a protein (oil meal) surplus country and the total export of DORB was less than 10 per cent of its production.

Restriction on its export had adversely affected processors and exporters along with paddy farmers, hindering them from realising bet-



ter returns on their produce.

RELIABLE SUPPLIER

Stating that India had successfully developed export markets for DORB over the last 30 years, he said it primarily serves Vietnam, Thailand, Bangladesh and other Asian countries, positioning itself as a reliable supplier. "This abrupt ban on export of DORB has given opportunity to other com-

peting countries to capture the Indian export market," he said.

Eastern States, particularly West Bengal and Odisha, are significant producers of DORB. The cattle feed industry remains underdeveloped in this part of the country, and there is limited demand.

The exorbitant freight charges to move DORB from eastern India to major consuming areas such as southern or western parts of India make exports the most convenient and cost-effective way of disposal of DORB in the region, he said.

He said the reason for the export ban on DORB in July 2023 was higher milk prices because of higher animal feed costs. However, DORB's cost in milk price is nominal.

MRP & SUBSIDY FAIL TO COVER COSTS

Imports of DAP no longer economical, supplies hit

SANDIP DAS

New Delhi, November 4

THE GOVERNMENT'S MOVE

to rein in subsidies after being liberal with these in the Covid-19 period and its immediate aftermath is what has led to instances of shortage of widely used fertiliser di-ammonium phosphate (DAP) in many parts of the country, industry and trade sources said.

Global prices of the soil nutrient, which is vital for the winter crops during early sowing stages, have surged in recent months. Industry sources told *FE* that due to supply disruption in the Red Sea, landed cost of DAP in the country has increased by 26% from \$510/tonne in May to \$645/tonne or around ₹54,000/tonne at present. While the government has announced a subsidy of ₹21,911/tonne along with the maximum retail price (MRP) of ₹27,000/tonne, this has proven to be uneconomical for fertiliser companies. The MRP of DAP has remained at the same level since the Covid-19 period.

In a bid to improve availability, the fertiliser ministry has offered an additional subsidy of ₹3,500/tonne for DAP or a special package costing

FARM SUPPORT

Nutrient-based subsidy (₹ crore)



Source: Fertiliser ministry, *revised estimated, **budget estimate, NBS - subsidy on Phosphatic and Potassic (P&K) fertilisers.

₹2,625 crore to cover rising cost during April-December 2024-25 to make the price sustainable for companies for procurement of DAP. However, trade sources said with the rise in global prices, such a hike has become uneconomical.

According to Fertiliser Association of India data, imports of DAP during April-September of the current fiscal have declined by 43% to 1.96 MT from 3.45 MT during the same period in 2023-24. The domestic production of DAP has declined by 7% to 2.15 MT during the first half of the current fiscal.

At the beginning of season on October 1, carry forward stock was around 1.6 MT of DAP against around 3 MT in the previous year, thus several states



have reported shortage in availability of the soil nutrient which is crucial prior to commencement of rabi sowing, especially in the case of wheat. The government has stated that DAP imports were impacted due to the Red Sea crisis since the beginning of the year, as ships are rerouted and take an additional 6,500 km through the Cape of Good Hope, South Africa, thus taking an additional 14-45 days for a consignment to reach the Kandla port in Gujarat.

"The systemic inventory for DAP has been low, which can cause availability issues; while for other fertilisers, it remains at comfortable levels. The profitability of DAP is under pressure, which has resulted in lower imports, leading to lower

inventory levels," consulting firm Icria has said in a report on the Indian fertiliser industry.

The fertiliser ministry has assessed 5.5 MT of DAP usage for the forthcoming rabi season, out of which 60% is being imported from countries such as Russia, Morocco, Saudi Arabia, Jordan, Egypt and China. The annual domestic production of DAP is around 4.5-4.8 MT against a demand of 10 to 11 MT. "In last three months, we have tried the longer routes to ensure adequate supply of DAP although availability is impacted," Rajat Kumar Mishra, secretary, the department of fertiliser, recently said while stressing micro-management of supplies of non-urea fertiliser.

