Business Line, Af. 10/12/24

Adani Krishnapatnam Port gets nod to import petroleum products

Our Bureau
New Delhi

The Ministry of Ports, Shipping and Waterways has extended approval for petroleum imports at the Adani-owned Krishnapatnam Port. The extension will allow the Port to continue importing petroleum by sea in accordance with operations permitted under the Navigational Safety at Ports Committee certificate.

The extension, which comes in view of the associated public interest in importing petroleum, is valid for 19 months from August 24 to March 1, 2026. "In exercise with the powers conferred under Rule16(1) of the Petroleum Rules, 2002, and in continuation of the notification of the Ministry of Ports, Shipping and Waterways SO 3515(E) dated August 25, 2021, the Central government, in consideration of the necessity to import petroleum in public interest, hereby extends the notification for Krishnapatnam Port in Andhra Pradesh (Adani Krishnapatnam Port Ltd) for importing petroleum in India by sea in accordance with operations permitted in Navigational Safety at Ports Committee certificate number NSPC /041/2021 dated November 1, 2021 for the period from 25.08.2024 to 01.03.2026," the notification by the Ministry said.

The extension is valid for 19 months from August 24 to March 1, 2026

This port will help India refine more crude oil on its east coast and improve energy cost efficiency. India depends on imports for over 80 per cent of its crude oil requirement.

Adani Ports and Special Economic Zone Ltd (APSEZL) in a notification to the bourses had said, in November, that it handled 36 million tonnes of cargo, driven by containers, which was up 21 per cent y-o-y. On a year-to-date basis (till November 2024), APSEZ handled 293.7 mt of total cargo, up 7 per cent y-o-y.

This growth was supported by containers, which was up 19 per cent y-o-y, followed by liquids & gas, up 7 per cent y-o-y.

Business Line, dt. 10/12/24

Steel imports take a dip in Nov even as exports stabilise at 0.4 mt

Abhishek Law
New Delhi

Steel exports stabilised in November in the 0.4 million tonne (mt) range in view, witnessing a 71 per cent y-o-y growth, because of a low-base effect (0.23 mt) and orders coming in from select European markets. This was the second straight month when exports rose y-o-y.

Although range-bound for three-to-four months now, steel exports continue to be subdued — down 10 per cent-odd sequentially — after peaking in October (0.45 mt).

On the positive side, imports saw a 32 per cent y-o-y decline in November — the second straight month this fiscal — to 0.75 mt. It stood at 1.1 mt in the year-ago period (November 2023). On a sequential basis, there was a 28 per cent decline in November imports versus October which stood at 1 mt, indicating some positive impact of increased vigilance and quality checks, as per an internal report of the Steel Ministry, accessed by *businessline*.

NET IMPORTER

However, the country was still a net importer for the April-November period (eight months). Imports stood at 6.5 mt, up 27 per cent y-o-y, while exports at 3.2 mt — almost half of imports — saw a 24 per cent y-o-y dip. In the year-ago period, imports stood at 5.1 mt and exports at 4.1 mt.

"Imports have gone down sequentially primarily on account of some of the quality checks put in place by the Ministry. There could be some stabilisation happening in China. But the impact of global trade policies needs to be watched out for. However, these are early trends that needs to be observed further," an official said.

The Steel Ministry's assessment is that traders and manufacturers were trying to import steel with "minor alternations in grades to bypass BIS standard requirements". Last year, 1,136 more (new) grades were filed with the Ministry (for import). And most of these are neither internationally recognised nor covered in BIS standards. "They just have minor variation in chemical composition or product measurements and seem to be an attempt to import cheap steel in the name of different grades," the official said. The assessment said most of these shipments have been ordered without any no objection certificate.

There are 1,376 approved steel grades and clearances are generally required for importing any other grade.

Recently, a consignment from Japan was stopped. And the Ministry clarified that as on October 31, there were 735 applications on its portal; out of which 594 were allowed till November-end. For 141-odd applications, clearances were not granted since these were not as per norms.

KEY FACTOR. Imports have gone down sequentially, primarily on account of the quality checks put in place by the Ministry

SUBDUED EXPORTS

Market intelligence firm BigMint in a report said, global HRC market is expected to remain subdued in the short term. While Indian mills are maintaining stable export offers, competitive pressure from Chinese producers and sluggish demand in key markets could further impact export volumes

"Exports are hovering in the 0.4 mt range and not picking-up. Sluggishness in export market continues. Europe has not picked up big, and offers to Middle East are being held back in view of cheaper offerings from China," an exporter said.

