

Govt to restrict maida, suji exports from Aug 14

Jump in export of these products in last 2 months one of the factors behind move

PRABHUDATTA MISHRA

New Delhi, August 8

The Centre on Monday announced that the export of maida and suji will be allowed only after an inter-ministerial panel approves it, effectively restricting their shipments a month after a similar notification for *atta* (wheat flour) was issued.

Wheat product exports were 95,094 tonnes in April, valued at ₹314 crore, and 1.02 lakh tonnes in May, worth ₹287 crore.

There is no separate category for *atta*, *maida* and *suji* as all are categorised as wheat or meslin flour under HS code 1101.

According to trade sources, *atta* export in retail packs is not more than 75,000 tonnes per year as it is mostly consumed by Indi-

ans abroad. The export of all items — *atta*, *maida*, *semolina* (*rava/sirgi*), wholemeal *atta* and resultant *atta* — is subject to the recommendation of the Inter-Ministerial Committee (IMC) constituted for allowing the export of wheat, the Directorate General of Foreign Trade (DGFT) said in a notification.

"Export of all the shipments approved by IMC shall be allowed subject to the issuance of Quality Certificate by Export Inspection Council (EIC) or its EIAs at Delhi, Mumbai, Chennai and Kolkata," DGFT said.

No transitional arrangement

Stating that the notification will come into effect from August 14, DGFT said a transitional arrangement shall not be applicable under this



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notification. It further clarified that consignments of maida and semolina will be allowed to be exported till August 14 if "loading on the ship has commenced before this notification or handed over to the Customs before the notification and is re-

gistered in their system. Necessary modalities with regard to quality of these restricted items will be notified separately, officials said.

"It was inevitable after the government was pointed out the error in restricting *atta* in place of maida," said a trader.

The jump in export of maida and other products in June and July (over 2 lakh tonnes) also one of the factors for the decision, sources said.

As *atta* permit is yet to be issued, it is difficult to say if the government will ever allow shipments of maida and semolina, traders said.

Wheat exports were banned in May as an unseasonal heat wave had affected the crop leading to a spike in domestic prices.

While international prices of wheat have eased in recent times, no such impact has been seen in India.

Import of lentils likely to surge as prices dip

Global supplies may rise on better output in Canada, Australia

VISHWANATH KULKARNI

Bengaluru, August 9

Lentils imports by India during the current financial year are likely to rise on ample global supplies with major producers like Canada and Australia seen harvesting bigger crop in weeks ahead. The expectations of higher crop is seen weighing on lentil prices globally, which have started declining.

"Prices of lentils have started coming down and have declined from ₹72 to ₹66 a kg over the past couple of weeks. We anticipate prices to come down further to around ₹60 as there is a good crop in Canada, which is harvesting around 2.5 million tonnes (mt).. After two months, Australia is estimated to harvest around 8 to 9 lakh tonnes. As a

result, there will be abundant supply from these two countries to the Indian market and prices will come down further. International prices will fall because of the abundant supply," said Bimal Kothari, Chairman, India Pulses and Grains Association (IPGA).

Augurs well for India

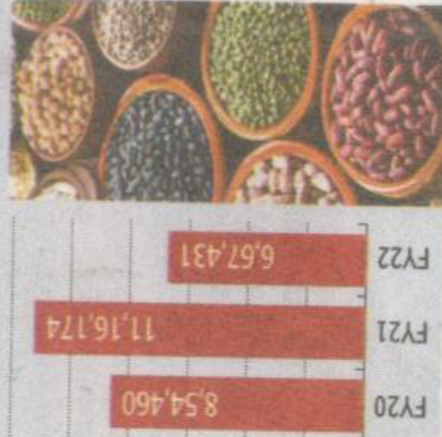
The fall in lentil prices should augur well for the consumers in India as there are some concerns about the upcoming tur (pigeon pea) crop on account of lower kharif acreages and excess rains affecting the standing crop in some States like Karnataka and Maharashtra, the major producing States. Tur prices have gained in the recent past on concerns of lower acreages.

"Lentils sometimes play a substitute, when prices of tur is high. The Indian consumers are price elastic," Kothari said.

