

# Centre rushes to keep food prices in check during polls via export curbs

**Prabhudatta Mishra**  
New Delhi

When an industry body recently urged the government to allow at least some sugar export, it was curtly told not to press for the issue until first week of June. The reason was obvious. The government does not want to take any step that has the slightest chance of inflating food price, particularly of essential commodities.

Planning is being done now to maintain prices even after June. One such step among many is to start selling wheat from the official reserves from mid-June. Among other steps, the government has banned rice, wheat and onion exports while sugar is practically re-

stricted as no permit has been issued except for some quantities on specific requests from foreign countries. In the case of rice, only Basmati rice at a minimum export price and parboiled non-basmati variety at 20 per cent export duty are allowed for export while all other varieties are not permitted.

## TAKING NO CHANCES

Recently, when onion farmers protested against the continuation of export ban, the government announced procurement of 0.5 million tonnes (mt) at market rates from farmers to boost farm-gate prices but ruled out lifting the export restriction. With rabi season-grown onion, which

### In case of edible oils, despite the industry requesting for an increase in import duty, the Centre is in no mood to oblige at least until the elections are over

has a 70-75 per cent share in annual production, set to fall 18 per cent to 19.3 mt in the 2023-24 crop year (July-June) from 23.6 mt year-ago, the Centre does not want to take any chances as there may be a severe shortage towards Diwali if exports are allowed.

With regard to sugar, Food Secretary Sanjeev Chopra told *businessline* that the first priority for the government is sufficient availability in the domestic market. When there is a surplus, it can go for ethanol.

Sugar export comes third on the priority list, he said. On lifting of ban on wheat export, Chopra said whenever there is a comfortable situation, the government would like to first restore the allocation under the public distribution system (PDS) rather than export.

Currently, the government distributes 18-18.5 mt of wheat annually through PDS whereas it was around 24 mt two years ago, when the allocation was cut and replaced

with rice due to a shortfall in wheat procurement.

In case of edible oils, despite the industry requesting for an increase in import duty so that the domestic oilseeds prices improve, the government is in no mood to oblige at least until the first week of June when elections will be over, sources said.

The average mandi price of mustard, the main rabi-grown oilseed, is about ₹4,850/quintal in the largest producing State Rajasthan this month, down by 14 per cent from its minimum support price of ₹5,650/quintal. In March, the average mustard price in the State was ₹4,875/quintal in mandis.

However, the impact of ex-

cessive focus on price control is such that last week Manoj Kumar Singh, Agriculture Production Commissioner (APC) of Uttar Pradesh, had to intervene and send a letter to officials where it was mentioned that there should be a balance in the need to ensure that farmers get better price and there are no restrictions on trade.

The issue pertains to restricting large traders, stockists and multinational companies from buying wheat in UP till the government achieves the targeted wheat procurement of 6 million tonnes (mt). After the last month's 'unofficial order' communicated by Uttar Pradesh government to some 40-

odd companies not to buy wheat from market, the message was interpreted differently by some mandi *samitis* who issued orders disallowing processors like flour millers to buy wheat from the mandis, sources said.

Referring to such orders, Singh has directed the concerned official to cancel such orders issued by different mandi *samitis* to ensure that farmers are not disadvantaged from selling their wheat.

"The food and agriculture departments of UP should sit together and decide what to do as both farmers and traders are two sides of a coin and restricting one is like restricting the other," a farmer leader said.



Business Standard. Dt: 09/04/24

# Won't allow Chinese imports to kill new industries: Yellen

REUTERS  
Beijing, 8 April

**U**S Treasury Secretary Janet Yellen warned China on Monday that Washington will not accept new industries being decimated by Chinese imports, as she wrapped up four days of meetings to press her case for Beijing to rein in excess industrial capacity.

Yellen told a press conference that US President Joe Biden would not allow a repeat of the "China shock" of the early 2000s, when a flood of Chinese imports destroyed about 2 million American manufacturing jobs.

She did not, however, threaten new tariffs or other trade actions should Beijing continue its massive state support for electric vehicles (EVs), batteries, solar panels and other green energy goods. Yellen used her second trip to China in nine months to complain that Beijing's overinvestment has built factory capacity far exceeding domestic demand, while fast-growing exports of these



**US Treasury Secretary Janet Yellen with US Ambassador to China Nicholas Burns at Jing-A brewery in Beijing, on Monday** PHOTO: REUTERS

products threaten companies in the US and other countries. She said a newly created exchange forum to discuss the excess capacity issue would need time to reach

solutions. Yellen drew parallels to the pain felt in the US steel sector in the past.

