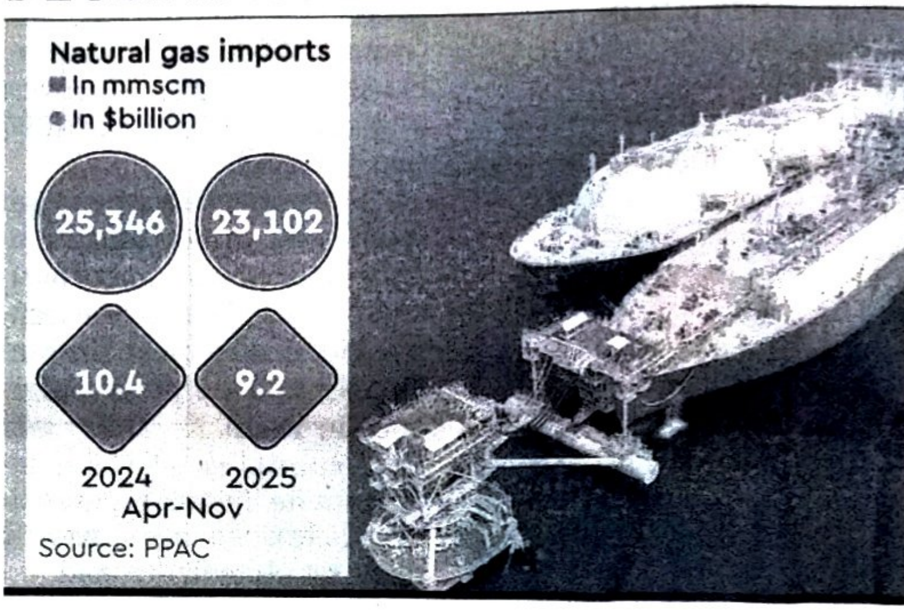
Natural gas import bill down 12% in Apr-Nov

23.12.2025

ARUNIMA BHARADWAJ
New Delhi, December 22

DECLINING FLOW



INDIA'S NATURAL GAS import bill declined by 11.5% to $9.2 billion during April-November of FY26 compared with $10.4 billion in the year-ago period, according to data from the government's Petroleum Planning and Analysis Cell (PPAC).

The country imported 23,102 million standard cubic metres (mmscm) of liquefied natural gas (LNG) during the period, reflecting a 8.8% decline over April-November of FY25. In November, the import bill remained unchanged at $1.2 billion, while the volume imported increased by 4.9% to 2,844 mmscm.

During the eight-month period, the country's natural gas consumption decreased by 6% to 46,239 mmscm. The country's reliance on imported gas also decreased during the period to 50% from 51.5% in the same period last fiscal.

Domestic natural gas production too declined marginally by 3.3% to 23,439 mmscm during April-November of FY26. State-owned Oil and Natural Gas Corporation (ONGC) produced 12,354 mmscm of natural gas during this period, down from 12,578 mmscm in the corresponding period of FY25. Production remained below targets, highlighting the widening gap between demand and domestic supply. Oil India produced 2,136 mmscm of gas during April-November, up from 2,117 mmscm last year. The demand for natural gas is expected to grow by 4-6% in FY26 while domestic gas production is expected to grow to about 100 mmscmd only, Prashant Vasisht, senior vice president and co-group head, corporate ratings, Icra, had said. Thus, the dependence on LNG imports is expected to remain high at 52% of consumption.

The country imports as much as 50% of its natural gas requirements. Qatar accounted for 41% of India's imports in FY25, followed by the US at 19% and the UAE at 13%.

In 2024, India became the world's fourth-largest LNG importer, accounting for 7% of global LNG imports. The growth in demand was primarily driven by the industrial and oil refining sectors, followed by residential, commercial, and transport sectors. In a first structured contract, India's state-owned oil companies have concluded a one-year deal for imports of 2.2 million tonne of LPG from the US in 2026.

The imports, accounting for close to 10% of the country's annual imports, will be sourced from the US Gulf Coast. The deal follows the commitment expressed by India to scale up energy imports from the US, with which the country is negotiating a bilateral trade agreement (BTA), even as most Indian goods face an additional tariff of 50% in the US over the most favoured nation rates.

The US is already India's second-largest LNG supplier, driven by abundant supply and competitive long-term contracts, as per report by Rubix Data Sciences.

Import duty on apples to be halved; dairy items kept out

23.12.2025

SANDIP DAS
New Delhi, December 22

INDIA HAS AGREED to provide market access to New Zealand for select agricultural commodities including apples, kiwi fruit and Manuka honey under a free trade agreement (FTA), with tariff rate quotas, minimum import price and seasonal import window.

So far, India has maintained a 50% duty on apple imports, which now has been slashed to 25% for import of the fruit from New Zealand. Currently around 0.5 million tonne of apples are imported annually by India, mainly from Turkey, Iran, Poland, and Italy. The applicable quota for apple import from New Zealand is 32,500 tonne annually which would grow to 45,000 tonne from the sixth year onwards. The import window will be from April 1 to August 31, which is considered a lean period for domestic production, with a minimum import price of $1.25/kg. New Zealand has also agreed to set up centres of excellence in India for boosting productivity and quality of apples and kiwi.

For kiwi fruit, India has removed the current duty of 33% with a tariff rate quota of 6,250 tonne annually which would be raised to 15,000 tonne from the sixth year onwards. In the first year of the FTA, a quota of 1,000 tonne of albumin is allowed at a concessional duty of 11% from the existing 22%. New Zealand pears will also receive a 50% tariff reduction, which will be phased in over 10 years to bring the tariff down to 16.5%, according to New Zealand Apples and Pears (NZAPI), a body representing pip fruit and kiwi fruit industries.

Several agricultural commodities have been kept out of the purview of the treaty which include dairy products such as milk, cream, yogurt, cheese and vegetables.

FARM FACTOR

- Applicable quota for apple import from New Zealand is 32,500 tonne annually; it will grow to 45,000 tonne from the sixth year onwards
- The import window will be from April 1 to August 31 and shipments will have a minimum import price of $1.25/kg
- For kiwi, India has removed the current duty of 33%, with a tariff rate quota of 6,250 tonne annually

23/12

BOTH SIDES CONCLUDE FTA NEGOTIATIONS

NZ Commits $20 b, Allows Zero Duty on Indian Goods

Agreement will help double trade between countries to $5 billion in five years

Our Bureau

New Delhi: India and New Zealand Monday concluded negotiations for a free trade agreement (FTA), a deal that will help double bilateral trade in goods and services to $5 billion in five years. It allows zero-duty market access to all Indian exports while permitting cheaper imports of apples, kiwis, cherries, lamb and wool from New Zealand.

Besides zero-duty access for India's labour-intensive sectors including textiles, apparel, leather, footwear, marine products, handicrafts, engineering goods and automobiles, New Zealand has pledged to invest $20 billion in the country over a period of 15 years.

India has offered tariff liberalisation in 70% tariff lines covering 95% of bilateral trade.

"An important moment for India-New Zealand relations, with a strong push to bilateral trade and investment! My friend PM Christopher Luxon and I had a very good conversation a short while ago following the conclusion of the landmark India-New Zealand Free Trade Agreement. Concluded in just nine months, this historic milestone reflects a strong political will and shared ambition to deepen economic ties between our two countries. This FTA ensures: Enhanced market access, Deeper investment flows, Numerous opportunities for innovators, entrepreneurs, farmers, MSMEs, students and youth," Prime Minister Narendra Modi said in a post on X.

RELATED REPORTS ▸▸ PAGE 10

Once signed, it will mark India's seventh trade agreement since 2021. The pact will be signed in the next two-three months after the legal scrubbing of the text is concluded. Since New Zealand will need parliamentary approval, officials expect the FTA to come into effect in the next six-seven months.

The third free-trade agreement this year, following a similar pact with the UK in July and another with Oman earlier this month, will give India more temporary employment visas, easier access for pharmaceuticals and medical devices.

New Zealand gets zero tariff on wool, coal, wood to start with, lower duties on wine, avocados, blueberries and persimmons, and quota-based tariff cuts for kiwifruit and apple exports.