Presently, the imports of lentils are under open general licence (OGL). India had imported about 6.67 lakh tonnes of lentils

Swinging shipments

Lentil imports (Quantity in tonnes)



Source: I Grain India

during financial year 2021-22, down from 11.16 lakh tonnes in the previous year. The trade expects the lentils imports to go up this year. "This year, India's lentils imports is expected to be around 1.2-1.5 mt," said Vivek Agrawal of JLV Agro, a commodities brokerage. Agarwal said the new crop is being offered at \$760 per tonne in vessels for the September-October shipment. Prices are down by about 15 per cent over same period last year's \$900 per tonne

as Canada is having a good crop and so is Australia, he said. Rahul Chauhan of I Grain India said imports are likely to be higher as our domestic crop was low last year. Importers are waiting for the new crop from Canada, which is seen higher at 2.5 mt compared with 1.6-1.8 mt in the last year.

Chauhan said lentils from Canada, offered in containers at Mumbai port, are being quoted at ₹6,700 per quintal, while the Australian variety are quoted at ₹6,800 per quintal. A month ago, the prices were ₹7,100 and ₹7,200 respectively. Lentils offered in vessels for Mundra and Haziar port are quoted at ₹6,450 per quintal, he said. Lentils are grown in India during the rabi season and production, according to third advance estimates, stood at 1.44 mt during 2021-22, down from 1.49 mt a year ago. India's lentil output had doubled from 0.81 mt in 2007-08 to 1.62 mt in 2017-18, but subsequently declined to 1.1 mt in 2019-20.

Business Line dt. 10.8.22

Indian organic products find global takers

Since the advent of Covid-19, demand has been good in both domestic and overseas markets

DATA FOCUS

RADHESHYAM JADHAV

Pune, August 9

Between 2019-20 and 2021-22, a total of 1,978,460.38 million tonnes (mt) of organic products valued at \$2,480.24 million were exported. About 50 per cent of these exports went to the US while 37 per cent went to the European Union (EU).

Canada and the Great Britain were the next largest export destinations for Indian organic produce. The US and EU together comprise 87 per cent (in value) of the market. Interestingly, India exported 1,062.15 mt organic produce to China at the value of \$2.37 million during these three years.

Covid impact

According to the Ministry of Agriculture, with increased awareness of organic foods, people are inclining more towards these products. The demand has been especially good since the advent of Covid-19, in the domestic and overseas markets. Value of exports of these products registered a 51 per cent increase in 2020-21, though it moderated in

Exports of organic products rise during the pandemic

Total exports value (in \$ million)

2019-20 681.29 2020-21 1,032.98 2021-22 765.97

The US and EU were the top organic export destinations between FY19 and FY22

■ Exported quantity (in million tonnes) ■ Value (in \$ million)



Source: Lok Sabha July 2022

2021-22. Organic products are grown under a system of agriculture without the use of chemical fertilisers and pesticides with an environmentally and socially responsible approach. Among the top 10 organic produces that India exported in the last three years are processed food, oil seeds, cereals and millets, sugar, spices and condiments, pulses, tea, fodder and coffee.

On an average, India's organic product export is valued at \$827 million every year, show data by the Ministry of Agriculture.

Currently, 59.12 lakh hectares area has already been brought under organic farming in India as certified by the National Programme for Organic Production (NPOP) and Participatory Guarantee System (PGS). India ranks fourth in terms of certified area globally, according to a

report published by the Research Institute of Organic Agriculture (FiBL) and the International Federation of Organic Agriculture Movements (IFOAM) Statistics 2022.

Global demand

The World of Organic Agriculture - Statics and Emerging Trends 2021, published by FiBL and IFOAM - Organics International, states that organic foods were first introduced on a large scale in early 1990. It took over 15 years for global organic product sales to reach \$50 billion in 2008. Ten years later, they surpassed the \$100 billion-mark. "With Covid-19 changing the way we shop and eat, the next leap to \$150 billion could possibly be within the next few years," said the report.

According to the Food and Agriculture Organization (FAO), organic agriculture is a holistic production management system which promotes and enhances agro-ecosystem health, including biodiversity, biological cycles and soil biological activity. It emphasises the use of management practices in preference to the use of off-farm inputs, taking into account that regional conditions require locally adapted systems. This is accomplished by using, where possible, agronomic, biological and mechanical methods, as opposed to using synthetic materials, to fulfill any specific function within the system.

Alloy, stainless steel exports shoot up in April-June quarter

Semi-finished alloy steel was up more than 7-fold in June

ABHISHEK LAW

New Delhi, August 10

Alloy and stainless steel exports in April-June quarter have seen a 36 per cent jump, year-on-year, bucking the general trend of a dip in exports.

