Business Standard. Dt:- 24/09/25

Flash PMI eases to 58.5 in Sep on weak export orders

HIMANSHI BHARDWAJ
New Delhi, 23 September

The HSBC India Flash Manufacturing Purchasing Managers' Index (PMI) eased to 58.5 in September from 59.3 in the preceding month, as new export orders rose at the weakest pace in six months under the impact of 50 per cent tariff on India by the US administration. Domestic orders showed resilience ahead of the festive season.

"We expect this trend to last till Diwali, giving an overall boost to growth. Things may change post Diwali, with the drag from the 50 per cent tariff from the US overtaking the boost from tax cuts," HSBC said.

HSBC India Services PMI in September also dropped to 61.6 from 62.9 in August. Composite PMI Output eased to 61.9, down from the multi-year high of 63.2 in August.

A reading above 50 in PMI indicates expansion, while a reading below 50 signals contraction.

"The manufacturing PMI moderated, but its pace of expansion remains healthy. The imposition of 50 per cent tariff rate by the US on India likely resulted in a slower rise in new export orders over August-September. This comes on the back of strong frontloading of exports to the US since early-2025", Pranjul Bhandari, chief India economist at HSBC, said. Bhandari said new domestic orders have risen for the past two months, likely due to the lower Goods and Services Tax rates announcement, adding that the offsetting effect of tax cuts has softened the blow from tariffs.

HSBC COMPOSITE PMI OUTPUT EASED TO 61.9, DOWN FROM THE MULTI-YEAR HIGH OF 63.2 IN AUGUST

The report added that price pressures had eased in September as input cost inflation moderated. While manufacturers reported higher costs for cotton, steel, and oil, services firms saw a cooling of the wage-driven expenses. Output charges rose at a slower pace, despite the factory-gate prices climbing at the fastest rate in over 12 years.

On employment growth, the report said the private sector had cooled, with only 3 per cent of the manufacturing firms and 5 per cent of the service providers reporting job creation.

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Readymade garment exports down 2.6% y-o-y in August on global headwinds

TE Raja Simhan
Chennai

Readymade garment (RMG) exports from India in August decreased 2.6 per cent compared to August 2024, but increased 9 per cent compared to August 2023.

RMG exports for the period April-August 2025 totalled $6.7 billion, a growth of 5.8 per cent over April-August 2024 and a jump of 13.3 per cent over April-August 2023, according to data from the Apparel Exporters Promotion Council.

MARGINAL INCREASE

There was a marginal increase in the exports in August ($1.23 billion) compared with July's value at $1.38 billion. In August, there was a rush to export as much goods as possible before the revised US tariff was implemented, but the real impact will be known in September, said an official with a garment exporter in Tiruppur.

India's RMG export to world

Month	2023-24	2024-25	2025-26	YoY Growth (%) 2024-25 over 2023-24	YoY Growth (%) 2025-26 over 2024-25
	(In US million)				
April	1,210.9	1,198.4	1,371.3	-1.0	14.4
May	1,235.8	1,357.4	1,511.5	9.8	11.4
June	1,248.0	1,293.9	1,309.8	3.7	1.2
July	1,142.0	1,278.0	1,338.7	11.9	4.7
August	1,133.5	1,268.2	1,234.6	11.9	-2.6

Source: AEPC

Mithileshwar Thakur, Secretary General, AEPC, said India's RMG exports in 2025 reflect the resilience and adaptability of the Indian apparel industry amid global headwinds. While the sector continues to face challenges, such as fluctuating demand in key markets, rising input costs and geopolitical disruptions, Indian exporters have shown commendable agility in catering to diversified markets and value-added product segments, he added.

IMPORT DEMAND

On import demand and trend in the US, the largest apparel market, Thakur said that in Q1 2025, imports of apparels into the US from China fell sharply to $2.39 billion, down 36.5 per cent from $3.76 billion in Q1 2024.

However, India's RMG exports to the US continued to show resilience by registering growth of 11 per cent till June in the current fiscal.