"New Zealand is the first country to secure preferential access for apples in any Indian FTA," New Zealand government said in a statement.

Trade Agreement a Win-Win, says Goyal

India-New Zealand FTA will boost jobs, investment and offer opportunities to MSMEs, students, women and farmers across the country, writes **Piyush Goyal**. ▸▸ 10

23.12.2025

0% duty on 100% exports: India secures NZ trade deal

Wellington commits to $20 bn FDI in 15 years; dairy items excluded

SHREYA NANDI
New Delhi, 22 December 23/12

India and New Zealand on Monday announced the conclusion of talks on a free-trade agreement (FTA), under which Wellington will grant zero-duty access to 100 per cent of Indian exports and commit $20 billion in foreign direct investment (FDI) over the next 15 years.

India, in return, has offered liberalised duties across 70 per cent of tariff lines, covering 95 per cent of New Zealand's exports to India in value terms. Duties will be eliminated immediately on 30 per cent of tariff lines once the agreement comes into force, including products such as wood, wool and sheep meat.

EDIT: More ambition needed 9 ▸

PAGE 4
■ In advanced stage of talks for trade pact with US: Goyal

As much as 29.97 per cent of tariff lines are on the exclusion list, reflecting India's sensitivities. These include dairy products such as milk, cream, whey, yoghurt and cheese; animal products other than sheep meat; vegetables including onions, chana, peas and corn; as well as almonds, sugar, artificial honey and other items.

Turn to Page 6 ▸

Trade with the Kiwis

Bilateral merchandise trade (FY25): $1.3 bn

Key exports: ATF, textiles, pharmaceuticals, machinery, petroleum products

Key imports: Wood, steel and aluminium scrap, coking coal, turbojets, and agri/animal products (shorn wool, milk albumin, apples, kiwifruit)

Services trade (2024):

Exports: **$634 mn**

Imports: **$611 mn**

What's in FTA

- NZ's average applied tariff (2.2% in 2025) to fall to zero after implementation
- India offers market access on 70.03% of tariff lines, covering 95% of NZ's exports by value; 29.97% tariff lines excluded
- **The big gainers in India:** Textiles and apparel, leather and headgear, ceramics, carpets, automobiles and auto components
- Apples, kiwifruit and manuka honey from NZ subject to TRQ, MIP and seasonal limits, balancing consumer choice with farmer protection
- Exclusions mainly include dairy, most animal products, select vegetables & pulses, sugar, artificial honey, fats & oils, arms & ammunition, gems & jewellery, and copper

"CONCLUDED IN JUST NINE MONTHS, THIS HISTORIC MILESTONE REFLECTS A STRONG POLITICAL WILL AND SHARED AMBITION TO DEEPEN ECONOMIC TIES BETWEEN OUR TWO COUNTRIES"

Narendra Modi, Prime Minister, India

"INDIA IS THE WORLD'S MOST POPULOUS COUNTRY AND FASTEST-GROWING ECONOMY, AND THAT CREATES OPPORTUNITIES FOR JOBS FOR KIWIS, EXPORTS, AND GROWTH"

Christopher Luxon, Prime Minister, New Zealand

Mobility provisions

- Minimum 20 hours/week work permitted for students in NZ
- Extended post-study work visas for STEM graduates
- 5,000 professional visas in IT, engineering, health care, AYUSH, yoga, music and Indian cuisine for up to 3 years
- 1,000 working holiday visas, granting multiple entries in 12 months

The FTA is expected to be signed in 2-3 months after legal scrubbing, and to come into force within six to seven months. New Zealand will need parliamentary approval.

FROM PAGE 1

0% duty on 100% exports: India secures NZ trade deal

Wellington was keen on duty reduction and greater market access in the dairy space but New Delhi insisted on the sector's exclusion from the deal. A clause, however, allows New Zealand to seek consultations if India were to open its dairy market to countries such as Australia or Chile. Indian officials reiterated that the government would continue to protect the domestic dairy sector.

Once the FTA takes effect, India's average tariff on New Zealand imports will fall to 13.18 per cent, declining further to 10.3 per cent in five years and 9.06 per cent by the 10th year. India's simple average tariff on a most-favoured nation basis currently stands at 16.2 per cent.

"The India–New Zealand partnership is going to scale newer heights. The FTA sets the stage for doubling bilateral trade in the coming five years," PM Narendra Modi said in a post on X. India, he added, welcomed more than $20 billion in investment from New Zealand across sectors, underpinned by its young workforce, startup ecosystem and reform-driven economy. Modi said he had spoken with his "friend" Prime Minister Christopher Luxon following the conclusion of the "landmark" agreement.

Negotiated over nine months, the FTA is expected to double the current $2.4 billion bilateral trade in goods and services within five years.

The agreement is likely to be signed within the next two-three months, following legal scrubbing of the text. As parliamentary approval will be required in New Zealand, officials expect the FTA to come into force within six-seven months.

Once signed, the pact will become India's seventh trade agreement since 2021, reflecting New Delhi's strategy of diversifying trade ties at a time of global realignment driven by Washington's protectionist tariff policies. Commerce and Industry Minister Piyush Goyal said it was India's third trade deal with a "Five Eyes" country, after agreements with Australia and the UK, with talks with Canada set to begin soon.

Officials said the agreement would help Indian companies gain a foothold not just in New Zealand but across the Pacific island economies, while also positioning India as a key supplier of skilled and semi-skilled labour. Commerce Secretary Rajesh Agrawal said India was increasingly focusing on FTAs with developed economies, where trade structures are more complementary.

According to the commerce department, the agreement contains India's most ambitious services offer to date. It removes numerical caps on Indian students, guarantees at least 20 hours of work per week during study, and extends post-study work opportunities of up to three years for STEM graduates and four years for doctoral degree holders, creating clearer pathways for skills development and international careers.

A new Temporary Employment Entry visa pathway will allow up to 5,000 Indian professionals at any given time to work in New Zealand for up to three years. New Zealand will also issue multiple-entry working holiday visas to 1,000 young Indians each year, valid for 12 months. Market access commitments have been made across around 118 services sectors.

Ajay Srivastava, a former trade ministry official and founder of the Global Trade Research Initiative, said the agreement was less a trade breakthrough than a framework for deeper cooperation. "Its real impact will depend on how both countries use it to strengthen practical economic links," he said, adding that this would require building supply chains, expanding services trade, deepening education and skills partnerships, and leveraging diaspora and mobility provisions.

23/12

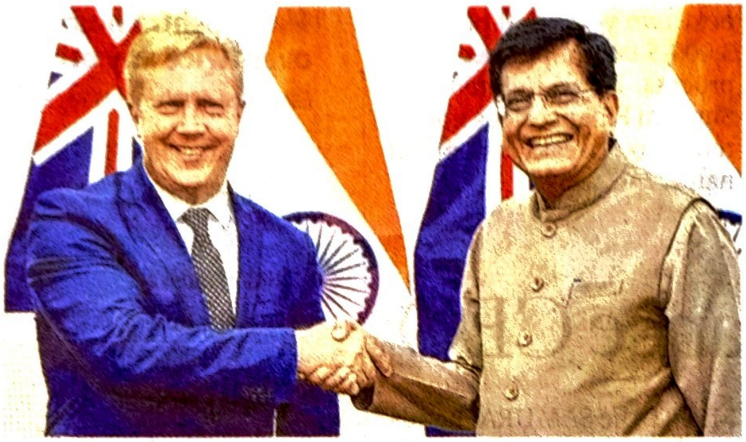
India-NZ FTA: Delhi to get zero-duty access for all goods

BIG DEAL. India opens up wood, wool, sheep meat, leather, wine, honey, apples to New Zealand

Amiti Sen
New Delhi

India and New Zealand on Monday wrapped up negotiations for a free trade agreement (FTA) in a record nine months, setting the stage for zero-duty access for all Indian goods in the New Zealand market once the pact clears legal vetting and procedural approvals.

Prime Minister Narendra Modi spoke to his New Zealand counterpart Christopher Luxon on Monday to jointly announce the deal, per the MEA.