According to data compiled by the Union Ministry of Steel, sale/export of semi-finished alloy steel (which include boron steel offerings) saw a more than four-fold jump y-o-y to 12,000 tonnes in Q1FY23. For the month of June, the sales of semi-finished alloy steel was up more than seven times over the same month last year.

Nearly 75 per cent of the exports (or 8,000 tonnes) of semi-finished alloy happened in June, data accessed by BusinessLine



show. The shoot up in semi-finished alloy exports were noticed post the imposition of export duty on steel from May 21 onwards. Exports of alloyed and stainless steel—across finished and semi-finished categories—were to the tune of 3.17 lakh tonnes while steel exports for the period dipped by 39 per cent.

Electrical steel export

Alloyed steel or boron steel, as it is often called, has no export levy while stainless steel has a 15 per cent export duty.

The report added that exports increased to 1,40,000 tonnes in Q1FY23 against 17,650 tonnes in

Q1FY22. SteelMint's data reveals that in April 2022, these were at a negligible 2,334 tonnes and in May, 2022, at 7,110 tonnes.

According to Ministry data, major markets that saw the export of alloy/stainless steel (which falls under the finished steel category) last quarter (Q1FY23) include European nations like Belgium (15,800 tonnes); Italy (44,300 tonnes); and the Netherlands (14,400 tonnes). Of the 22,600 tonnes of finished steel exported, nearly 64 per cent was alloy/stainless.

Among the Asian nations, Vietnam was one of the biggest buyers with half the finished steel export, 62,500 tonnes, being alloy/stainless steel and Malaysia accounted for 11,600 tonnes alloy/stainless steel. Other market include UAE, at 27,500 tonnes and the USA 29,200 tonnes (nearly 60 per cent of total finished steel) of exports in the category.

Steel exports decline in July again on export duty levy, global slowdown in demand

Alloys post 33% m-o-m rise though

ABHISHEK LAW

New Delhi, August 14

A combined impact of duty levy, seasonal weakness in demand and global slowdown in the commodity cycle saw finished steel exports from the country dip by 75 per cent year-on-year (y-o-y) in July. This is the fourth straight month of fall for Indian mills. Just 1.56 lakh tonnes were exported last month.

A month-on-month (m-o-m) comparison shows steel exports fell 41 per cent, indicating the continued pressure on demand, provisional data compiled by the Steel Ministry showed and accessed by *BusinessLine* showed. For the April-July period, the y-o-y fall was 49 per cent.

Finished steel includes non-alloyed offerings (like long and

flat products, cold-rolled coils, and hot-rolled coils) and alloyed and stainless steel offerings. "Transactions for July were even lower than June. Export duty levy and poor demand in global markets led to the fall. If you see category-wise details, the fall in non-alloyed exports was a steep 70 per cent, m-o-m," a trade source said.

Non-alloyed steel worst hit

Non-alloyed steel exports have been worse hit. Data shows that the prime export offering witnessed an 89 per cent fall — its highest percentile fall in recent months — in July versus the same month last year. Exports in July 2021 were 13,82,000 tonnes. For the April-July period, around 20,41,000 tonnes were exported, down 57 per cent over the same period last fiscal (47,07,000 tonnes).

Interestingly, alloyed steel (which does not have an export



A month-on-month comparison shows steel exports fell 41%

duty levy) and stainless steel exports bucked the trend and saw a 33 per cent rise m-o-m and a 72 per cent jump y-o-y, respectively.

Data from the ministry showed that 2,23,000 tonnes of alloyed/stainless steel export were recorded in July 2022. In June, exports in the category were 1,68,000 tonnes, while in July 2021, they stood at 1,30,000 tonnes.

For the April-July period, Indian mills exported 5,29,000 tonnes of alloy/stainless steel, up 46 per cent y-o-y. In the year-ago period, sales were 3,61,000

tonnes. "So there has been some increase in demand for alloyed steel, but it is a very demand specific — select market, select buyer and so on," a trade source said.

Production numbers

On an m-o-m basis, finished steel production saw a rise of about 3 per cent to 96,56,000 tonnes.

Tata Steel saw a 15 per cent m-o-m rise to 16,50,000 tonnes — the highest among steel majors. Other players like AM/NS India, JSPL, and JSW together saw nearly 10 per cent rise to 2,26,40,000 tonnes. SAIL and RINL saw a 5 per cent and 3 per cent increase to 1,19,30,000 tonnes and 2,93,00,000 tonnes, respectively. Alloyed/stainless steel production remained near constant at 5,82,000 tonnes m-o-m, while non-alloyed steel production increased 3 per cent to about 90,00,000 tonnes in the period under review.