With tariffs on Indian textiles higher than its competing countries such as Bangladesh, Cambodia and Indonesia/Malaysia, Indian exporters are offering discounts to retain US buyers and cover fixed costs, absorbing short-term losses while hoping that future negotiations ease the 50 per cent tariff pressure and prevent buyers from moving to other competing countries facing lower reciprocal tariff in the US market.

MARKET SHARE

However, if the existing reciprocal tariff levels persist, exporters may not be able to continue offering discounts in the long term, which could ultimately lead to the Indian apparel industry losing market share in the US, he said.

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'No immediate plan to permit export of wheat, wheat products'

Prabhudatta Mishra
New Delhi

Food Minister Pralhad Joshi on Wednesday rejected a demand to allow wheat export, saying it would be assessed only after the new crop arrives next year.

Even for permitting the export of wheat products, Joshi said there is no such plan for now.

Addressing the annual general meeting of the Roller Flour Millers' Federation of India in New Delhi, the Minister told the members of the industry body to work towards increasing the area under wheat as demand had been rising steadily.

Pointing out that *atta* (wheat flour) export is permitted but under the Advance Import Authorisation scheme, Navneet Chitlangia, President of the Association, said the time had come to allow the export of wheat products in a phased manner.

"As we have surplus wheat stock available now, we request for a phase-wise liberation of wheat product exports, such as *atta*, maida (refined flour), and *suji* (semolina). We suggest beginning with a minimum quantity of 1 million tonnes (mt) to leverage global markets while safeguarding domestic requirements," Chitlangia said.

LACK OF PARITY

Opening up wheat product exports freely will allow the industry to tap global markets again, give farmers better price realisation and position India as a trusted global supplier, he said.

Though there is no parity of Indian wheat with the current global price, which is \$80-90 per tonne cheaper, the government should allow wheat product exports for the Indian diaspora living abroad, said a flour miller.

He said some mills had come up in the Middle East after India banned wheat and wheat product export in 2022, and those are producing *atta* only for the Indian community around the world.

> Government will also have to take into consideration next year's wheat production, which will be harvested from April 2026
>
> **PRALHAD JOSHI**
> Union Food Minister

Joshi, on the other hand, also said there are multiple ministries involved in the (ban on) export decision, and the government will also have to take into consideration next year's wheat production, which will be harvested from April 2026.

He said he would consider the demand, keeping consumer interest and food security in mind.

"You are asking for export. We will see. We cannot assure as our top priority is food security," Joshi said.

Later, on the sidelines, he said there is no plan for now to allow the export of *atta*.

HIKING BUFFER STOCK

India, the world's second-largest wheat producer, banned exports of wheat grain and subsequently wheat products in 2022 due to concerns over lower output, fall in the government's procurement and rising inflation. The Agriculture Ministry's estimates for 2024-25 show record wheat production of 117.51 mt.

The federation urged the Centre to maintain adequate stock levels to enable timely interventions and ensure price stability as the government reserves play a critical role in stabilising market prices. "We seek long-term clarity on the government's wheat policy, especially the Open Market Sale Scheme (OMSS)," Chitlangia said.

Asked about the demand to raise the buffer stock, he told the media that it should be one year of requirement for the public distribution system (PDS) scheme, estimated at 18 mt.

FINANCIAL EXPRESS Dt: 25/09/25

Natural gas import bill down 11% to $5.8 bn in Apr-Aug

ARUNIMA BHARADWAJ
New Delhi, September 24

INDIA'S NATURAL GAS import bill declined by 11% to $5.8 billion in the first five months of the current financial year (April–August FY26), from $6.5 billion in the same period last year, according to data released by the Petroleum Planning and Analysis Cell (PPAC).

The country imported 14,170 million standard cubic metres (mmscm) of liquefied natural gas (LNG) during the period, reflecting a 12.6% drop year-on-year (y-o-y).

In August alone, the import bill held steady at $1.2 billion, unchanged from the previous year, even as volumes slipped 5.5% to 2,887 mmscm.

During the five month period, the country's natural gas consumption decreased by 7.8% to 28,705 mmscm. The country's reliance on imported gas also decreased during the period to 49.4% from 52.1% in the same period last fiscal.