LANDMARK PACT. Commerce Minister Piyush Goyal with New Zealand counterpart Todd McClay in New Delhi @PIYUSHGOYAL

DISSENT NOTE

New Zealand Foreign Minister Winston Peters, however, called it a "bad deal" and said his New Zealand First party (a coalition partner) would vote against the enabling legislation when it comes before Parliament.

The FTA, to be reviewed one year after it enters into force (expected in 2026), will also facilitate $20 billion in FDI from New Zealand over 15 years, along with more work visas for Indian services professionals and easier work norms for students, per the Commerce Department.

A 're-balancing mechanism' will allow India to suspend some FTA benefits if investment commitments don't materialise, officials said.

"It (the FTA) will benefit farmers, MSMEs, workers, artisans, women-led enterprises and youth, while providing immense opportunities for labour-intensive sectors such as textiles, apparel, leather and footwear. Sectors like engineering and manufacturing, auto, electronics, machinery, plastics, pharmaceuticals and chemicals also stand to benefit," Commerce Minister Piyush Goyal said at a press briefing.

ADVANTAGE SERVICES

Indian service providers, such as yoga instructors, chefs, music teachers and IT, engineering, healthcare and education professionals, will benefit from a new visa pathway with a quota of 5,000 visas at any time for stays of up to three years.

"The agreement establishes a process for up to an average of 1,667 skilled 3-year work visas per year. These temporary visas will focus on priority jobs where New Zealand has skills shortages, including doctors, nurses, teachers, ICT and engineering and are non-renewable," explained New Zealand Trade Minister Todd McClay in a statement.

New Zealand also agreed to offer concessions on student mobility and post study work visa with no numerical caps.

RED LINES

New Delhi has shielded sensitive agriculture and dairy products from tariff cuts, while offering New Zealand reduction in 70 per cent of the tariff lines covering 95 per cent of bilateral trade value. Wood, wool, sheep meat and leather would gain from immediate tariff elimination. Tariffs would be reduced also for items like wine, pharma drugs, polymers, aluminium, iron and steel articles.

New Zealand has been offered lower duties on tariff rate quota basis for honey, apple, kiwi fruit and albumins.

Also read p3

● **KALYAN KUMAR,** MD & CEO, CENTRAL BANK OF INDIA

24.12.2025

'US tariff have had no material impact"

In less than two and a half months since taking charge as Managing Director & CEO of Central Bank of India, **Kalyan Kumar** *has undertaken an extensive outreach programme across over 100 centres focused on retail, agriculture, and MSME (RAM) segments. In a conversation with* **Christina Titus** *and* **Mahesh Nayak,** *Kumar says corporate loan demand has also picked up, with a sanctioned pipeline of ₹85,000 crore to ₹1 lakh crore. Excerpts:*

Q&A

It has been a few months since you took charge at the Central Bank of India. What are the initiatives you have taken so far?

We organised credit outreach programmes across more than 100 centres for retail, agriculture, and MSME sectors in separate weeks, generating strong business leads and growth in these areas. While books remain dominant and preferred, we aim to balance them with retail, agriculture, and MSME segments. We have opened nearly 84,000–85,000 bank accounts through just one programme. Going forward, our primary focus will be on agriculture and MSMEs. We have identified active clusters and 250 branches each for agriculture and MSMEs, and developed cluster-specific products. In agriculture, our focus is mainly on self-help groups.

With significant economic measures like the GST cut and other developments, how do you view the overall scenario?

The overall outlook appears optimistic due to GST rationalisation, rate cuts, and income tax changes that have increased disposable incomes. This is reflected in our retail credit, which has grown 20% year-on-year. We have seen robust demand for housing and vehicle loans. These policy actions have created good opportunities in the retail segment. Demand for corporate loans has also picked up, and we now have a pipeline of roughly ₹85,000 crore to ₹1 lakh crore.

DECEMBER RATE CUT TO IMPACT BANKS MARGINS IN THE MARCH QUARTER RESULT

Do you see this consumption trend sustaining even after the festive season?

Yes, without a doubt. This is a long-term trend. Corporate demand is rising with ample capex opportunities as the private sector invests, which in turn boosts retail demand. These are interlinked, so I don't see a slowdown in the near future. I expect similar growth in the corporate loan book as well. There is a renewed opportunity in private capex. We are receiving strong proposals, signalling that private entities are venturing into new areas, creating more lending opportunities. I see significant prospects in sectors such as renewables, roads, transmission, and hospitality, among others.

Has the US tariff issue really affected your customers?

We have not seen any material impact or delinquency from the bank's perspective. Many of our customers have diversified into other markets, effectively balancing out the impact of higher tariffs.

How do you see the impact of the December rate cut on your margins?

The rate cut has had a marginal impact on our margins this quarter. However, in the March quarter, we expect a higher impact since about 60% of our loan book is repo-linked and benefits pass through immediately to customers. We are countering this by diversifying revenue through cash management services, non-fund businesses, and the sale of PSLCs (priority sector lending certificates) to offset any profitability impact.

What are your plans for branch expansion?

Our branch network is aligned with our business strategy. We plan to open more than 100 branches in FY26. It's a continuous process — based on business requirements and the bank's presence, we will continue expanding our network going forward.

Are you focusing on M&A financing, now permitted by the RBI? Do you see scope for the bank to play a role there?

M&A financing is not for book building; it requires specialised skills, which we are currently developing. This is an opportunity we don't want to miss, but for now, it's not our immediate priority.

How do you see the impact of the new ECL framework?

We expect an initial impact of roughly ₹2,700–3,000 crore. I don't foresee more than a 7–8 basis point hit on our margins. However, our balance sheet is strong enough to absorb and sustain this impact.

(For full interview, log on www.financialexpress.com)

24.12.2025

Foreign funds return as rupee strengthens

FOREIGN INVESTORS MADE a strong comeback to Indian equities last week, pumping in most funds in two months as the rupee bounced back from record lows. The twin rebound — in the currency and stock inflows — highlights how exchange-rate stability continues to drive foreign sentiment towards India's markets.

CURRENCY BOOST

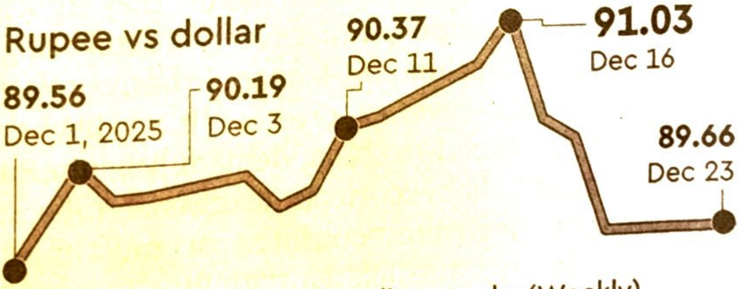
- Rupee logged its biggest weekly gain in nearly six months
- The rebound followed a period of sharp weakness when it hit a record low

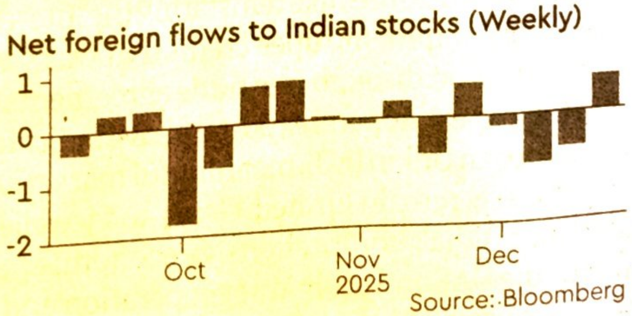
BEFORE THE TURNAROUND

- FPIs had pulled out about **$1.8 billion** over the previous three weeks
- During that time, the rupee slid over **1%** against the dollar

AT A GLANCE

	FPI Flow	Rupee move
Past week	+$644 mn	↑ Biggest gain in 6 months
Prior 3 weeks	-$1.8 bn	↓ Over 1% fall





Source: Bloomberg

24.12.2025

MAPPING INDIA'S ADVENTURES ON 'DEAL STREET'

Flurry of Trade Accords
Do They Deliver the Goods?