"We've seen this story before," she told reporters. "Over a decade

**"BANK (INCLUDING THOSE IN CHINA) THAT FACILITATE SIGNIFICANT TRANSACTIONS THAT CHANNEL MILITARY OR DUAL-USE GOODS TO RUSSIA'S DEFENCE INDUSTRIAL BASE EXPOSE THEMSELVES TO THE RISK OF US SANCTIONS"**

**JANET YELLEN,**  
Treasury Secretary, US

ago, massive PRC (People's Republic of China) government support led to below-cost Chinese steel that flooded the global market and decimated industries across the world and in the United States."

Yellen added: "I've made it clear that President Biden and I will not accept that reality again." When the global market is flooded with artificially cheap Chinese products, she said, "the viability of American and other foreign firms is put into question." Yellen said her exchanges with Chinese officials had advanced American interests.

Business Line. Dt: 10/04/24

# NCEL to export 1,600 tonnes of white rice to Singapore

**Our Bureau**  
Chennai

India's National Cooperative Export Ltd, jointly owned by India's five top cooperative organisations, will export 1,600 tonnes of white rice to Singapore following successful negotiations with the island nation's aggregator.

"We will soon negotiate to export 2,000 tonnes more. The shipment will be done in April itself," said Jayen Mehta, Managing Director, Gujarat Cooperative Milk Marketing Federation (GCMMF), which owns the Amul brand. As Amul is one of the promoters of NCEL, Mehta is its operational head.

The other promoters are

Kribhco, IFFCO, NAFED and National Cooperative Development Corporation.

Stating that Singapore is not facing any rice shortage, he said NCEL has exported rice worth ₹1,325 crore to various countries, including Singapore, which had reached out to India to take care of their food security.

While 250 tonnes of rice have been exported to Singapore so far, the cooperative has ₹10,000 crore worth orders on hand, including wheat, rice, sugar, onions and other agricultural commodities, he said. Mehta, however, said the "customs duty issue" was affecting rice exports.

**BAN ON EXPORTS**

In September last year, the government announced an export quota of 50,000 tonnes of white rice to Singapore and NCEL was authorised to make the shipments.

The Indian government announced the quota as it banned white rice export in July 2023 on fears of supply shortage in the domestic market following lower production and to rein in surging foodgrain prices.

According to the Ministry of Agriculture, rice production, excluding zaid (summer) crop, has been projected at 123.82 mt for the current crop year to June. Last year, zaid rice production was 10.24 mt, which means rice production so far this year is 2 mt lower.



# Soyameal exports up 14% at 13.47 lt during October-March 2023-24

**Our Bureau**  
Bengaluru

India's soyameal exports were up 14 per cent during the first six months (October-March) of oil year 2023-24 at 13.47 lakh tonnes over same period last year's 11.79 lakh tonnes (lt) on strong demand from Asian countries.

According to the supply and demand estimates by the Soyabean Processors Association of India (SOPA), exports of soyameal for the oil year are expected to be around 18 lakh tonnes.

"We have reassessed the export, import and crushing data, based on fresh information received and have reverted to our original estimate of crushing and soyameal export for the oil year at 120 lakh tonnes and 18 lakh tonnes. The four biggest



## Shipments of the meal are expected to reach 18 lakh tonnes driven by Asian demand

destinations for Indian soyameal in the last six months have been Iran, UAE, Bangladesh and Nepal," said DN Pathak, Executive Director, SOPA, said in a statement.

Production of soyameal during the first six months

stood at 53.16 lt - higher than the 52.25 lt registered in the same period last year.

### HIGHER OUTPUT

Offtake from the domestic feed sector was a tad lower at 35 lt (35.75 lt). Similarly, the offtake from food sector was down at 4.35 lt over same period last year's 5.25 lt. Soyameal stocks, as on April 1, stood at 1.80 lt (2 lt).

Market arrivals of the oilseed stood at 77 tonnes till March end, same as last year. The crop size estimated by SOPA for the 2023-24 season was 118.74 lt (124.11 lt).

Soyabean crushing in the first six months was 67.50 lt, marginally higher than same period last year's 65.50 lt. Soyabean stocks with the trade, farmers and crushing units as on April 1, 2024 is estimated to be 64.83 lt (70.23 lt).