Domestic production of natural gas registered a marginal dip of 3% to 14,725 mmscm in April–August FY26. State-run Oil and Natural Gas Corporation (ONGC) clocked a production of 7,698 mmscm—down from 7,843 mmscm last year—remaining below its internal targets. Oil India, however, saw a marginal uptick, producing 1,339 mmscm compared to 1,322 mmscm last fiscal.

For FY26, ONGC has set an ambitious target of producing 44.51 million metric tonnes of oil equivalent (mmtoe), while Oil India is eyeing 4 million tonnes of crude and 5 billion cubic metres of gas.

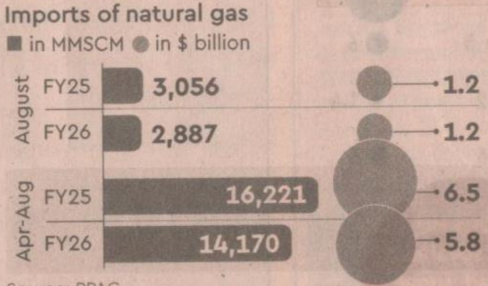
One of the key agendas of the government has been to boost domestic production of crude oil and natural gas, and thereby cut the country's dependency for energy. However, the domestic production of crude oil and natural gas has remained stagnant and the country's import dependency has only grown.

Natural gas demand is expected to grow 4–6% in FY26, even as domestic production is projected to grow to around 100 million standard cubic metres per day (mmscmd), according to ICRA senior vice-president Prashant Vasisht. As a result, LNG imports are likely to continue meeting more than half of the country's gas requirement.

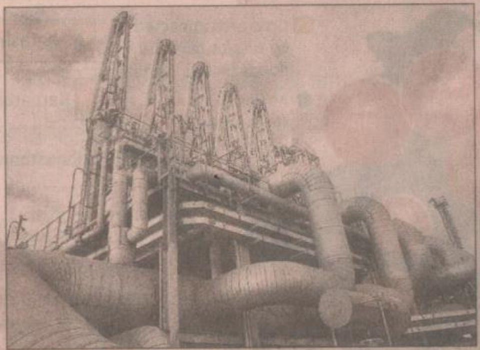
India currently imports roughly 50% of its natural gas needs. Qatar remains the top supplier, accounting for 41% of LNG cargoes in FY25, followed by the US 19% and UAE 13%.

In 2024, India emerged as the world's fourth-largest LNG importer, responsible for 7% of global imports. The bulk of demand has been driven by the industrial and refining sectors, with contributions from residential, commercial and transport segments.

DECLINING TREND



Source: PPAC



- India imported 14,170 mmscm of LNG in Apr-Aug, a drop of 12.6%
- In August alone, the import bill held steady at $1.2 billion
- Domestic production dipped marginally by 3% to 14,725 mmscm

Business Line. Dt: 26/09/25

Centre to impose ₹8/t token fee to register non-basmati rice exports

Prabhudatta Mishra
New Delhi

After introducing mandatory registration of contracts for export of non-basmati rice, the Union government has decided to levy a token fee of ₹8 per tonne to promote the staple cereal as an India brand.

Currently, several varieties are exported in bulk, and they lose identity on foreign soil as an Indian variety when packed by local importers for retail sales there.

Unlike the basmati industry, which got divided after a recent hike in the fee, all the three non-basmati exporters associations have supported the move of the government and are hopeful of tangible results.

"It was a unanimous decision at the stakeholders consultation and all the three associations supported the plan to register the contracts, before it was notified on September 24," said Mukesh Jain, President of The Rice Exporters Association CG.

DATA COLLECTION

Recently, the Agricultural and Processed Food Products Export Development Authority (Apeda) hiked the registration fee of basmati export contracts to ₹70/tonne from ₹30.

Haryana-based exporters reportedly expressed their reservations on the "steep" hike. But official sources said that no basmati exporter had expressed any reservation on the hike though the initial proposal was to make it ₹100/tonne.

According to BV Krishna Rao, President of The Rice Exporters Association (TREA), since the basmati industry had been doing contract registration for a long time, it is good for Apeda to have some data on non-basmati rice as well. By this registration of contract, Apeda will be able to track of the cargo going out and the countries who are buying, Rao said.