Focus on market access, investment pledges and opening doors for Indians to move abroad

Anoushka Sawhney & Kirtika Suneja

Winds of Change

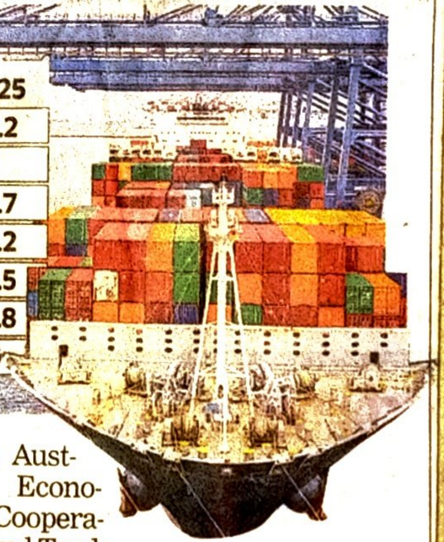
INDIA'S TRADE PACTS

2021 Mauritius	2022 UAE	2022 Australia	2024/25 EFTA	2025 Oman	2025 NZ
1st trade pact with any African country	Bilateral trade **crossed $100b** in FY25	1st trade deal of **India with 100% tariff elimination**	Biggest FDI pledge of **$100b**	**Highest tariff** coverage ever from GCC	**Fastest FTA** negotiated in just 9 months

TRADE BALANCE (IN $ B)

	2020-21	2023-24	2024-25
ASEAN	-15.9	-38.5	-45.2
SAFTA	18.7	20.5	20.1
Japan	-6.5	-12.5	-12.7
S Korea	-8.1	-14.7	-15.2
Mauritius	0.4	0.7	0.5
UAE	-9.9	-12.4	-26.8
Australia	-4.2	-8.2	-6.9

Source: Ministry of Commerce and Industry, ET analysis



New Delhi: India's recent trade agreements with New Zealand, Oman and the UK underscore the government's push to conclude such pacts as the world's geoeconomic map gets redrawn, primarily driven by US President Donald Trump's aggressive tariff moves. New Delhi and Washington DC are also holding parleys over their long-awaited bilateral trade agreement.

What's been the impact of the country's trade agreements thus far? The avowed aim is to deepen economic ties, help exporters and smoothen the way for qualified Indians to work in overseas markets. An ET analysis of the 16 free trade and economic cooperation agreements that the country has signed shows the work in progress.

India has registered a surplus with two of its free trade agreement (FTA) partners—Mauritius and the South Asian Free Trade Area (SAFTA)—in the last five years while registering a deficit with others, including Asean, South Korea, Mauritius and the UAE. The trade gap with Australia has been narrowing for the last two years.

Despite the trade deficit with Australia, India has exported new products such as pomegranate arils after the India Australia Economic Cooperation and Trade Agreement (ECTA), which came into force on December 29, 2022.

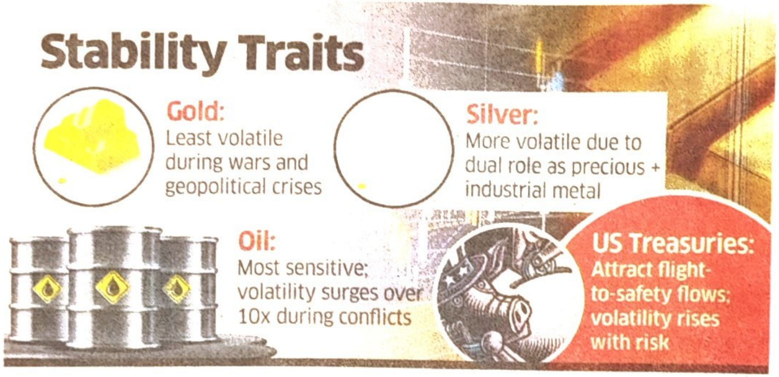
"FTAs have led to deeper engagement with the partner countries with greater market access—trade has increased with them," said an official.

24.12.2025

BIG PICTURE US Treasuries showed classic counter-cyclical safe-haven properties: RBI study

'Yellow Metal the Safest Haven in Crises, Crude the Most Sensitive'

Our Bureau



Mumbai: Gold has retained its status as the most stable safe-haven asset even as geopolitical tensions drove sharp volatility across markets worldwide, while crude oil emerged as the most sensitive to global shocks.

US Treasury (UST) securities exhibited classic countercyclical safe-haven properties, and silver, although more volatile, shared many of gold's characteristics, according to a Reserve Bank of India (RBI) study covering four decades of geopolitical crisis. The study, 'Decoding Safe Asset Volatility Amid Geopolitical Risks Using Neural Networks,' examined how safe-haven assets—gold, silver, crude oil and US Treasuries—respond to changing geopolitical risk.

The analysis of price behaviour during recent conflicts shows gold's volatility barely moved during episodes such as the Russia-Ukraine war and the Israel-Gaza conflict, reinforcing its role as a hedge against uncertainty. In contrast, crude oil saw volatility surge more than tenfold under stress scenarios, reflecting its exposure to supply disruptions and sanctions.

"Crude oil emerges as most sensitive to geopolitical shocks, while gold remains the most stable, reaffirming its traditional role as a hedge," the report said.

The study noted that silver's volatility reflects its dual role as a precious metal and industrial input, while US Treasuries exhibit a steady rise in volatility as geopolitical risk increases, underscoring their role as a flight-to-safety asset during global stress.

"Gold continues to serve as the archetypal safe-haven asset. Its long-run price trend reveals strong upward momentum with sharp surges during the early 1980s, the Global Financial Crisis and the Covid-19 pandemic. The recent rally in 2022–25 further reflects investors' response to systematic uncertainty and global tensions."

Silver experienced dramatic spikes during the 1980 Hunt Brothers crisis, the 2010–11 commodity boom and pandemic-related supply disruptions. US Treasuries showed the most pronounced volatility response during the Tiananmen Square protests and the Arab Spring, indicating their exposure to global sentiment and shifts in risk appetite.

The report stated Treasury yields have trended downward over the long term, with steep declines during major crises, reflecting heightened demand amid flight-to-safety behaviour. "Deep liquidity and sovereign backing make U.S. Treasuries the most widely accepted risk-free asset, but they are not immune to volatility spikes under extreme geopolitical conditions."

Oil is not a traditional safe haven, but it became strategic in the 20th century. Price shocks during the Gulf War, the GFC, and the Russia-Ukraine conflict underline its vulnerability to supply disruptions and geopolitical sanctions.

"Safe-haven assets react heterogeneously to geopolitical stress, and investors need to recognise asset-specific risk transmission channels," stated the report prepared by Ankon Ghosh, Bipul Ghosh and Sandhya Kurugant from the RBI.

24.12.2025

Ferrous scrap imports up 45% amid supply gap

India's import of ferrous scrap — discarded iron and steel items, like old cars — shot up by 45 per cent during the first seven months of the financial year 2026 (FY26), pointing to continued dependence on external supplies for scrap-based steel manufacturing.

Cumulative imports during April-October period climbed to 5.695 million tonnes (mt), against 3.932 mt a year earlier, according to data compiled from major and minor ports by mjunction services. The data showed a rise in stainless steel scrap imports, which more than doubled to 1.055 mt from 0.488 mt a year earlier.

However, in October, import of ferrous scrap stood at 0.687 mt, marginally lower than 0.692 mt in September. Despite this, it was higher by 24 per cent compared to the 0.553 mt recorded in the same month last year.

For the April-October period, India's estimated ferrous scrap requirement was around 22.956 mt, while domestic availability was assessed at approximately 17.955 mt. This reflected continued reliance on imports to meet demand. SAKET KUMAR

Passenger car exports grew 20% in April-Nov on strong demand

T E Raja Simhan
Chennai

Export of passenger cars (up to five seats), including utility vehicles (UVs), reported a 20 per cent growth during April-November 2025 over the same period last year, driven by strong demand. Maruti Suzuki led the pack, and a strong growth was reported by others, according to SIAM data.

The total exports of passenger cars, including UVs, between April and November were 5,99,268 units against 4,98,763 in the same period last year. Of this, export of total passenger carriers was 3,04,095 (2,70,884) and total UVs were 2,88,242 (2,22,350). The maximum increase in exports was seen in the compact segment (five-seater; between 3,600 and 4,000 mm).