So far, Indian offers for benchmark hot rolled coils to ME has been in $550 per tonne range, against the Chinese which is around $525 per tonne. European markets are taking it slow as they intend to see how trade restrictions and allied policies play out.

DOMESTIC MARKET

India's domestic steel consumption for the April-November period remained strong, up 12.3 per cent y-o-y, at 98 mt. And against this, the production of finished steel was 95 mt, up 5 per cent-odd y-o-y.

At present, steel in domestic market is cheaper than imports with Indian mills rolling over their prices at ₹48,100–48,200 per tonne for December deliveries. Imports from China are priced in the ₹49,000-50,000 per tonne range. According to market intelligence firm, BigMint, China's steel sector showed mixed trends in late November. Inventory declined while crude steel production stabilised.

Business Line, dt. 10/12/24

Textile stocks jump on export hopes

UPPER HAND. Crisis in Bangladesh opens a window of opportunity for makers of Indian garments, apparel

Suresh P Iyengar
Mumbai

Stocks of most textile companies rallied on hopes for better export prospects with the unrest in Bangladesh opening up fresh opportunities, despite looming geopolitical concerns and supply chain disruptions.

Welspun Living was up six per cent at ₹174 while Himatsingka Seide and Gokuldas Exports increased eight per cent and six per cent to ₹211 and ₹1,037 respectively. Indo count Industries jumped 13 per cent to ₹387.

Bombay Dyeing & Manufacturing surged 3.19 per cent to ₹221.25, Ambika Cotton Mills jumped 5.9 per cent to ₹1,690.20, Celebrity Fashions edged up to 8.72 per cent to ₹16.58, and Lambodhara Textiles moved up 17.05 per cent to ₹223.10.

Textiles exports increased 12 per cent in October to $1.83 billion from the year-ago period.

Apparel exports registered 35 per cent year-on-year growth in October due to realignment of the global supply to India amid the prolonged unrest in Bangladesh.

PUSH FROM GOVT

Backed by government incentives, some Indian exports have increased their market share in the US and have emerged as a preferred sourcing destination despite global headwinds and disruptions due to ongoing wars.

Dr Siddhartha Rajagopal, Executive Director, Cotton Textiles Export Promotion Council, said short-term gains are being reported due to the Bangladesh crisis, especially in the garment segment.

Some of the Christmas-season orders meant for Bangladesh seem to be coming India's way with home textiles exports also in positive territory. Overall demand trends are looking up and this fiscal will end on a positive note, he said.

STITCH IN TIME. Besides the Bangladesh crisis, textile exporters have also benefited from the free trade agreements signed with various countries PERIASAMY M

FTA, FESTIVE SEASON

Besides the Bangladesh crisis, textile exporters have also benefited from the free trade agreement (FTA) signed with countries like South Korea, Japan, Australia and Mauritius.

Ashutosh Somani, Executive Director, Institutional Equity Research, JM Financials, said the global inventory de-stocking cycle has now come to an end, with Indian players expecting relatively better demand in the second half of this fiscal as retailers gear up for the holiday season.

With rising labour costs amidst the China-plus one theme playing out, China has been losing market share across the world with its share in UK alone falling to 19 per cent this year from 27 per cent in 2020, said Somani.

The internal turmoil in Bangladesh and high factor costs in Vietnam might play well for Indian exporters, he said.

Ongoing wars have disrupted the traditional trade routes adding to the cost burden and this is the appropriate time for the government to support this labour-intensive sector through hand-holding, capacity augmentation, skilling, investment and sustained financial support to this MSME-driven sector, said a textile company executive.

Business Line, dt. 11/12/24

H1 tea exports up 8.67% on UAE, Iraq demand

Vishwanath Kulkarni
Bengaluru

India's tea exports increased by 8.67 per cent in volume and by 13.18 per cent in value during the first half of the current financial year on demand from countries such as UAE and Iraq.

Export volumes during April-September this year were up at 122.55 million kg (mkg) compared with 112.77 mkg a year ago.

In value, shipments were up at ₹3,403.64 crore against ₹3,007.19 crore a year ago, as per the latest provisional data released by the Tea Board.

The unit price realised by the exporters was up 4.15 per cent at ₹277.73 per kg against ₹266.67 per kg.

Region-wise, exports from North India during H1FY25 were up 7.05 per cent at 71.04 mkg (66.36 mkg in the year-ago period). In value terms, north Indian exports registered a 14.5 per cent increase at ₹2,261.91 crore (₹1,977.19 crore).