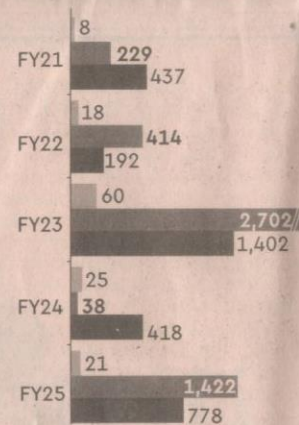
In September, to ensure supplies of non-urea soil nutrients at a reasonable price to farmers, the cabinet had approved ₹24,474 crore subsidy on phosphatic and potassic (P&K) fertilisers for the forthcoming rabi season which is an increase of 10% on year. The fertiliser ministry has stated that domestic production of DAP and NPK fertiliser is running at optimum level. The department is monitoring state requirements and import flows to manage the situation effectively, according to an official note.

Fivefold rise in silver imports

IN THE FIRST half of FY25, India's imports of silver grew five times on year to \$2.3 billion because of a spurt in demand from solar panel & electronics makers, reports **Saikat Neogi**. Individuals too invested in the metal as the returns surpassed that of gold in the past one year and also through the past five years. In volume terms, India imported 2,545 tonne of silver in H1FY25 as compared with just 672 tonne in H1FY24. Around 62% of imports were from Europe, followed by 34% from Asia. Imports of silver touched an all-time high of \$5.5 billion in FY24, an increase of 4% on year from \$5.3 billion in FY23. Global prices of silver touched an all-time high of \$902 per kg in H1FY25.

INBOUND SHIPMENTS

Apr-Sep, value (\$ mn)

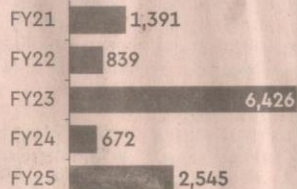


Global prices

Apr-Sep (\$/kg)

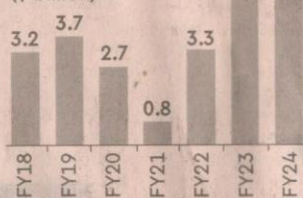


Volume Apr-Sep (tonne)



Annual imports

(\$ billion)



Source: Economic Outlook

Fertilizer sales steady in H1 despite fall in imports

PAIN POINTS. Concerns linger over availability, timely supply and pricing, thus impacting farmers and production targets

Our Bureau
New Delhi

The government has successfully maintained fertilizer sales at the same level as last year during the first six months of the current fiscal, while imports of urea, Diammonium phosphate (DAP), Muriate of Potash (MOP) and complex together falling 29 per cent.

Production of fertilizers registered 2 per cent growth in April-September period, latest official data show.

According to latest data, urea imports in April-September period of current fiscal dropped 26.3 per cent to 16.66 lakh tonnes (lt) from 22.59 lt in the previous year.

Similarly, imports of other



AREA OF CONCERN. Unless fertilizer was made available in time, there might be difficulties in achieving production target set by the State for rabi crops, feel experts

fertilizers have also recorded a fall – Complex by 13.6 per cent to 10.97 lt, DAP 42.1 per cent to 19.67 lt and MOP 13.3 per cent to 11.12 lt.

The overall import of all fertilizers has dipped 28.8 per cent to 58.42 lt. Complex variety is a combination of

nitrogen (N), phosphorous (P) and potash (K) nutrients.

TIMELY AVAILABILITY

“It is a concern that at a time when farmers are complaining about shortage, the government is talking about ad-

equate subsidy.

“The real issue is making fertilizer available in time and the problem this year is very acute which led to the agriculture minister of India’s largest State raising it on public platform,” an industry expert said referring

to Surya Pratap Shahi’s (minister in Uttar Pradesh) comments at the annual Rabi conference last month.