Maruti Suzuki led the pack in this segment (mainly Baleno), followed by Hyundai (Aura, Grand i10, i20) and Tata Motors (Altroz, Tiago and Tigor), data show.

However, the mid-size segment (4,250 mm to 4,500 mm) saw a dip in exports. Hyundai (Verna) saw an increase in exports, but other brands, including Volkswagen (Virtus), Nissan (Sunny) and Honda (City), saw a decline.

Racing ahead

Company	April-Nov (in units)		% change	Market share (%) April-Nov	
	2024	2025		2025	2024
Maruti	2,08,411	2,82,749	35.67	47.18	41.79
Hyundai	1,12,416	1,32,142	17.55	22.05	22.54
Nissan	42,216	51,656	22.36	8.62	8.46
Volkswagen	36,464	31,207	-14.42	5.21	7.31
Toyota Kirloskar	16,135	25,182	56.07	4.2	3.24
Total	**4,98,763**	**5,99,268**			

Source: SIAM

The UVC segment — less than 4,000 mm and priced less than ₹20 lakh— saw the maximum volume with 1,79,201 units (1,12,341 units), data said.

MARKET SHARE

In terms of market share, among the top five, Maruti Suzuki increased substantially, while for the rest it was flat.

However, this growth could be hit with Mexico, one of the major markets for Indian cars, imposing tariff hike from January.

Total exports of passenger cars, including UVs, between April and November were 5,99,268 units against 4,98,763 in the year-ago period

Poonam Upadhyay, Director, Crisil Ratings, said India exports passenger vehicle to over 100 countries, even as volumes remain concentrated in a few large markets.

During April-November 2025, passenger vehicle exports rose, driven by strong demand and steady execution in overseas markets, she said.

On the impact of Mexico tariff increase, she said that Mexico was the third-largest export destination for Indian passenger vehicles, after South Africa and Saudi Arabia. "It accounts for around 13 per cent of total exports by volume." While overall passenger vehicle exports grew during April-November 2025, exports to Mexico increased at a relatively lower rate around 15 per cent.

In response, OEMs are likely to focus on other markets in Africa, West Asia and Latin America. They will also need to adjust pricing and allocations to manage the impact and protect margins.

"In FY24-25, India exported 1.94 lakh passenger vehicles worth ₹15,800 crore to Mexico. This single market accounts for nearly one-fourth of India's total car exports," said Saharsh Damani, CEO, FADA, in a social media post.

25.12.2025

FIRM SECURES ONE-MONTH US CONCESSION TO BUY CRUDE

Reliance resumes oil imports from Russia

RAKESH SHARMA & PR SANJAI
December 24

RELIANCE INDUSTRIES RESUMED purchases of discounted Russian crude, sourcing barrels from non-sanctioned suppliers and routing them to its refinery in Gujarat, according to people with knowledge of the matter.

India's largest refiner contracted Aframax tankers from RusExport and is routing flows to a 660,000-barrel-a-day plant that supplies domestic customers, the people said, asking not to be identified discussing sensitive information. Its return to the market is likely to pare a decline in India's purchases of Russian oil, which officials have said could more than halve this month.

The oil market is focused on the fate of Russian exports after Washington imposed sanctions on Moscow's two top producers in October in a bid to curb the Kremlin's funds for the war in Ukraine. That's left Indian refiners to tap exports from non-sanctioned Russian entities — as well as costlier alternatives from elsewhere — though Russian flows were still expected to drop sharply.

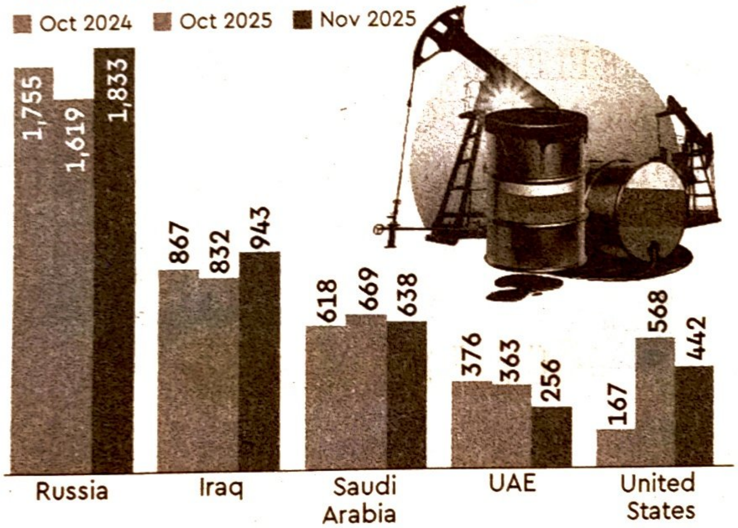
Reliance itself paused Russian purchases after the US sanctioned Rosneft and Lukoil on October 22 and gave refiners a month to wind down transactions with the two producers. Reliance, which owns and operates the world's biggest refinery complex in Jamnagar, Gujarat, was granted an additional month to receive vessels it had contracted before October 22, the people said. The final cargo under that waiver arrived in India on December 17, before the exemption expired, they said.

As well as the 660,000-barrel-a-day plant at Jamnagar that supplies the domestic market, Reliance also operates a 700,000-barrel-a-day unit there that's focused on exports. The export-oriented refinery last took a shipment of Russian crude on November 20, Reliance said last month. Since then, all Russian imports have flowed to its domestic sales-focused refinery.

Indian officials this month estimated that the nation's oil imports from Russia would slump to about 800,000 barrels a day from an average 1.9 million barrels a day in November as refineries stopped taking the crude. **—BLOOMBERG**

CRUDE FLOW

India's oil imports (thousand barrels per day)



Source: kpler

Nayara delays oil refinery maintenance

NAYARA ENERGY WILL postpone maintenance work at its Vadinar oil refinery planned for early 2026, as contractors seek to avoid dealing with a company backed by Russia's Rosneft and sanctioned by Europe.

The private refiner will delay planned works and the closure of its 400,000 barrels-a-day complex from February until April 2026, according to people familiar with the matter. They asked not to be named as the discussion is not public.

The decision was made due to the lack of European contractors willing to work with the company, they said, adding the Mumbai-based refiner has yet to secure alternative providers.

A Nayara spokesperson did not immediately respond to Bloomberg queries on the shutdown. The company last carried out extensive maintenance at Vadinar in November 2022. While refineries can handle slight postponement of such works, long periods without maintenance and repairs can add to safety and operational risks. **—BLOOMBERG**

25.12.2025

Binding FTA commitments to boost Indian professional services: Commerce secretary

SHREYA NANDI
New Delhi, 24 December

Legally binding commitments on professional services like chartered accountants and architects — under various free trade agreements (FTAs) signed by India — can open global opportunities in these professions, commerce secretary Rajesh Agrawal has said.

India's demographic dividend offers immense potential to meet the rising global demand for professional services, Agrawal said.

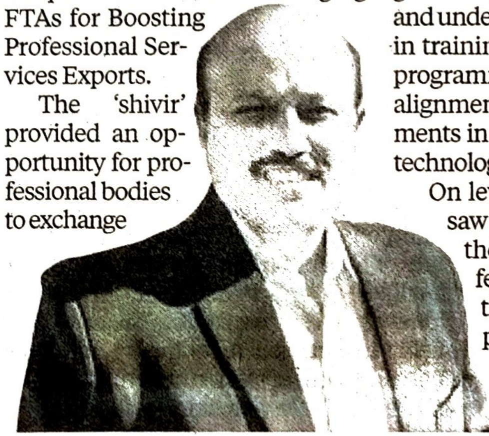
He added that in order to tap this potential, it is critical to adopt global best practices and equip professionals with upgraded skills aligned with evolving market needs and technological developments.

The secretary was speaking at the 'Chintan Shivir' organised by the department of commerce on 'Expanding Global Horizons: Opportunities for Indian Professionals' on Tuesday, the department said on Wednesday.

He further said that more openness in international trade in professional services would increase competitiveness in India.