# Pricey palm oil pulls down edible oil imports by 17% during Nov-Mar 2023-24

**Our Bureau**  
Mangaluru

India's edible oil imports declined by 17 per cent during the first five months of the oil year 2023-24 (November-October).

A hike in the price of palm oil in the past few weeks was one of the reasons for this decline.

Palm oil was expensive than sunflower by more than \$70 a tonne in the international market.

Data available with Solvent Extractors' Association of India (SEA) showed that India imported 57.65 lakh tonnes (lt) of edible oil during November-March of the oil year 2023-24 against 69.80 lt in the corresponding period of 2022-23, registering a decline of 17.41 per cent.

Total edible oil imports

stood at 11.49 lt during March 2024 against 11.35 lt in March 2022-23, registering a growth of 1 per cent.

Record quantity of import of sunflower oil during the period added to this growth.

## LOWER OUTPUT

Terming palm oil as the current price leader, BV Mehta, Executive Director of SEA, said lower production and stock of palm oil in Indonesia and Malaysia in the last few weeks resulted in short supply.

Stating that the third month future at BMD crossed 4,400 ringit per tonne, he said C and F price of crude palm oil (CPO) was quoted at \$1,045 a tonne in India on April 5, while crude sunflower oil was available at \$975 a tonne and crude soyabean oil at \$1,025 a tonne. This led to shift in de-



mand from palm oil to soft oils.

This is evident from the fact that a record quantity of sunflower oil was imported in the last two months at 2.97 lt in February and 4.46 lt in March, he said.

Overall, India imported 13.52 lt of sunflower oil during November-March 2023-24 against 11.17 lt in the corresponding period of the previous oil year.

Import of soyabean oil to India stood at 8.82 lt during

the first five months of the oil year 2023-24 against 14.63 lt in the corresponding period of 2022-23.

## PALM OIL VS SOFT OILS

The ratio between palm oil (including CPO and refined oil) and soft oils tilted in favour of soft oils during March.

Nearly 58 per cent of the import was soft oils and 42 per cent was palm oil.

Import of refined palm oil also reduced to 94,000 tonne in March from 1.25 lt in February. The overall import of refined palm oil was slightly lower at 8.87 lt during November-March 2023-24 against 9.89 lt in the corresponding period of the previous oil year.

India imported 48.78 lt of CPO during November-March 2023-24 against 59.91 lt in November-March 2022-23.

Business Line. Dt: 12/04/24

# Stellantis plans to make India an EV export hub, targets South-East Asian markets

**Press Trust of India**

New Delhi

Global automotive major Stellantis plans to make India a hub for exports of electric vehicles (EVs) initially targeting South-East Asian markets, according to a senior company official.

Stellantis India on Thursday commenced exports of its Made in India 'E-C3' electric car with the shipment of 500 units to Indonesia and is seeking to leverage on India's cost competitiveness in manufacturing to increase its overseas shipments.

"We will be the first 'multinational OEM' in India to achieve this feat (to export EVs). We also have plans for a

couple of other markets, Nepal and Bhutan. This is just the start...the plan is to take it from there," said Stellantis India CEO & MD, Aditya Jairaj.

## **MAKE IN INDIA**

With 'Make in India' at the centre of the company's strategy, Jairaj said, "It is also important for us as a player in the Indian automotive space to be competitive. We want to leverage India as a 'best cost country', which is what we call 'India for the world'."

When asked if Stellantis would expand the export market for EVs further, he said, "We're also evaluating some other markets where the EV acceptance is at a good level, where we can send our cars." He added, "We are at



Aditya Jairaj, CEO & MD, Stellantis India

advanced stages of evaluating exporting the E-C3 to other South-East Asian markets. If we see today, in South-East Asia the EV penetration is quite significant in several markets and there is the customer demand."

## **EXPORT STRATEGY**

Commenting on the signific-

ance of India in Stellantis' overall export strategy, Jairaj said, "One of the key reasons is the ability for India to export to different markets." Citing the example of the company's conventional engine vehicles, he said, "C3 is exported to Africa. We send it to multiple countries in Africa. We're also evaluating other right-hand drive markets that it can be exported to. We're also sending C3 Air-cross to Malaysia and Indonesia. The Citroen brand is being exported to multiple markets right now."

Stellantis' other brand Jeep is exported from India to Japan, Jairaj said, adding "We're also looking at exporting Jeep to other South-East Asian markets and also in Africa."