Shahi had said that unless fertilizer was made available in time, there might be difficulties in achieving production target set by the State for the winter-sown crops.

The government data also showed that combined sales of urea, DAP, MOP and complex were flat at 319.97 lt in H1 FY25 against 319.86 lt year-ago.

Sales of urea increased 2.8 per cent to 189.12 lt, that of MOP by 20.1 per cent to 9.27 lt and complex by 17.5 per cent to 75.46 lt. But DAP sales declined by 27.9 per cent to 46.12 lt.

While launching the single ‘Bharat’ brand under ‘one nation one fertilizer’ scheme in 2022, the govern-

ment had said that it would help cut unnecessary use of fertilizer.

But, experts have been saying that unless the prices are rationalised, the objective of balanced use of fertilizer will not be achieved.

While the DAP is sold around ₹1,350/bag (of 50 kg), the MOP is ₹1,500-1,550 per bag and complex is sold in the range of ₹1,200-1,650. Urea’s selling price at ₹267/bag (of 45 kg) has not been changed for more than a decade.

The price of imported urea (FOB) has dipped by 13.75 per cent to \$345/tonne in September from \$400 in the year ago period and that of MOP (CFR) fell by 23.72 per cent to \$283 from \$371. But, the price of DAP (CFR) has increased by 7.3 per cent to \$632/tonne.

Rising Exports Keep Cos Upbeat Amid Local Lull

SAVING GRACE Exports shield auto cos from production cuts; garment, other industries look to ramp up capital expenses to meet overseas demand

Writankar Mukherjee & Shally Seth Mohile

Kolkata | Mumbai: Exports have been a saviour for automobile companies and consumer goods manufacturers hit hard over the last three-four quarters due to a consumption slowdown in India. The trend is set to continue—chief executives said the outlook for overseas sales is improving even further. This has shielded segments such as automakers, among the worst affected this year in terms of domestic sales, from production cuts. Some industries such as garments are even embarking upon increased capital expenditure, thanks to booming exports. Maruti Suzuki, Bajaj Auto, Honda

Motorcycle & Scooter, ITC, Arvind, Dixon, Dabur, Godrej Consumer Products, Marico and others have said exports or overseas sales have grown at a double-digit pace in the first half from the year before, while domestic sales and volumes have slumped. The Society of Indian Automobile Manufacturers (SIAM) said overall exports of passenger vehicles rose 12% to 376,679 units in the first half from the year-ago period. In contrast, domestic sales grew 0.5%, but the export boost lifted overall production by 2.4%. Arvind vice-chairman Punit Lalbhai said the export market outlook is “extremely good” and the company is expanding capacity since it’s run out of slack. Bajaj Auto executive director Rakesh Sharma said the steady

Shock Absorber

Bajaj Auto
Expanding new plant in **Brazil** with additional investment of **\$10 million**

Maruti Suzuki
Shipped **148,276 units** overseas in H1 FY25, up **12%**

Marico and Dabur
Growth in overseas mkts rises in double digits

ITC
Exports of leaf tobacco boosting revenue of its agri-business unit

Dixon Technologies
Export orders robust in categories like mobile phones & lighting

VIJAY P
revival in the overseas markets continues and the number of countries that remain stressed is also slowly reducing. The company is expanding its

new plant in Brazil that went on steam in June with an additional investment of \$10 million in equity share capital. “The second quarter in exports was better than the first quarter and the third quarter should continue the same trajectory of a 10%-plus improvement over the previous quarter,” Sharma told analysts last month. “There are tailwinds supporting us on the US dollar rate. Therefore, both revenue and ebitda growth will be better than the volume growth.” India’s largest car manufacturer Maruti Suzuki shipped 148,276 units overseas in the first half, up 12%, while domestic sales volume fell 0.3%. The contribution of exports to total sales was 14%. Overseas shipments by Bajaj Auto, the country’s largest exporter of motorcycles and three wheelers, rose 9% in the April-October period from the year ago. Homegrown consumer electro-