Agrawal also encouraged professional bodies to organise and participate in international conferences to enable knowledge sharing and provide platforms for enhanced collaboration.

The 'Chintan Shivir' was organised into four sessions — Making Globally Ready Professionals, Strengthening International Mobility through mutual recognition agreements (MRAs) and memoranda of understanding (MoUs), Developing Networks — Formation and Expansion of Professional Chapters Abroad and Leveraging FTAs for Boosting Professional Services Exports.



The 'shivir' provided an opportunity for professional bodies to exchange ideas on global best practices as well as practices followed among peers in India. Areas were identified where professional bodies could re-examine existing norms governing professional practice and undertake appropriate changes in training and skills upgradation programmes. This would ensure alignment with evolving developments in artificial intelligence and technology, the department added.

On leveraging FTAs, the meet saw talks on 'future-proofing the digital delivery of professional services', in addition to mobility-related provisions and horizontal domestic rules related to qualification requirements and procedures.

Economy may grow at 7% in FY27 despite trade tensions: CareEdge

HIMANSHI BHARDWAJ
New Delhi, 24 December

The Indian economy is expected to grow at 7 per cent in the next financial year 2026-27 (FY27), despite the lingering trade-related uncertainties, according to CareEdge Ratings' latest outlook for the Indian economy.

"The possibility of the US-India trade deal, low inflation being supportive of consumption, low interest rates and the lower tax burden are positives for the FY27 growth outlook. Furthermore, the optimistic capex outlook, as evidenced by the strong order books of the capital goods companies, also bodes well for the investment scenario in the economy," the agency said.

CareEdge has projected the economy to grow at 7.5 per cent in FY26 despite US tariffs denting exports. It projects the gross domestic product (GDP) growth to moderate from the 8 per cent high recorded in the first-half of FY26 to around 7 per cent in the second half as export front-loading fades and consumption-led demand moderates after festival season.

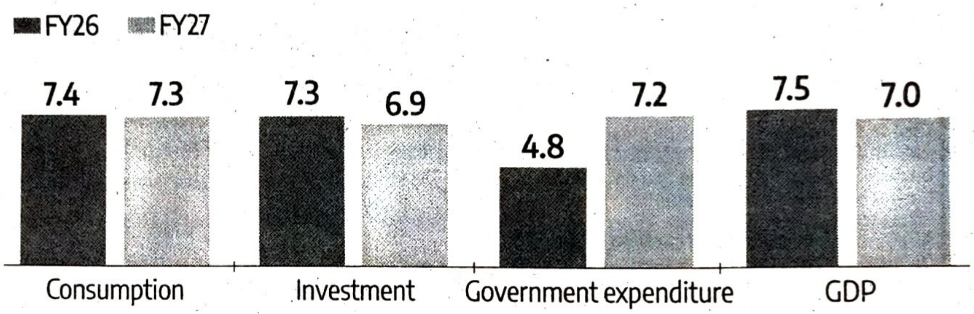
"By the fourth quarter of FY26, the low base effect will wane, and the deflator will also increase from the current low level," the outlook report noted.

The agency said that domestic consumption shows revival signs, with private final consumption expenditure accelerating to 7.9 per cent in the second quarter of FY26, bolstered by income tax relief and easing inflation.

Rural consumer confidence crossed the optimism threshold of 100 in November 2025, while urban sentiment improves alongside strong future expectations, the report noted. Retail inflation is expected to remain benign, averaging 2.1 per cent in FY26, supported by food deflation and good monsoons, though precious metals and edible oil prices remain key monitorables.

Momentum intact

Growth projections (Y-o-Y %)



Source: CareEdge Ratings

26.12.2025

2W exports remain buoyant in Apr-Nov with 24% growth

T E Raja Simhan
Chennai

Export of two-wheelers from India grew by 24 per cent year-on-year in April-November 2025 due to a strong demand from global markets like Latin America and Africa.

India exported 42,43,330 units as against 33,93,441 units in the same period last year, as per SIAM data.

Motorcycles contributed 87 per cent of the two-wheeler exports while scooters contributed nearly 13 per cent.

Two-wheeler exports surge

Company	Apr-Nov 2025	Apr-Nov 2024	Growth (%)	Market share Apr-Nov 2025 (%)	Market share Apr-Nov 2024 (%)
Bajaj Auto	11,70,673	10,28,319	13.84	35	38
TVS Motor	9,06,337	6,69,592	35.36	27	25
Hondo Motorcycles	4,20,652	3,53,394	19.03	13	13
Hero MotoCorp	2,32,855	1,56,182	49.09	7	6
Yamaha Motor India	2,25,189	1,80,890	24.49	7	7

Source: SIAM

SIGNIFICANT SURGE

Export of mopeds was negligible.

While export of motorcycles grew by 27 per cent, scooter exports' growth was about 8 per cent, the data showed.

Among the top five OEMs, Bajaj Auto (models like Boxer, Discover and Pulsar) led the pack with a 35 per cent market share in April to November 2025.

However, this was slightly down from 38 per cent in the same period last year.

TVS Motor (Radeon, Sport), which was in the second position, improved its market share to 27 per cent from 25 per cent.

HeroMoto Corp witnessed a strong increase in the first eight months of the fiscal year.

The strong demand for the Hunk 125R, Hunk 160R and Eco Series — particularly in Latin America and Hunter Series in Africa — continued to drive international sales volumes.

The company continued to expand its market share in Latin America, Asia and Africa while making inroads into the European markets with Euro5+ compliant models, said the company.

Two-wheeler exports reflected improved traction across global markets.

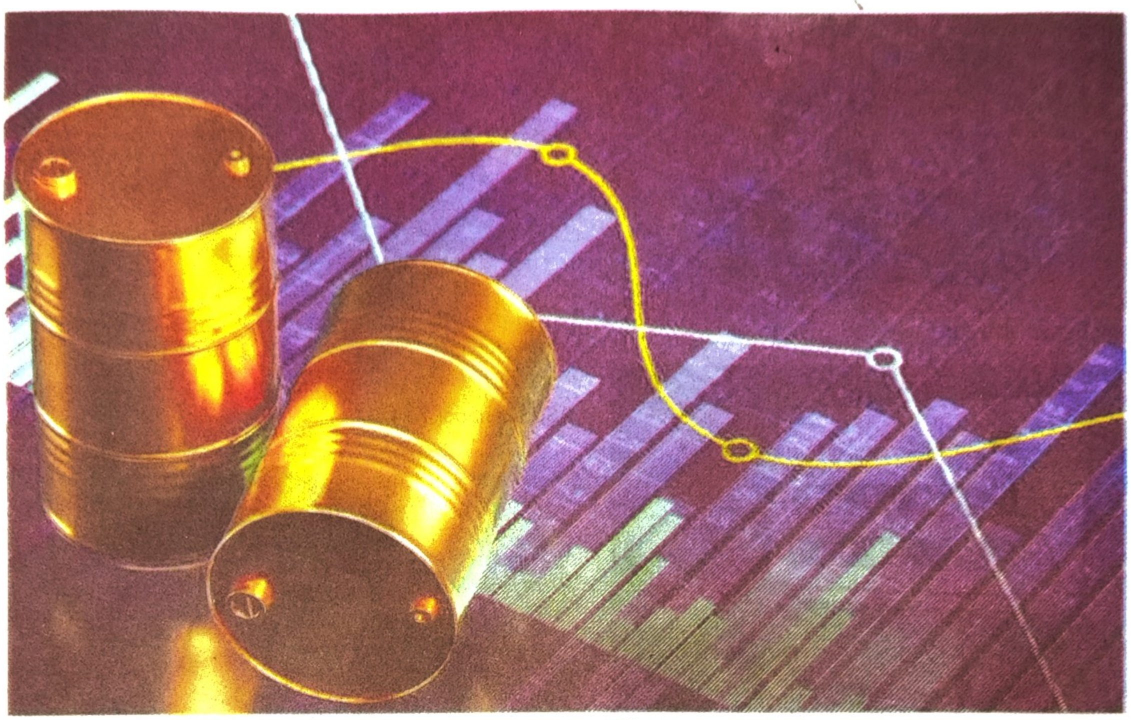
26.12.2025

YEAR IN REVIEW: OIL AND GAS.