"The system is fine for non-basmati as long as the verification of contract submitted is very fast. As Apeda's intent is to use the contract registration fee for developing non-basmati rice exports, it is a welcome step," said Rao.

President of Indian Rice Exporters Federation (IREF) Prem Garg said, "The introduction of contract registration for non-basmati rice exports is a welcome and progressive step. With Apeda implementing this system, exporters will now obtain an online registration certificate by paying a nominal fee of ₹8 per tonne. This fee is not a burden, but rather a contribution towards a Rice Trade Development Fund, which will be utilised to promote Indian rice in global markets."

ENHANCE CREDIBILITY

Garg, who is also Chairman of Shri Lal Mahal group, said the new mechanism will help establish better monitoring and control over the actual quantity of rice being exported, as well as create a comprehensive database of export destinations.

"Such transparency will enhance the credibility of India's rice trade and provide a strong foundation for policy planning," he said.

On IREF's request, Apeda officials will be conducting an awareness seminar to guide exporters through the new registration process, ensuring smooth compliance and wider participation.

Jain said recently 2,000 containers of non-basmati rice were detained in some countries. This issue was resolved through Apeda's intervention.

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Russian oil imports this month may exceed Aug level

SHUBHANGI MATHUR
New Delhi, 25 September

India's crude oil imports from Russia are expected to exceed the August level, despite the US imposing penalty on New Delhi for buying crude from Moscow, and the latest European Union (EU) sanctions, shows ship tracking data.

India imported 1.63 million barrels of crude oil from Russia until September 23, as against 1.71 million barrels per day (bpd) in August, according to data from Kpler, a global shipping data and analytics provider. India's Russian oil imports are expected to increase by around 200,000 bpd by the end of September — exceeding August levels.

"This (September oil imports from Russia) is expected to exceed August levels (1,715 kbpd), with vessel tracking data indicating an additional around 180-200 kbpd of Russian barrels set to arrive before month-end," said Nikhil Dubey, senior research analyst, refining & modeling at Kpler. Higher oil volumes from Russia in September also reflect the restart of state-run Bharat Petroleum Corporation Limited's (BPCL) Bina refinery, a key importer of Russian barrels, in Madhya Pradesh, which underwent a one-month shutdown in early August, added Dubey.

Refiners have continued purchase of crude oil from Moscow, stating absence of direct sanctions on Russian oil or Indian government's directive to halt supplies.

Effective August 27, Trump imposed an additional duty of 25 per cent on India, doubling tariffs to 50 per cent, in an attempt to target New Delhi for purchasing Russian crude oil.

On July 18, the EU lowered the price cap on Russian oil from $60 per barrel (bbl) to $47.6/bbl while imposing direct sanctions on Rosneft-backed Nayara refinery in Gujarat.

Indian oil refiners, including state-run Indian Oil Corporation (IOCL), Hindustan Petroleum Corporation (HPCL), and Bharat Petroleum Corporation (BPCL), have confirmed to continue purchasing crude oil from Moscow.

Major private refiners importing Russian crude oil are Reliance Industries Limited (RIL), and Nayara Energy.

Raising the stakes

India's crude oil imports (in mn bpd)

*Till Sep 23, Source: Kpler

Meanwhile, India's crude oil imports from traditional suppliers, including Saudi Arabia and Iraq, have remained robust in September so far at 605,000 bpd and 786,000 bpd, respectively, Kpler data showed.

India's oil imports from Saudi and Iraq in August came in at 634,000 bpd and 730,000 bpd, respectively. In an effort to shield the country from geopolitical shocks, the Indian government has been looking to diversify its crude import basket.

The Economic Times. Dt: 26/09/25

MeitY Weighs Making GST Portal a Single Window for IT Exports

Nasscom wants export registration process streamlined and compliance burden reduced

Subhayan Chakraborty

New Delhi: The Ministry of Electronics and Information Technology (MeitY) is examining an information technology industry demand to make the goods and services tax portal a single digital window for all IT export reporting and certifications, officials told ET. The move to streamline the export registration process comes at a time when the sector remains rattled by indications that the Trump administration could extend tariffs to software imports into the US.