Hurt by export duty hike, KIOCL looks at alternative sources for revenue generation

VENKATESHA BABU
ISHA RAUTELA

Bengaluru, August 14

State-owned KIOCL Limited, formerly known as Kudremukh Iron Ore Company Ltd, in Q1FY23, saw its revenues dip by 66 per cent from ₹1,157.8 crore to ₹385.2 crore and recorded a loss of ₹43.8 crore compared to a profit of ₹193.9 crore in the previous quarter. After the Centre slapped a hefty export duty of 45 per cent on iron ore pellets, it says it is looking at alternate sources of revenue generation and augmentation.

KIOCL is a 100 per cent Export Oriented Unit (EoU), which was drastically affected after the Centre's imposition of export duty made its products financially uncompetitive in the international markets.

'Pleaded for exemption'

T Saminathan, Chairman and Managing Director of KIOCL, speaking to *BusinessLine* admitted that the levying of export duty has had a negative impact. 'We have pleaded for exemption with the commerce ministry, finance ministry, DGFT and of course ministry of steel which is our apex interlocutor. We hope that our

case is heard favourably.'

While the KIOCL pelletization plant is in Mangaluru on the western coast, most of its ore came from Odisha and Chattisgarh on the eastern coast. Also, majority of its customers are located on the eastern coast. 'Logistics cost is also very high. Coupled with the new duty this makes it unviable for us to run our plant and we have stopped operations. We have pleaded with the government for duty free import of high-grade iron ore, allowing us to value add and then re-export.'

Scouting alternate sources

Meanwhile, KIOCL is looking at alternate sources of revenue. It is reviving its Panambur, Mangalore-based blast furnace unit which was shuttered in 2009, for lack of forward and backward integration.

However, the Centre had permitted the modernisation of the unit with an investment of ₹836 crore in 2017. After floating various tenders for modernisation, the CMD expects the blast furnace to be operational by the middle of FY23.

The company's main focus is on the proposed Devadari



Pellet Plant at Mangaluru
KIOCL TEAM

mine, which is at an advanced stage of clearances from various state and central bodies, including the environmental bodies. Spread over 401 hectares in the iron ore-rich Sandur-Ballari belt, Saminathan says, 'The Devadari mine project, is now the lifeline of the company. We expect it to be operational by end of calendar year 2023 after obtaining all necessary clearances.'

KIOCL would invest ₹1,500 crore in fully developing the Devadari mines. KIOCL had to stop mining in the Kudremukh belt of Western Ghats in Karnataka after a Supreme Court order in 2005.

Mining exploration

Apart from that, the company is also looking into taking on more mining exploration opportunities. The company is

working with the Karnataka and Tamil Nadu governments and Saminathan said, 'In Karnataka, exploration projects are for iron ore and limestone, and in Tamil Nadu, we have done exploration for limestone and other related minerals. We are also looking at other states for mineral exploration opportunities.'

The exploration process is to determine the quantity and quality available and surface evaluation before mines are given for auction or exploration.

We do all those exploration jobs for all types of mines and minerals, explained the chairman.

KIOCL is handling 13 mineral exploration projects valued at ₹122.67 crore and plans to secure an additional 24 projects of base-metal and bulk minerals in Karnataka from NMET, Govt. of Karnataka, Central PSU, and Private Agencies.

In 2015, the government of India notified KIOCL Limited as a national exploration agency (NEA). Since then, the company has been involved with state-level government projects. It has generated ₹16.83 crore in revenue as an NEA over the last four years.

Business Standard dt. 10.8.22

'Essential to export 8 mt sugar next yr'

This is turning out to be a good monsoon for sugar producing areas, which have seen a 4 per cent increase in acreage. **TARUN SAWHNEY**, MD & vice-chairman of Triveni Engineering, a leading sugar producer with growing emphasis on biofuels, tells S Dinakar sugar prices will be stable and on a slightly upward trajectory. Edited excerpts:

You just announced your quarterly results and your board has approved expansion plans. How will these plans take Triveni forward as India rebounds from Covid?

Across our business sectors we are out of Covid. The board approved a capex (capital expenditure) of Rs 460 crore for establishment of two dual-feed ethanol plants — the two feeds being sugarcane derivatives, which could be juice or molasses, on the one hand and grain on the other. Pretty much all the grain in Uttar Pradesh, where we are located, is rice — broken rice and excess rice. We hope to commission these plants somewhere between October and December 2023.