tics manufacturer Dixon Technologies, which has flagged a local slowdown in products such as televisions, said export orders are robust in categories like mobile phones and lighting. Managing director Atul Lall said any slowdown in the local market can be overcome either by acquiring new customers, increasing the share of wallet of existing customers or exports. “There is a huge focus on export orders,” he said. In fast-moving consumer goods (FMCG), companies like ITC, Godrej Consumer Products, Dabur and Marico said exports have been a saving grace this fiscal year as they face local demand headwinds. Marico and Dabur said growth in international markets grew in double digits.

Business Line. Dt: 08/11/24

Urad imports from Brazil jump 5x to 22,000 tonnes till October

Our Bureau
Bengaluru

Imports of urad from Brazil have increased to 22,000 tonnes till end October this year compared with 4,102 tonnes during calendar 2023, the government said.

Brazil has emerged as a supplier of urad in recent years and has the potential to become a major source of India's urad and tur imports, the Ministry of Consumer Affairs, Food and Public Distribution said in a press statement.

A Brazilian delegation led by Julio Cesar Ramos, Vice Secretary of Commerce and International Relations, Ministry of Agriculture and Livestock, Government of Brazil, met Consumer Affairs Secretary Nidhi Khare on Thursday.

Trade in pulses with countries like Brazil and Australia



has been uniquely advantageous because the contrast in cropping seasons vis-à-vis India allows these countries to plan their cropping pattern based on India's crop prospects, the Ministry said.

AUSTRALIAN CHANA

In case of chana, when India notified duty free import of chana in May 2024 following lower rabi 2024 production, Australia responded with a massive increase in sowing area as the period coincided

with the sowing season of that country.

Australia's chana production this year is estimated at about 13.3 lakh tonnes (lt) against 4.9 lt in 2023, basically for export to India.

The arrival of the fresh crop of chana from Australia from the last week of October helped augment domestic availability and dampening of prices in the primary markets, the statement said.

Per the first advance estimates, the production of kharif pulses is seen almost flat at 69.54 lt, a tad lower than last year's 69.74 lt. This is despite a 7.4 per cent increase in acreage.

This is primarily on account of a 25 per cent decline in urad production, which was impacted by untimely and incessant rain in the key producing regions. India has been importing urad mainly from Myanmar.

Business Line. Dt: 08/4/24

RITES to resume high-value exports to Bangladesh, eyes strong growth

Abhishek Law

New Delhi

RITES Ltd, the export arm of the Indian Railways, is set to resume its high-stakes rolling stock exports to Bangladesh next fiscal, signalling a potential recovery from the political unrest that recently plagued the neighbouring nation. The navratna PSU is also witnessing an uptick, albeit a slow recovery in export orders coming in mostly from African nations, including South Africa.

According to Rahul Mithal, Chairman and Managing Director, RITES Ltd, a

sequential improvement in project execution is happening in India, and work has picked up pace. The H2 (October–March) is expected to be better as compared to H1.

ORDERS ON TRACK

Export orders are coming back on track slowly, with at least one such overseas order coming in each quarter, after a near four-year-hiatus.

The Bangladesh project, for supply of 200 passenger coaches at a cost of ₹915 crore, is back on track, and work on developing the prototypes are underway.

The project is funded by the European Investment Bank with a 36 month-odd

delivery timeline. “There was some delay of two–three months in working on prototypes for the Bangladesh order given the political situation there. But things are back on track now. There are nine different coach types that we are working on. And our aim is to start the first set of exports to Bangladesh by early next fiscal, and revenue realisation will happen FY26 onwards,” Mithal told *businessline*

Similarly, the company has bagged rolling stock orders for conversion of diesel locomotives to cape-gauge enabled ones (1,067 mm) in South Africa. Redesigning of existing locomotives into



Rahul Mithal, Chairman and Managing Director, RITES

cape-gauged ones are being worked out. These would be in diesel locomotives, previously manufactured in India, currently not in use post electrification of railway tracks. Revenue realisation for most of these orders are

expected in FY26 onwards.