Balancing barrel, biz and blame

OIL SMOOTH. Indian refiners have adapted to sanctions, compliance needs, which will trickle into 2026

Rishi Ranjan Kala
New Delhi



TUG OF WAR. India navigated headwinds like an escalating conflict in West Asia, President Donald Trump's trade feuds, and tightening of EU sanctions amid the Russia-Ukraine war BUSINESSLINE

The year 2025 has been an outlier for the Indian oil and gas sector as refiners deftly navigated geopolitical and trade tensions with the US imposing sanctions on two of Russia's largest oil companies, Rosneft and Lukoil. This turned out to be the first serious attempt that threatened to disrupt energy trade between New Delhi and Moscow.

Despite headwinds like an escalating conflict in West Asia, President Donald Trump's trade feud, and tightening of EU sanctions amid the Russia-Ukraine war, India skilfully managed these black swan events.

This was achieved by forging stronger trade ties with the UAE, Saudi Arabia and Oman; enhancing energy purchases from the US; bolstering business relations with Brazil and Argentina, and courting African suppliers such as Libya and Gabon.

A top government official said, "2025 has not been easy. Geopolitical tensions, sanctions and trade wars recalibrated energy flows. We are adjusting to this evolving scenario, whether it is reducing crude from Moscow or buying more from Washington. Despite this, refiners ensured availability at the right price. They acted as responsible corporate citizens ensuring that the common man is shielded from high prices of diesel, petrol and LPG."

The official emphasised that India will keep up the strategy — source the most economical barrels from non-sanctioned sources, while maintaining strategic autonomy and affordability.

RUSSIAN ROULETTE

Mohan Ramaswamy, CEO of Rubix Data Sciences, succinctly puts it. He noted that sanctions by the US and the EU are reshaping India's oil trade, reducing Russian dependence "slightly" and redirecting crude (oil) and fuel (refined petroleum products) flows toward compliant markets. "Sanctions, compliance requirements, and evolving regulatory regimes have also materially altered energy trade flows and export feasibility," he added.

Manas Majumdar, Partner and Leader, Oil & Gas, Fuels & Resources at PwC India, pointed out that the recent US sanctions and restrictions by the EU made Russian oil cheaper due to rising discounts, which helped Indian refiners import an estimated 1.85 million barrels per day (mb/d) by mid-2025. However, the recent sanctions are expected to reduce imports from Russia to around 500,000 b/d, or roughly 10 per cent of India's basket.

Supporting the narrative, ICRA's Vice President & Co-Group Head (Corporate Ratings), Prashant Vasisht noted that Indian entities have refrained from transacting with sanctioned entities in the past. "Accordingly, crude oil purchases from sanctioned Russian entities is expected to decline and increase from non-sanctioned Russian entities especially considering discounts have increased post sanctions," he added.

DIVERSIFYING SOURCES

Majumdar pointed out that source diversification has happened with the addition of recent entrants like Argentina, energy security and reducing dependence on any single region.

"This broader pool enhances bargaining power, aids access to various crude quality grades, and insulates against sanction-driven disruptions. When Western sanctions constrained Russian supply chains, India pivoted swiftly to alternative suppliers in West Asia , the US, Brazil, and Africa — maintaining energy security and price competitiveness. This flexibility has so far enabled uninterrupted refinery operations," he added.

Plus, a key aspect is that India's significant crude volumes will only grow with its refining hub ambitions of 400 million tonnes per annum (mtpa) capacity. This growing buying power will only increase and hence, the need to look at multiple sources to get most volumes at best deals, he explained.

Vasisht emphasised that India has many sources for crude, including the geographically close West Asia and regions like Africa, Brazil, US, etc.

Diversification has aided in quickly shifting to other suppliers. India is the third-largest crude consumer and Indian entities command the heft and reach to procure a variety of crudes from all over the world.

To compensate for softer near-term Russian arrivals, refiners are expected to increase intake from a broader mix of suppliers — West Asia (Saudi Arabia, Iraq, the UAE and Kuwait), Brazil and broader Latin America (Argentina, Colombia and Guyana), West Africa and North America (the US and Canada), said Sumit Ritolia, Kpler's Lead Research Analyst for Refining & Modeling, recently.

26/12

India to chair Kimberly Process for 'conflict-free' diamond trade from Jan

Our Bureau
New Delhi

India will chair the Kimberley Process — a global initiative to prevent trade in 'conflict diamonds' — from January 1, 2026, per the government.

Conflict diamonds are rough diamonds used by rebel groups or their allies to finance conflicts that undermine legitimate governments, as defined in the United Nations Security Council resolutions.

The Kimberley Process, which currently has 60 members accounting for over 99 per cent of global rough diamond trade, is a tripartite initiative involving governments, the international diamond industry and civil society to ensure diamond shipments are conflict-free.

"As a leading global hub for diamond manufacturing and trade, India's leadership comes at a time of shifting geopolitics and growing emphasis on sustainable and responsible sourcing. During its tenure, India will focus on strengthening governance and compliance, advancing digital certification and traceability, enhancing transparency through data-driven monitoring and building consumer trust in conflict-free diamonds," per a statement issued by the Commerce Department on Thursday.

India will take over as Kimberley Process Vice Chair from December 25, before assuming the chairpersonship in the new year. "This will be the third time India has been entrusted with the chair of the Kimberley Process," per a statement issued by the Commerce Department. Commerce Minister Piyush Goyal said India's selection reflects global trust in the Modi government's commitment to promoting integrity and transparency in international trade.

The Kimberley Process Certification Scheme (KPCS), established pursuant to a UN resolution, came into effect on January 1, 2003 and has since evolved into an effective mechanism for curbing the trade in conflict diamonds, the statement noted.

"As Vice Chair in 2025 and Chair in 2026, India will work closely with all participants and observers to reinforce confidence in the Kimberley Process, ensure rule-based compliance and enhance its credibility, in line with its core objectives and evolving global expectations, while working towards making the KP a more inclusive and effective multilateral framework," the statement added.

Engineering exports cross $11 b in November

Our Bureau
New Delhi

Engineering exports from India crossed the $11 billion mark in November for the first time this fiscal, posting an increase of 23.76 per cent (year-on-year) despite the US tariffs.

The rebound in engineering exports, after a sharp decline in October, was due to growth in exports to markets such as the EU and the US, as well as a low-base effect, per an analysis by exporters' body Engineering Export Promotion Council of India.

Exporters, however, need to remain cautious given the rising volatility in global trade, the report cautioned.

POSITIVE TREND

"Engineering exports crossed the $11-billion mark in November 2025... This is a testament to the relentless effort of the exporting community, which quickly recovered from the 17 per cent year-on-year decline in engineering exports in October 2025," said Pankaj Chadha, Chairman, EEPC India.

Exports to India's top two major destinations, the US and the EU, jumped significantly in November 2025. Shipments to the US increased 11.4 per cent during the month (year-on-year) after witnessing a decline of 9.4 per cent and 14.5 per cent (year-on-year) in September and October 2025, respectively. Exports to the EU also witnessed a 39 per cent increase in November after declining in the previous two months, the study highlighted.

"We sincerely hope that the upcoming FTAs with the EU and the BTA with the US will also be instrumental for us. Overall, both global and domestic trade indicate positive trends, which is good for the exporters; however, they should remain cautious given the rising volatility in global trade," Chadha said.

Country-wise, the US remained the top destination, followed by the UAE and Germany, but exports to the UAE declined year-on-year in November 2025, the analysis noted. Exports to Saudi Arabia also declined.

In April-November 2025, engineering exports were 4.25 per cent higher at $79.74 billion. Share of engineering in total merchandise exports rose to 28.9 per cent in November, while in the April-November, it was 27.3 per cent.

26.12.2025

Tea production, exports this year likely to surpass 2024 figures

Mithun Dasgupta
Kolkata

26/12

The Indian tea industry expects both production and exports to be higher for this year compared with last year. While the output of the brew is likely to grow marginally, export is expected to grow significantly buoyed by higher shipments to Iran, Iraq and China.