What are the focus areas driving investments for Triveni in the next few years?

We have two lines of businesses and two lines within them. So, within the agricultural vertical you have sugar and distillery and within the engineering vertical you have power transmission and water management. We are debottlenecking our existing facilities by October so we can crush more sugarcane and produce more sugar. We expect to produce 5-7 percent more sugar next year.

As far as the distillery business is concerned, with the addition of 450 kilo litre per day next year, it will raise distillation capacity to 1,110 kilo litre per day. When the capacity is used, it gives you a run rate of 32 crore litres a year, a very substantial amount of spirit being manufactured. A vast majority would be ethanol.

Where do you see sugar and sugarcane production this year and next?

For our sugar factories, the monsoon has been perfect. As far as the country is concerned, by and large for the sugar producing areas we have had adequate monsoon. We have seen a 4 percent increase in acreage, and I see more sugarcane being produced across the country. Gross production of sugar for this sugar year ending September 2022 is 39.6 million metric tonnes. Next year we see in excess of 40 million tonnes, maybe 40.5 million tonnes.

Is that adequate to cover the domestic demand and generate a surplus? How do you see sugar prices behaving amid copious

production?

For the next year, with that kind of production, I see India exporting 8 million tonnes [of sugar]. As for prices, when we are looking at two years, this year and the next, both ending with the closing stock of 6 million tonnes — which is the consumption of two and a quarter months — I think we will have very reasonable and stable prices going forward in a slightly upward trajectory from where we are today. I don't see any massive hikes or floors.

If exports aren't allowed next year, will it cause a domestic surplus, or will it be diverted to ethanol?

I've already factored in 4.5 million tonnes for diversion from sugar to ethanol for next year and I think that's the capacity that exists in the country. The government put restrictions on last year's export because it wanted to

make 6 million tonnes of closing balance. But next year so much is going to be produced. If you produce 40 million tonnes, 4.5 million tonnes go to ethanol, you consume 27-28 million tonnes, so you need to export the 8 million tonnes differential. That's absolutely vital.

Let's turn to biofuels. Currently what percentage of total revenues is contributed by biofuels for Triveni, and where do you plan to take it?
At this point less than 10 percent of revenues comes from biofuels. Going forward we would have 20 percent, and more than 20 percent as well if you consider other lines that are becoming increasingly attractive such as renewable natural gas.

Q&A

TARUN SAWHNEY
MD and V-C,
Triveni Engineering

India-UK trade set to double by 2030: Report

SHREYA NANDI

New Delhi, 11 August

Trade between India and the UK is expected to double by 2030 driven by the proposed free trade pact, investment in technology, diversification of global supply chains and ease of doing business, a Grant Thornton-CII's Britain Meets India (BMI) Report 2022 said on Thursday.

The future of the India-UK economic relationship hinges on the quick implementation of the free trade agreement that both nations are negotiating at the moment, according to.

According to the report, 618 UK companies have been identified in India that together employ approximately 4.66 lakh people and have a combined turnover of ₹3,634.9 billion.

As many as 58 of these 618 companies have achieved an average growth of 36.3 per cent, which is a 10 per cent jump from 2021. These 618 companies are fast-growing and have a turnover of more than ₹500 million and 10 per cent YoY growth.

The highest revenue earner has been identified as metals and mining major Vedanta and the top employer is London-headquartered security services company G4S. Business services is the top sector being eyed by the UK companies in India, with Maharashtra the leading investment destination followed by National Capital Region and Karnataka.

Grant Thornton Bharat's Britain Meets India (BMI) report 2022, in partnership with the Confederation of Indian Industry (CII) and supported by the UK's Department of International Trade (DIT), identifies the fastest growing UK companies in India and those that contribute significantly to the country's economy through employment generation.

"India has been one of the UK's most important partners in the journey of 75 years. The 'living bridge' between our countries is set to transform into a stronger bond as we continue to fight the pandemic together and address the challenges to our security in both the physical and digital worlds. Our shared focus will be on strengthening the economic relationship between the two nations for a more secure and prosperous decade ahead," Alexander Ellis CMG, British High Commissioner to India said at the launch of the report.

The free trade deal that is being negotiated by both nations is expected to boost Indian exports in labour-intensive sectors such as leather, textile, jewellery, processed agri-products and marine products, education, pharma, and health care.