Also, the unit price realised by north Indian exporters was up by about 7 per cent at ₹318.68 per kg (₹297.95).

Shipments from south India were up by 11 per cent in volumes at 51.51 mkg (46.41 mkg). In value terms, the exports were up 10.65 per cent at ₹1,139.73 crore (₹1,030 crore).

However, the unit value of the south Indian shipments were almost flat at ₹221.26 per kg.

BREWING CHEER. UAE was the largest buyer of Indian tea in H1FY25, followed by the US, Iraq, Russia and the UK, in value

TO IRAN VIA UAE

"Markets that have grown this year include Iraq, UAE and the US to some extent," said Dipak Shah, Chairman, South India Tea Exporters Association.

For Iran, the largest market, tea shipments might be going through the UAE.

UAE was the largest buyer of Indian tea during H1FY25, followed by the US, Iraq, Russia and the UK in value.

Shah said the movement had been somewhat slow in the past month, which could be attributed to some large shipment volumes to Iraq coming to an end.

During the January-September period of calendar 2024, export volume registered a near 18 per cent growth at 190.08 mkg (161.26 mkg).

In value, January-September exports were up 16.36 per cent at ₹5,064.59 crore (₹4,352.62 crore).

However, the per unit price during this period was a tad lower at ₹266.45 per kg (₹269.91).

Business Standard, dt. 11/12/24

Amazon raises export target from India: $80 bn by 2030

Says it's on track to reach $20 bn goal in exports by 2025

ARYAMAN GUPTA
New Delhi, 10 December

After watching the rapidly growing quick commerce space in the recent months, the India business of the Seattle-headquartered Amazon has decided to take a plunge. In yet another major announcement, the company has said it will raise its cumulative export target from India to $80 billion by 2030 from $20 billion by 2025, in line with the firm's commitment to 'Viksit Bharat'.

The company is on track to reach its previous target of $20 billion in exports by 2025, after reporting $13 billion this year, according to top executives. Amazon's rival Walmart, too, is stepping up its India sourcing targets. It aims to source $10 billion worth of goods from India annually by 2027.

On the sidelines of the e-commerce major's flagship summit, Smbhav, on Tuesday, Amazon India revealed that its 15-minute delivery service would be launched through a pilot project in Bengaluru this month. Without divulging further details on its upcoming qcom service, Samir Kumar, country head, Amazon India, said: "Watch the space".

"Our focus (with quick commerce) is on the largest selection and assortment at the fastest speed. We have 30 million products shipped same day or next day over a big period, from over 42,000 sellers. There's so much of India that we have not yet covered. We talk about quick commerce in the big cities, but we need to also think about the rest of India," Kumar told *Business Standard* in an interaction.

Elaborating on the export plans, he said Amazon aims to achieve its $80-billion target by enabling exports through its global selling scheme for MSMEs, manufacturers and direct-to-consumer (D2C) startups as well as sourcing made-in-India products to be sold on Amazon's global marketplaces. Turn to Page 10

'Amazon to start 15-min delivery pilot this mth'

Q&A Online retail major Amazon is navigating a challenging regulatory environment in India when e-commerce is witnessing rapid growth and quick commerce (qcom) has emerged a new reality. **SAMIR KUMAR**, Amazon India head, tells **Aryaman Gupta & Nivedita Mookerji** that regulatory challenges exist in every market and India is not more difficult than others. On qcom, he says a pilot for 15-minute delivery is starting in Bengaluru this month.

2

Business Standard, dt. 11/12/24

China's exports slow, imports shrink ahead of Trump tariffs

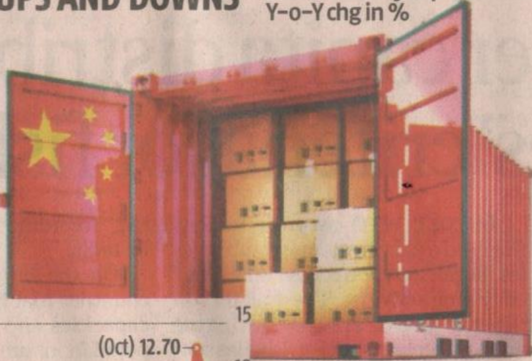
REUTERS
Beijing, 10 December

China's exports slowed sharply and imports unexpectedly shrank in November, in a worrying sign for the world's number two economy as Donald Trump's imminent return to the White House brings fresh trade risks.