“The first trial orders from South Africa are of six locomotives where existing diesel ones will be converted. If trial runs are successful, we are expecting more orders and better access across 12–13 more African nations, around that nation. In fact, our footprint in the African continent gets cemented,” he explained.

According to Mithal, discussions are also underway for supplies to the National Railways of Zimbabwe, a rolling stock order of ₹650 crore.

However, approvals are awaited from the African Export Import Bank. “The pro-

ject is on track. And we have held on to the price.”

“So, once clearances come in from the government, then we will go ahead with the supplies.”

“Although there is no clear time frame on the approvals yet. So we are yet to add it to our order book size,” Mithal said.

“Overall we do see some improvement in export markets now. And we are competing on contracts rather than relying on nomination,” he added.

In H1FY25, competitive bidding accounted for nearly 70 per cent of RITES’ new orders; nomination projects accounted 30 per cent.

China Export Growth Jumps to 2-Yr High as Tariff Risks Loom

Trade surplus climbs to the third-highest on record, as factories ramped up shipments

China's export growth surged in October to the fastest since July 2022, extending a months-long boost to the economy that may be jeopardized by Donald Trump's reelection and his tariff threats.

Exports rose 12.7% from a year earlier to \$309 billion, the customs administration said Thursday, significantly exceeding any economist's forecast. The trade surplus in the month climbed to the third-highest on record, as factories ramped up shipments ahead of Christmas holidays and likely in anticipation of worsening trade tensions.

"This may partly be driven by exporters trying to front-load shipments in order to mitigate the damage of a potential trade war next year," said Zhang Zhiwei, president and chief economist at Pinpoint Asset Management. "I think the economy will improve modestly in the fourth quarter, but the trade war may start in the first quarter of next year. We cannot rely on exports to carry China's economy."

The strength in exports—their value grew in all but one of the last 12 months—has helped make up for sluggish domestic demand, but that outpouring of cheap products has also sparked a backlash. In response, the US, South America and Europe, among others, have raised ta-



riff barriers against goods such as steel and electric vehicles.

China on Thursday slashed the daily reference rate for its currency to the weakest in almost a year, a sign its central bank is allowing depreciation under the threat of an escalated trade war with the US. A weaker currency boosts the competitiveness of Chinese exporters.

October has historically been a weaker month for exports before a final rush in the last two months of the year. The rise was off a weak base in the same period a year earlier, when shipments abroad dropped almost 7%. Even so, the figures outdid expectations. Exports to the US rose

8.1%, the most in three months. Shipments to most markets climbed, with double-digit increases to Asean, the EU, South Africa and Brazil. Shipments to Russia jumped almost 27%.

Trump's return to the White House will further complicate the outlook. The president-elect has threatened to put tariffs of as much as 60% on Chinese goods, a level that Bloomberg Economics predicts will decimate trade between the world's biggest economies.

Any new barriers would mean China might need to find new markets for the products it currently sells to the US. **Bloomberg**

US and China Must 'Get Along', Xi Tells Trump

Chinese President Xi Jinping said Thursday Beijing and Washington must find a way to "get along" in a message to US president-elect Donald Trump, state media reported. Trump's victory ushers in a new era of uncertainty in the United States and the world, and heralds a possible shift in US-China relations, frayed in recent years by tensions over everything from trade to the status of self-ruled Taiwan.