The country produced 1,284.78 million kg (mkg) of tea in 2024.

Production of the brew till October 2025 reached 1,133.41 mkg, registering an increase of 1 per cent compared to the corresponding period of 2024.

"I think tea production for this year will be marginally higher compared to last year. Last year, we closed plucking of tea leaves in the gardens from December 1. This year, we are operating in the whole of December. So, we can expect that this year's production would be around 20-25 mkg higher than last year," Indian Tea Association Chairman Hemant Bangur told *businessline*.

Notably, last year, the Tea Board notified that the last plucking date for gardens situated in all elevations in Darjeeling hills, Sikkim, Himachal Pradesh and Uttarakhand, and in the Dooars and Terai regions of West Bengal would be November 30, 2024.

GAINFUL DECEMBER

"Based on current trends,

total tea production in 2025 is projected to reach around 1,342 mkg, which would be approximately 3 per cent higher than the previous year," said PK Bhattacharjee, Secretary-General, Tea Association of India.

"The increase in crop is attributed to December production this year, as the cropping season was closed early during the last year as mandated by the Tea Board," he said.

"The export situation is good. We should end this year by 15-20 mkg more than last year. It is mainly due to higher shipments to Iran, Iraq and China," Indian Tea Exporters Association Chairman Anshuman Kanoria told *businessline*.

India exported 256.17 mkg of the brew last year. Exports till October 2025 stood at 228.52 mkg compared to 214.64 mkg in the same period of 2024.

"Until October, export was quite good. Beyond October also, the trend has not been bad. So, I think we should have higher export numbers compared to 2024," Bangur said.

26.12.2025

Engg exports recover on markets rejig

• Europe, Southeast Asia help shipments bounce back in Nov

MUKESH JAGOTA
New Delhi, December 25

EUROPE, CHINA AND SOUTH-EAST ASIA turned key destinations for India's engineering exports, allowing these to post a healthy 23.7% year-on-year growth in November to $11.01 billion. Even the US, the sector's biggest market but where tariffs have risen steeply, was in the green, expanding 11.4% to $1.57 billion in the month. Exports of these items to the US had plunged 14.5% in October.

In terms of export growth, Sri Lanka topped with a 273% increase in shipments to $320 million, followed by Vietnam 143% to $251 million, Spain 96.2% to $163 million, France 92.3% to $240 million, and China 76.1% to $330 million.

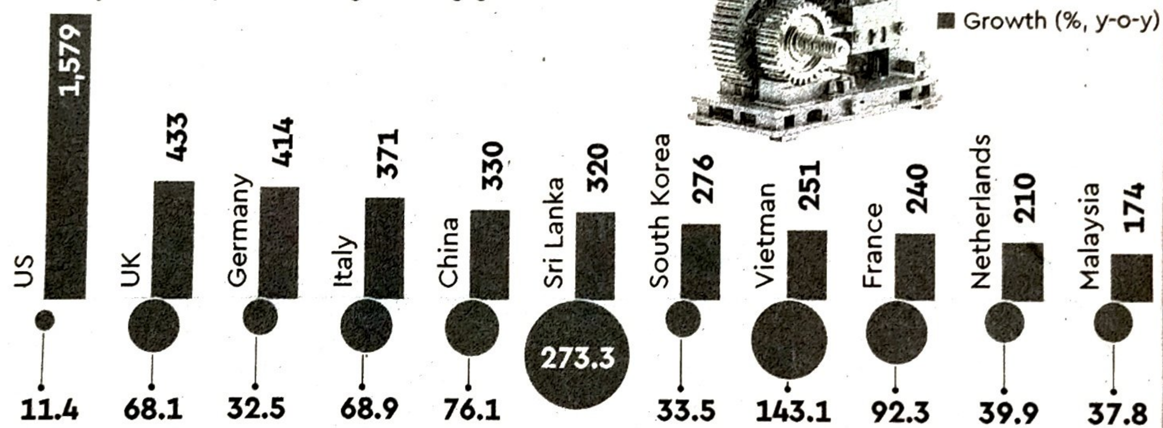
The US was the biggest buyer in all key product categories like industrial machinery, products of iron and steel, auto components and non-terrous metals.

The biggest buyer of iron and steel was Italy while the biggest buys of China were industrial machinery and non-ferrous metals. Germany was prominent in auto parts and aircraft and spacecraft, and electrical machinery and components. The UK bought products of iron and steel, electrical machinery, aircraft and spacecraft. South Korea and Vietnam were prominent in non-ferrous metals. Korea also bought a substantial amount of electrical machinery.

The growth achieved by engineering exports was greater than that of total merchandise exports which recorded a growth of only 19.4 % in November. This raised the share of the engineering sector in overall exports to 28.88%. This result is a testament to the relentless effort of the exporting community which quickly recovered from the 17% decline in engineering exports in October, Chairman of Engineering Export Promotion Council Pankaj Chadha said. The growth story reflects the positive trend in global trade. According to the recent UNCTAD Trade Update, global trade in goods and services continued to grow through the second half of 2025 and is expected to cross $35 trillion for the first time recording a growth of around 7% from 2024.

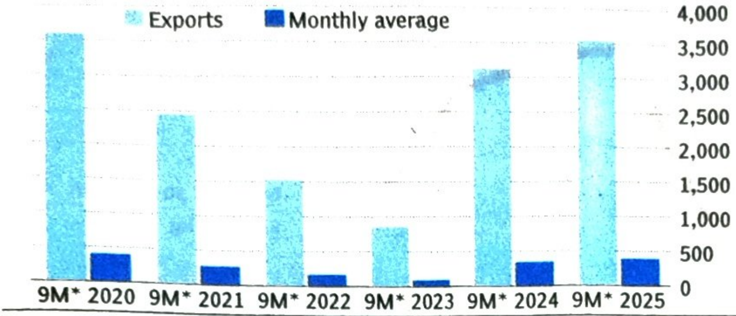
GROWTH STORY

Country-wise exports of engineering goods in November



US ethanol exports to India may hit a record in 2025

Increasing reliance



Source: US Energy Information Administration (EIA) 9M*: January-September

Rishi Ranjan Kala
New Delhi

The US' exports of ethanol to India are expected to appreciate for the second calendar year (CY) in a row during 2025, with expectations that the cargoes in terms of volume will rise to their highest level on record.

India imports fuel ethanol (ethanol), largely used in industries, from the US. It is a renewable fuel produced by fermenting sugar from biomass and typically corn in the US. Besides blending it with petrol, ethanol is also used by pharmaceuticals, cosmetics and chemical industries.

According to the US Energy Information Administration (EIA) data, fuel ethanol exports to India stood at 35,39,000 barrels during January-September 2025, averaging more than 3,93,000 barrels a month.

This is a tad lower than the volumes exported to India during the corresponding nine-month period in CY 2020 at about 35, 89,000 barrels, which averaged almost 3,99,000 barrels per month.

Fuel ethanol exports to India during January-September 2025 have already surpassed the volumes shipped in CYs 2022 (17,34,000 barrels) and 2023 (19,97,000 barrels).

Besides, analysts and traders anticipate that ethanol exports in all of 2025 will surpass that of 2020 (41,81,000 barrels), 2021 (35,53,000 barrels) and 2024 (45,15,000 barrels).

The higher ethanol exports also reflect on India topping up its energy purchases, which have averaged $12-13 billion annually, from the US. New Delhi expects to add another $12-13 annually to its energy import bill from Washington to balance bilateral trade.

UTILISATION

During November last year, the US EIA, in a report, noted that India is among the top three export destinations for fuel ethanol.

Following a period of slump in 2022 and 2023 due to increased supply chain costs and elevated US fuel ethanol prices, exports to India not only rebounded to record volumes in 2024 but also exceeded the highs from the 2017-2020 period.

Although India's ethanol blended programme (EBP) prohibits the use of imported ethanol to meet blend targets, the country uses imported ethanol for industrial purposes, freeing up domestic produce for its transportation blend targets, the US EIA said.

"With reduced production of sugarcane and rice recently, India relied more on imports of US fuel ethanol to meet industrial sector demand and free up domestic ethanol production for EBP targets," it added.