Business Line. Dt: 15/04/24

# At 47.8 mt, iron ore exports at a 3-year high

**Abhishek Law**  
New Delhi

India's iron ore exports stood at 47.8 million tonnes (mt) for FY24, the highest in three years and the second highest in six years, driven primarily by strong demand from China.

Reports across some key ministries and trade sources indicate a 130 per cent rise in iron ore exports y-o-y, driven by strong demand for fines and lumps (at 37 mt and over 100 per cent).

China accounted for over 90 per cent of the purchase of this key raw material, used primarily in steel-making. Outbound shipments were 43.20 mt.

Exports to other countries were less than 1 mt, with Indonesia reporting the second highest export of 0.91 mt last fiscal.

India mainly exports low-grade fines, with pellets ac-



**TOP BUYER.** China accounted for over 90 per cent of the purchase of this key raw material, used primarily in steel-making

counting for about 24 per cent of the total shipments (11.32 mt).

Iron ore demand in FY23 was 21.28 mt, while in FY22 it was 26.40 mt, as per data collated by consultancy firm BigMint (formerly SteelMint). Over the last six years, the highest iron ore exports were reported in FY21 at 60.15 mt.

"There is also a low base effect primarily because a six month long export duty had hit overseas sales last fiscal. In general, there was good

demand from China for most part of the fiscal. But over the last two months, February and March, there has been some decline in demand," a trade source told *business-line*.

## SEQUENTIAL DECLINE

Chinese steelmakers booked significant volumes of iron ore and pellets during the fourth quarter of 2023. As a result, India's exports were quite high until January 2024, moving up from 3.41 mt in September and increased to

6.29 mt in December. It peaked in January. Post a 6.63 export in January — highest for the fiscal — outbound shipments have dropped for two consecutive months in February and March.

February sales stood at 5.18 mt, down 22 per cent sequentially (over January), while for March, it further slipped to 3.60 mt (down 31 per cent sequentially and down 45 per cent over January peaks).

"Over the past two months, China has been facing a decline in domestic demand for steel, which has led to a reduction in the demand for raw materials by steel-makers. In February-March, demand slowed due to sufficient stocks and holiday periods," the trade source said.

The Federation of Indian Mineral Industries (FIMI), in a recent letter to the Steel Ministry, pointed out that "no fresh orders are forthcoming from the international buyers".

Business Line. Dt: 15/09/24

# Steel Min to rehaul import reporting portal

**Abhishek Law**  
New Delhi

The Steel Ministry is looking at reworking the reporting norms for import shipments and the reporting portal is being ramped up. This comes in the wake of several "suspected" instances of misreporting or under-reporting of shipment details, an official aware of the plans told *businessline*.

Apart from working on the Green Steel policy and exploring alternative sourcing countries for coking coal, the re-haul of the import reporting portal, called Steel Import Management Systems (SIMS), also features among the top to-do lists of the Ministry.

IsSIMS was developed in 2019. The e-system is patterned based on the US Steel Import Monitoring and Analysis model and provides advance information about



**CONTEXT.** The revival comes in the wake of several suspected instances of misreporting or under-reporting of shipment details

steel imports to the Centre and stake-holders. Under this, importers of specified steel products register in advance online and provide the necessary details. The information about steel imports is then monitored by the Steel Ministry.

"We are working on strengthening reporting under the SIMS portal. And this will help increase monitoring of imports. We do have sufficient reason to believe that there have been instances

where true picture of import shipments or full/requisite details have not been provided deliberately. Hence, this rehaul now features among the top priorities for the Ministry," an official said.

Steel imports into India stood at 8.3 million tonnes, up 38 per cent y-o-y for FY24, while exports stood at 7.4 mt, up 12 per cent. India was a net importer by around 1 mt, as per a Steel Ministry report.

Incidentally, exports have been depressed on account of

weak global conditions and stiff competition in Middle East markets, following a glut of lower priced offerings from China. Domestic demand (in India) remains strong. Consumption stood at 136 mt for FY24, up 14 per cent y-o-y, against this finished steel production which stood at 138.5 mt, up 12.4 per cent y-o-y.

India is reportedly re-negotiating some of its FTA, as it looks to monitor steel imports.

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thehindu **businessline**.



# iPhone exports under PLI double to \$10 bn in a year

Exports expected to cross 80% of its production



**SURAJEET DAS GUPTA**  
New Delhi, 14 April

Apple has set a new record by exporting \$10 billion worth of iPhones from India during FY24, according to data provided to the government — a 100 per cent increase over the previous financial year under the Production-Linked Incentive (PLI) scheme.