● DISCOURAGING OUTBOUND SHIPMENTS

Govt tightens rules on wheat product exports

FE BUREAU

New Delhi, August 8

THE GOVERNMENT ON Monday sought to tighten rules on exports of wheat flour and other related products and mandated that such despatches will be subject to the submission of quality certificates issued by the Export Inspection Council or its affiliates. The certificates will be over and above the current requirement of recommendations by an inter-ministerial panel.

Industry sources said the aim of the notification by the Directorate General of Foreign Trade (DGFT) is to discourage exports of wheat products to keep domestic supplies steady and prices under control.

The notification will come into effect from August 14. However, until August 14, those consignments that have already been handed over to the customs or where loading has taken place will be allowed to be despatched, according to the



QUALITY CONTROL

■ Government mandates despatches will be subject to the submission of quality certificates issued by the Export Inspection Council or its affiliates

■ Wheat flour exports witnessed a sudden and unusual surge in the aftermath of the ban on the outbound shipment of wheat on May 13

spike in outbound shipments of the commodity in recent weeks has threatened to undermine its ban on wheat despatches.

Wheat flour exports witnessed a sudden and unusual surge in the aftermath of the ban on the outbound shipment of wheat on May 13, indicating that many traders might be using this route to beat the prohibition on the grain's exports.

Usually, monthly exports at this time of the year are about 6,000-8,000 tonne. However, flour despatches exceeded 100,000 tonne within a month of the ban on wheat, according to industry sources. To be sure, flour exports were neither banned nor restricted when wheat shipments were prohibited in May.

In value terms, exports of wheat or meslin flour jumped 64% last fiscal from a year before to \$247 million, according to the DGCIS data. In contrast, wheat exports had jumped 274% in FY22 to \$2.12 billion.

notification.

Last month, the DGFT notified that exports of wheat flour (atta), maida, samolina (rava/sirgi), wholemeal atta and

resultant atta would be cleared only after the clearance by the inter-ministerial panel.

The government came in with regulations as an irrational

Textile industry eyes festive season for revival in demand

NAYAN DAVE

Ahmedabad, August 9

THE UPCOMING FESTIVE season and exports opportunities emerging from the crisis-ridden textile sectors in neighbouring countries may help the textile industry in India battle the declining global demand.

Chintan Parikh, chairman of Ahmedabad-based Ashima Group, said, "Textile industries of Bangladesh and Sri Lanka are in complete doldrums both on account of political instability and their complete reliance on exports for survival. This is a great opportunity for the Indian textile industry."

According to him, textile units in neighbouring Bangladesh, Sri Lanka and even China are facing challenges of slowing global demand, energy crisis, political instability and new policy of China plus one strategy adopted by the US and Western European nations.

In this situation, textile players in India foresee huge opportunities on the exports front too. "The USA and Western European nations are exploring alternatives post the Covid-19 outbreak in order to reduce their exposure on Chinese exports. Sri Lanka and Bangladesh garment industries, too, are in deep trouble. Fortunately the Indian textile industry will be able to tide over the problem of slowing global demand due to a huge domestic buying in the coming festive season," Parikh says.

The Economic Times dt.11.8.22

BLOC TO WITHDRAW LOW OR ZERO-DUTY CONCESSIONS UNDER GSP

Come Jan, EU may End Duty Benefits for 1,800 Products

Exports of plastics, machinery, mechanical appliances worth \$7.9b to be impacted