In his first message to Trump since the former president secured a second term, Xi said "history has shown that China and the United States benefit from cooperation and suffer from confrontation", state broadcaster CCTV said. "A stable, healthy and sustainable China-US relationship is in the common interest of both countries and is in line with the expectations of the international community," Xi said. He called for Washington and Beijing to "strengthen dialogue and communication". **AFP**

China exports grow fastest in 2 years, beat forecasts

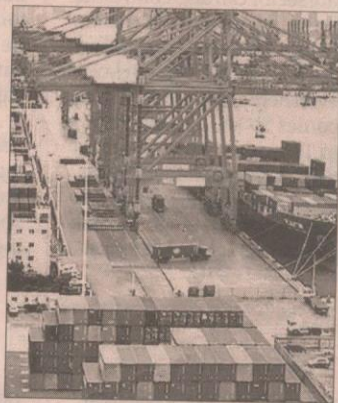
JOE CASH

Beijing, November 7

CHINA'S EXPORTS GREW at the fastest pace in over two years in October as factories rushed inventory to major markets in anticipation of further tariffs from the U.S. and the European Union, as the threat of a two-front trade war loomed large.

Donald Trump's sweeping victory in the US presidential election has brought into sharp focus his campaign pledge to impose tariffs on Chinese imports in excess of 60% and is likely to spur a shift in stocks to warehouses in China's No.1 export market.

Trump's tariff threat is rattling Chinese factory owners and officials, with some \$500 billion worth of shipments annually on the line, while trade tensions with the EU, which last year took \$466 billion worth of Chinese goods, have intensified. Export momentum has been one bright spot for a struggling economy as household and business confidence has been dented by a prolonged property market debt



crisis. Outbound shipments from the world's second-biggest economy grew 12.7% year-on-year last month, customs data showed on Thursday, blowing past a forecast 5.2% increase in a Reuters poll of economists and a 2.4% rise in September. Imports fell 2.3%, compared with expectations for a drop of 1.5%, turning negative for the first time in four months.

China's trade surplus grew to \$95.27 billion last month, up from \$81.71 billion in September.

"We can anticipate a lot of front-loading going into the fourth quarter, before the pressure kicks in come 2025," said Xu Tianchen, senior economist at the Economist Intelligence Unit.

"I think it is mainly down to Trump. The threat is becoming more real."

China's exports to the U.S. increased an annual 8.1% last month, while outbound shipments to Europe jumped 12.7% over the same period.

"We expect shipments to stay strong in the coming months," Zichun Huang, China economist at Capital Economics, said in a note. "Any potential drag from Trump tariffs may not materialise until the second half of next year."

"Trump's return could create a short-term boost to Chinese exports as U.S. importers increase their purchases to get ahead of the tariffs," she added. Among China's top exports to the U.S. last year were smartphones, tablet computers and video games consoles; Chinese customs data show.

—REUTERS

Business Line. Dt: 11/11/24

Ural imports up 10% in October on higher availability from Russia

FLAT GROWTH. Crude oil imports from Russia were largely flat on monthly & annual basis

Rishi Ranjan Kala

New Delhi

Even as India's monthly crude oil imports from Russia were flat in October 2024, shipments of the flagship grade Urals rose as refinery maintenance in the erstwhile Soviet Union spared more barrels of the medium sour grade for exports.

According to energy intelligence firm Vortexa, India's crude oil imports from Russia were largely flat on a monthly and annual basis at 1.45 million barrels per day (mb/d) in October 2024.

On the other hand, Ural imports by India rose for the second consecutive month in October, growing by 10 per cent y-o-y to 1.45 mb/d.

Ural shipments fell in July to roughly 1.36 mb/d from the June 2024 high of 1.56 mb/d. The cargo declined further in August to around 1.24 mb/d before rising to 1.44 mb/d in September.

In the current calendar year, Ural imports from Russia have averaged 1.34 mb/d during the first 10 months, compared to 1.46 mb/d dur-

India's crude oil import from Russia

(Thousand barrels/day - kb/d)**

	Urals	Total imports
Oct-24	1,445	1,705
Sep-24	1,440	1,796
Aug-24	1,240	1,611
Jul-24	1,358	1,810
Jun-24	1,559	1,937
May-24	1,441	1,721
Apr-24	1,564	1,748
Mar-24	1,198	1,362
Feb-24	1,166	1,416
Jan-24	1,000	1,303

Source: Vortexa (**) Provisional Basis

ing the same period in 2023.