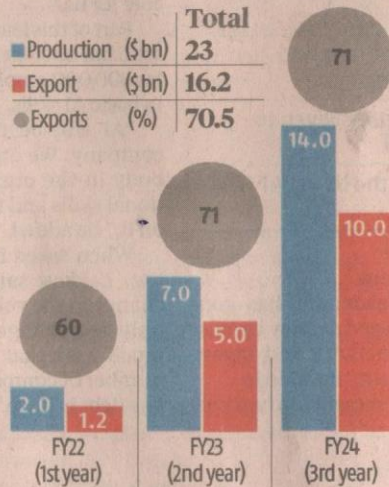
In terms of consumer products, this constitutes the largest-ever export of a single branded product by any company from India.

iPhone exports accounted for 70 per cent of Apple's total production in FY24. Of the three suppliers, Foxconn exported 60 per cent of its total iPhone output; Pegatron 74 per cent; and Wistron (now the Tatas) 97 per cent. Apple's total iPhone production by its three suppliers touched \$14 billion during the financial year. A spokesperson of Apple Inc did not comment on the numbers.

In FY24, the cumulative export target under the PLI scheme for the three suppliers was \$7.2 billion, a target they have exceeded by 39 per cent.

In fact, Apple's committed export target under PLI for FY25 was \$10 billion which has been achieved a year earlier, according to this data. In future, as Apple expands capacity in India, it is expected that exports will cross 80 per cent of its total production from India. Apple is the first global value chain lead firm that has

## GLOBAL BITE



Note: All figures of free-on-board value  
Source: Apple vendors' data to government

made India its home, primarily for labour-intensive manufacturing exports, rather than for the domestic market.

The market value of Apple's \$10 billion exports, depending on local taxes etc., will be in the range of \$16 billion.

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## Tata Electronics steps up hiring at Hosur iPhone hub

**SHINE JACOB**  
Koothanapalli (Hosur), 14 April

Tata Electronics, which is expanding its iPhone assembly hub at Koothanapalli in Tamil Nadu's Hosur, is set to increase its employee strength by 175 per cent to 55,000 from 20,000 now, two sources said.

The company did not respond to questions from *Business Standard* in this regard.

The hiring push comes amid reports that the Tata group company is in talks with Pegatron to acquire its unit near Chennai. Tata Electronics acquired Wistron's domestic operations in November last year for \$125 million, becoming the first

The Tata group firm is hiring around 35,000 for the plant in Hosur, which is seeing rapid expansion

Indian company to manufacture iPhones. Both Wistron and Pegatron are Taiwan-based contract manufacturers for Apple.

Another Taiwanese major, Foxconn, is the largest manufacturer of iPhones in India, contributing to around 67 per cent of such phones produced in India, followed by Pegatron with 17 per cent and Wistron with 16 per cent share. Based on a Bloomberg report, Apple suppliers assembled iPhones worth \$14 billion in India in 2023-24, accounting for 14 per cent, or one in seven iPhones, globally. Apple is producing iPhone 12, 13, 14, and 15 in India. Turn to Page 6 ▶

DATE 15/04/24.

# Exports to Europe may be Affected

## India-Europe air freight may surge 10%; engineering goods shipments may fall 30%

**Kirtika Suneja & Twesh Mishra**

**New Delhi:** Indian exporters are in a wait-and-watch mode after Iran's attack on Israel as they expect air freight from India to Europe to rise 10-15%, logistics and insurance costs to increase, and engineering exports demand to Europe

get impacted. After the Red Sea crisis, a lot of traffic has shifted to air mode such as leather goods, which were conventionally nor shipped by air, that has pushed up the air freight. The cargo that cost Rs 35 per kg to be shipped to Europe via air three months ago, is now being shipped at Rs 140 per kg.

"Air freight to Europe will rise. Flying

time will rise because can't fly over Iran. Air freight from India to Europe will rise 10-15%," said Ajay Sahai, director general, Federation of Indian Export Organisations.

Exports from India are continuing as the sailings of ships carrying containers from the country have been diverted via the Cape of Good Hope route.

Longer routes had led to an increase in shipping costs by 40-60% and delays of around 20 days due to re-routing, higher insurance premiums of 15-20%, and potential cargo loss from piracy and attacks. "Exports to the European market will be affected. While 40% engineering exports are for on maintenance, 60% exports are for new projects that will get impacted. We expect a 30-35% reduction on new project exports," said a Kolkata-based engineering goods exporter.