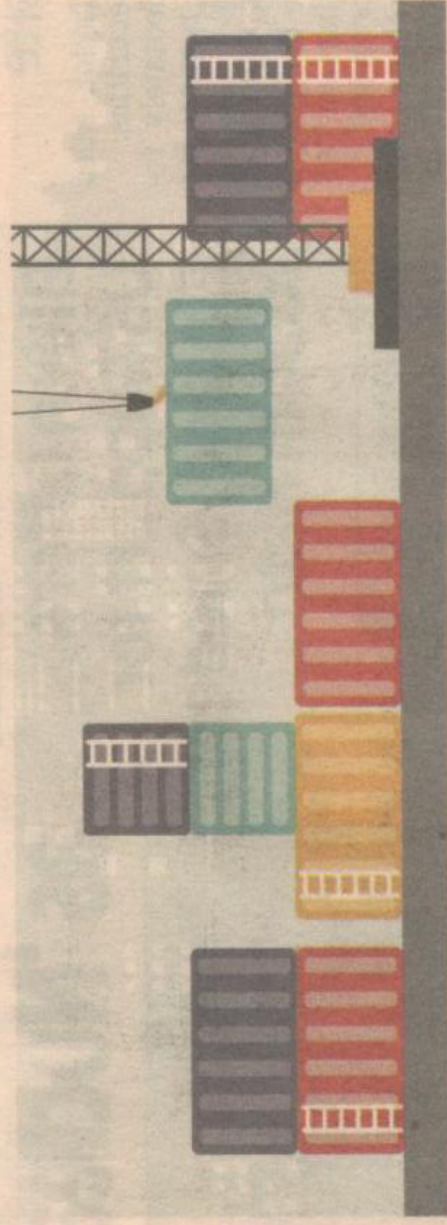
Kirtika.Suneja@timesgroup.com

New Delhi: India's exports of plastics, stone, machinery and mechanical appliances worth \$7.9 billion to the EU will no longer be eligible for low or zero-duty concessions from January 1, 2023 as the bloc would withdraw these benefits under the Generalised Tariff Preference Scheme (GSP).

Exports of almost 1,800 products of plastics, fur, stone, plaster, cement, asbestos, and machinery and mechanical appliances will cease to get the benefits and make Indian goods more expensive with exporters paying 6.5% duty for certain plastic products where the tariff is nil at present. Their exports to the EU in 2021 were \$7.9 billion.

"In these four sectors, the EU is a major export destination for India and holds around 22.58% share of India's total exports," said Ajay Sahai, director general, Federation of Indian Export Organisations.

Textiles, vehicles, chemicals and some leather products got excluded from the



EU GSP programme in 2014 after their exports crossed the specified threshold and haven't enjoyed the preferential treatment since then.

On June 29, the EU announced the withdrawal of GSP benefits for India in the four sectors from January 1, 2023 along with those for Kenya and Indonesia.

The current EU GSP system will expire at the end of 2023. Going ahead, for 2024-2034, the EU aims at a more effective system which delivers benefits to where they are needed and time toughens the

sustainable development criteria applicable to developing countries.

The withdrawal of GSP benefits by the EU countries for certain sectors will impact the export of these commodities to EU; one more reason for India to move fast on the India-EU FTA fast," said Bipin Sapra, partner at EY India.

Exporters have already raised the issue with the commerce and industry ministry as GSP is the only route to get tariff concessions as the India-EU free trade agreement is yet to be formalised.

Apparel Traders Face Demand Slowdown from US; Diamonds Lose Sheen in China

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Kolkata: Apparel and diamond exporters are facing a slowdown in demand from the US and China respectively. The lockdown in China has impacted exports of loose diamonds from India. On the other hand, demand for apparel from the US has fallen 20% due to rising inflationary pressure, said apparel exporters.

China and the Far East account for about 30% of India's diamond exports, constituting the second largest market after the US. For loose diamonds too, China is the biggest market after the US.

"The Covid lockdown in China and their zero-tolerance policy to curb Covid are impacting the Indian diamond business. However, it is expected that the country will open up within the next two months and business will become normal," Colin Shah, chairman, Gem & Jewellery Export Promotion Council, told ET.

Shah said demand from the US and Europe remains strong. In 2021-22, India had exported gems and jewellery worth \$40 billion. In this financial year, traders are targeting exports of \$45 billion.

Lalit Thukral, president, Noida Apparel Export Cluster, said "We are already feeling the heat of rising inflationary pressure in the US. Demand from the US is down 20%."

"The type of news that is coming from the US, does not augur well for the apparel exporters of Tirupur," said Raja Shanmugam, president of Tirupur Exporters Association. "We have to wait and watch how the order position remains at the beginning of September."

Apparel exports fell marginally by 0.6% year-on-year in July to \$1,380.5 million. Compared to July 2020, exports were up 29.5% and 1.2% against July 2019. Cumulative apparel exports for the period April-July were \$5,872.5 million, up 22.4% over 2021-22, 113.6% over 2020-21 and 6.0% over 2019-20.

India had recorded its highest-ever textiles and apparel exports at \$44.4 billion, including handicrafts, in 2021-22, increasing 41% year-on-year.

The US was the top export destination for the nation's textiles and apparel shipments, with a 27% share of India's total exports of textiles and apparel.