"India's imports of Russian Urals are up nearly 10 per cent y-o-y based on our latest figures. The higher import volumes are driven by higher availability of Ural for export due to Russian refinery maintenance," Vortexa's Head of APAC Analysis Serena Huang told *businessline*.

CRUDE IMPORT LOWER

Overall, India's crude oil imports during October 2024 fell by 8 per cent m-o-m and around 6 per cent y-o-y to 4.31 mb/d.

"India's crude imports in October might have been lower, partially due to higher imports in September. We expect imports this month (November 2024) to rebound, especially in lieu of seasonally stronger domestic demand driven by the festive season in India this quarter," Huang said.

Asked about the impact of the fresh escalation in tensions between Iran and Israel on imports, she explained that initial concerns of Strait of Hormuz blockage or an attack on Iran's oil infrastructure might have driven refiners to consider buying more crude upfront. "However, the concerns quickly dissipated, and the market has since normalised, with geopolitical risk premiums falling sharply," Huang added.

SHARE OF RUSSIA

The share of Russia in India's total crude oil imports rose to 39.56 per cent last month (provisionally) from 38.19 per cent in September 2024, while the share of Middle Eastern suppliers fell to 44.85 per cent from 45.86 per

cent. During September, the cumulative share of Middle Eastern suppliers — Iraq, Saudi Arabia, the UAE, Qatar, Oman and Kuwait — rose to around 45.86 per cent of India's total crude oil imports of 4.703 mb/d, which was the highest since April.

US CRUDE

"Higher Russian and South American crude imports in October 2024 vs last year, and lower overall imports in October 2024 vs last month," said Huang when asked about the decline in the share of Middle Eastern suppliers.

India's crude oil imports from the US fell for the second consecutive month during October to 1,48,902 barrels per day (b/d) compared to 2,16,391 b/d in September and 3,69,476 b/d in August 2024.

"The US crude arbs (arbitrage) to Asia narrowed after June, which makes it less attractive for Indian refiners to import US crude. Ample Middle East and Russian supplies have kept Indian refiners well-supplied," Huang pointed out.

Business Line, dt. 11/11/24

CHEMEXCIL confident of achieving \$31 billion export target this fiscal

Press Trust of India

New Delhi

The export target of \$31 billion for 2024-25 will be achieved as there is a healthy demand for 'made in India' chemicals in countries like Brazil, the US, Japan and Saudi Arabia, CHEMEXCIL Director General Raghuvver Kini said.

The Basic Chemicals, Cosmetics and Dyes Export Promotion Council (CHEMEXCIL) was set up by the Commerce Ministry to promote exports of these goods.

Kini said the total exports of chemicals during April-September rose by 4.57 per cent to \$14.1 billion.

GOOD GROWTH

"So far, we are registering good growth, and we are confident of achieving the \$31 billion target this fiscal. Last year, it was around \$30 billion," he added.

During the second half of this year, the exports will grow at a faster pace, he noted. "Last year, because of drought in Brazil, which is the key market for us, exports were down. But this year, the situation is good, and we expect high growth," Kini said.

India exports these goods

India exports these goods worth about \$1 billion annually to Brazil

worth about \$1 billion annually to the South American nation. The Director General said that the council is holding awareness programmes for exporters about the preparedness of the European Union's carbon tax and quality control orders.

CARBON TAX

"The EU's carbon tax is a reality, and we have to be prepared for that. Exporters should not be caught unawares. We are explaining the paperwork required to deal with this tax," he said.

The EU's Carbon Border Adjustment Mechanism or CBAM is its unilateral measure, which India is opposing strongly. CBAM is a kind of import duty that will apply to energy-intensive goods imported into the European Union.

The EU has decided to impose a carbon tax from January 1, 2026, on seven carbon-intensive sectors, including steel, cement, chemicals, and fertilizers.