The ministry is expected to take up Nasscom's demand to scrap the Reserve Bank of India's proposed new Export Declaration Form (EDF) for software exports, extend submission timelines and remove invoice value limits, at the inter-ministerial level, officials said. "The government has always worked for ease of doing business in the sector. We are studying these demands, and other government stakeholders will be informed of the issues being faced by firms," a government official said.

A WAY FORWARD

Ministry is expected to take up Nasscom's demand to scrap the Reserve Bank of India's proposed new Export Declaration Form (EDF) for software exports, extend submission timelines and remove invoice value limits, at the inter-ministerial level, officials said

The proposed EDF restricts consolidated invoice filings to ₹1 lakh. Calling the limit 'impractical', the industry body said any such limits should be based on the number of forms, not invoice amounts

TOSHI YOSHIDA, *Extension*

Under the existing regime, software exports are reported using the Software Export Declaration form (SOFTEX), administered by the Software Technology Parks of India (STPI). This form is tailored to the nature of software exports, including digital delivery, recurring billing and no physical movement of goods.

With a few enhancements to capture export-specific data, Nasscom believes the SOFTEX framework can be integrated into the GST system, which is already used by all software exporters to file returns. "This will eliminate duplicate filings and reconciliations, ensure consistent, real-time export data, save time and compliance costs, and improve regulatory oversight and auditability," it said in a submission to the government in August.

The industry body also pushed back against the EDF, citing it could add costs, create delays and disrupt the smooth flow of service export revenues. "Introducing the EDF risks increasing the paperwork and complexity for software exporters, many of whom already navigate multiple overlapping systems including GST, STPI, export data processing and monitoring system (EDPMS), and authorised dealer (AD) banks," Nasscom said.

The proposed EDF restricts consolidated invoice filings to Rs 1 lakh. Calling the limit "impractical", the industry body said any such limits should be based on the number of forms, not invoice amounts.

OTHER ISSUES

It had also called for extending the current 21-day deadline for software exporters to submit documentation for services to 30 days from the end of the invoice month. It argued that the current timeline is too narrow for large enterprises managing global invoices.

Business Line. Dt: 29/09/25

Maldives' development spurs export of construction materials via VOC port

TE Raja Simhan
Chennai

Increased construction activities at Maldives has led to record handling of construction materials exported to the island country through VOC Port in Thoothukudi in the last two years.

In 2025-26 (up to August), the VOC port has handled 5.48 lakh tonnes of construction materials. This is a three-fold increase over the corresponding period of the previous financial year. In 2024-25, the VOC port exported 11.01 lakh tonnes of construction materials to Maldives, up from 9.39 lakh tonnes in the previous year, said an official at the port.

VOC port is a designated port to export construction materials to Maldives. Continuing the trend, India, in April 2024, approved its highest-ever export quotas for export of essential commodities to Maldives for 2024-25 with stone aggregate and river sand being the top two items at 10 lakh tonnes each. The other items are egg, potato, onion, rice, wheat flour, sugar and dal.

BIG SURGE. In 2024-25, over 11.01 lakh tonnes of construction material were exported to Maldives through the VOC port, against 9.39 lakh tonnes in the previous year SUPPLIED

GROWING EXPORTS

The exports of these items are under a bilateral trade agreement between the government of India and Maldives. For this fiscal, the quantity of stone aggregate and river sand export to Maldives has been increased to 13 lakh tonnes each, according to a Director General of Foreign Trade notification issued in April. Susanta Kumar Purohit, Chairperson, VOC Port Authority, said the construction materials "are sourced from primary hinterland of VOC Port and exported to Maldives, playing a vital role in supporting the infrastructure development of our maritime neighbour. This reflects the Port's strategic role in advancing regional connectivity under Prime Minister Narendra Modi's Neighbourhood First Policy, which promotes economic and infrastructure cooperation with India's immediate neighbours," he said.

B Gopinath, CEO of Chennai-based, The Residency Hotels, said In Maldives, the existing asset belongs to the Residency Group, while it is being operated by St. Regis, a brand of the Marriott group. "We are developing a high-end luxury resort in the Dhaalu Atoll, where most of the villas are designed as overwater units in the lagoon. The construction follows a hybrid model, combining civil works with timber structures to achieve the desired aesthetics and durability," he said.