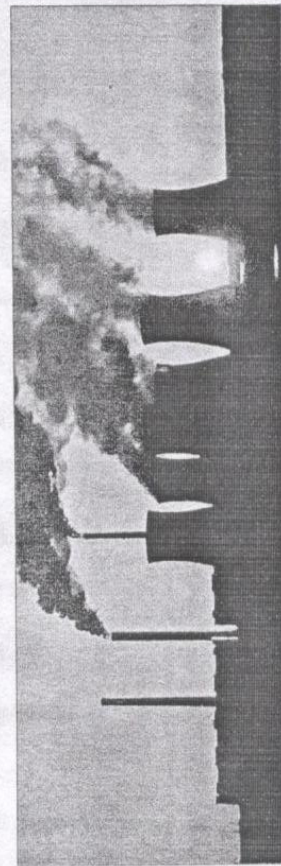
The Economic Times dt. 12.8.22

Central Govt Rolls Back Mandatory Coal Import Order for Power Plants

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New Delhi: The Centre has rolled back an emergency order that mandated power plants to import 10% of their coal requirement and blend it with domestic supply.

The withdrawal of the mandatory blending order indicates adequate stocks at power plants before the annual



rise in coal demand post-monsoon when electricity demand picks up.

Data showed 31 million tonnes of coal stock, including 2.5 million tonnes of imported coal, at power stations, among the highest in August any year.

The coal blending order, issued on May 26 under Section 11 of the Electricity Act, mandated 10% imported coal use and provided appropriate compensation to 32 GW domestic coal-based po-

wer projects till March next year. "The coal stock position in power plants has been reviewed periodically with the stakeholders, including ministry of coal and ministry of railways. It has been decided to withdraw the aforesaid order dated 26th May 2022, with immediate effect," the order issued on Thursday by the Union power ministry said. "Imported coal purchased under the aforesaid directions, till the date of issuance of this letter, shall be utilized in accordance with the methodology given in the subject order dated 26th May 2022," it added.

Demand from US, Japan, New Mkts Revives Mango Exports

Fruit being sent to South Korea after two-year gap; Malaysia assures of imports

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New Delhi: Resumption of orders from the US and Japan, new markets such as Argentina, and at least 50% higher per unit realisation have helped revive India's mango exports. Exports of the fresh fruit to Japan have doubled to 50 tonne in the current season from 24.52 tonne exported in 2021-21 while around 1,000 tonne mangoes have been exported to the US.

Similarly, mangoes are being sent to South Korea after a two-year gap due to the Covid-19 pandemic, and Malaysia has assured imports of Alphonso, Kesar and Banganpalli varieties of mango, officials said.

"There is a 10-15% rise in mango exports in this season as compared to last. Exports have recovered," said an official.

India exported fresh mangoes worth \$44.07 million in FY22, lower than \$56.11 million in 2019-20 as the US stopped mango imports for lack of physical inspections during the pandemic period.

Fruit Facts

Mango exports to Japan double to 50 tonne this season

Almost **1,000** tonne mangoes exported to the US

50% higher per unit realisation benefits exporters

S Korea resumes mango imports after 2 yrs

Indian mango gets market access in Argentina

Malaysia assures of Alphonso, Kesar, Banganpalli imports



Mangoes headed to the US have to be irradiated before they are exported.

"This year also marked a breakthrough in penetration of Japanese market. Mangoes are also being sent to Korea and it is expected that few containers as test marketing will be made available there," the official said.

The Agricultural and Processed Food Products Export Development Authority has promoted Langda and GI-tagged Zardalu in Bahrain and organic mangoes to Russia this year. The king of fruits is also being promoted in Riyadh, Brussels, Thimpu, Kuwait, Dubai, Denmark and Berlin.

Sources said Malaysia has assured imports of Alphonso, Kesar and Banganpalli varieties of mango.

"Market access was also gained in Argentina," the official said.

In April-June 2021, exports of fresh fruits and vegetables, including mangoes, were \$642 million and that increased to \$697 million in corresponding months of current fiscal.

Greaves Cotton Planning E-bike Exports

Mumbai: Greaves Cotton is exploring export opportunities for its Ampere brand of electric two-wheelers bolstered by the recent investment from global investor Abdul Latif Jameel in the e-mobility

arm. Greaves Cotton managing director and Group CEO Nagesh Basavanhalli said that Greaves Electric Mobility is working on new products, both in two and three-wheeler segments, including on high-speed electric scoo-

ters, and may launch a few of them by the fiscal-end.



The Saudi Arabia-based family-owned diversified business Abdul Latif Jameel, which has presence across 30-odd countries, anno-

unced in June this year its commitment to invest \$220-million in the Cotton Greaves' subsidiary.

As part of the deal, it has initially invested \$150 million (Rs 1,171-crore) for a 35.8% stake in Greaves Electric Mobility.