The disappointing trade figures follow other indicators showing patchy growth, suggesting Beijing needs to do more to shore up a faltering economy that is only likely to face further challenges next year.

Outbound shipments grew 6.7 per cent last month, customs data showed on Tuesday, missing a forecast 8.5 per cent increase and down from a 12.7 per cent rise in October.

Of more concern for authorities, imports shrank 3.9 per cent, their worst performance in nine months and dashing expectations for a 0.3 per cent increase, keeping alive calls for more policy support to prop up domestic demand. Top leaders on Monday vowed to ramp up stimulus in 2025, shifting the language around China's monetary and fiscal settings to more accommodative wording in a bid to rev up demand and entice consumers back into spending.



Note: in $ terms Source: Bloomberg

"Global demand is not super strong, data from other major exporters like South Korea and Vietnam point to different levels of slowdown too," said Xu Tianchen, senior economist at the Economist Intelligence Unit.

"Early signs of trade frontloading in anticipation of Trump's tariffs next year have started to emerge, but the full impact will not be felt until the coming months, especially December and January," he added.

US President-elect Trump has pledged to slap an additional 10 per cent tariff on Chinese goods in a bid to force Beijing to do more to stop the trafficking of chemicals used to make fentanyl. His threats have rattled China's industrial complex, which sells goods worth more than $400 billion annually to the US.

"We expect exports to accelerate again in the coming months, supported by gains in export competitiveness and exporters front-running tariffs," said Zichun Huang, China economist at Capital Economics.

However, unresolved tensions with the European Union over tariffs of up to 45.3 per cent on China-made electric vehicles threaten to open a second front in Beijing's trade war.

Lights Still Out in Many Diamond Units as Exports Dim

The Economic Times, dt. 11/12/24

SURAT CLOSURE CRISIS Weak US, China demand weighs, but drop in rough diamond prices seen as a positive move

Sutanuka Ghosal

Kolkata: Nearly 30% of the 15,000 diamond cutting and processing units in Surat have not reopened after the Diwali vacation as the demand from the US is still not robust and China is yet to open its doors for diamonds. In smaller diamond cutting and polishing centres spread over the state of Gujarat like Saurashtra, Bhavnagar, and Amreli nearly 50% of the units are still closed.

The diamond units employ nearly 1 million people and many of them are not getting any wages because of the closure. The Diwali holiday, which stretched for a month this year, ended on November 28.

Ramesh Zilariya, president of the Gujarat Diamond Worker Union, said "Workers are in real problem if the units do not reopen. Already the daily wages have come down from ₹1,200-₹1,300 to ₹700-₹800 and there is not adequate work for them at the diamond cutting and polishing units." It is said that nine out of 10 diamonds available in the global markets are cut and polished in India.

Vipul Shah, chairman of the Gem & Jewellery Export Promotion Council, said, "China is not keen to buy diamonds and we do not know when the country will start buying from India. We are now waiting for Donald Trump's policies which may give some impetus to diamond exports to the US."

Shah explained that when the economy is stagnant, Chinese consumers are more cautious and avoid purchasing assets, including diamonds. "Gold is seen as a way to store wealth and preserve value, and so they are buying gold."

While the diamond cutting and polishing units in Surat are struggling to stay afloat, the natural diamond miner De Beers has just dropped its rough diamond prices by 10% to 15%. Russian diamond miner Alrosa too has reduced its rough prices by 10% taking a cue from De Beers.

Over this past year, polished diamond prices have fallen by about 15% to 20% because the Chinese market crashed, and lab-grown diamonds took away the demand from natural diamonds in the US. As a result, De Beers' rough prices were about 20% to 25% above open-market rough tender prices.

"De Beers' rough prices are still too expensive, but its lower rough prices will allow sightholders to lose less money," said Vipul Shah. Sightholders are business houses that buy rough diamonds in bulk from the miners.

Jignesh Shah, managing director of Divine Solitaires said: "We do not see any major impact on the polished diamond post price correction of De Beers as this was like a price adjustment of rough diamonds to align with the existing polish diamond prices, that was long overdue."

However, the workers feel that the price drop by De Beers will lessen the financial burden of the cutting and polishing units and will help the workers get back their jobs.

Unkindest Cut

Saurashtra, Bhavnagar, and Amreli: Nearly **50%** of the units in these places are still closed

Diamond units employ nearly **1 million people**

Daily wages have come down to about **₹800** from **₹1,300**

De Beers has dropped rough diamond prices by **10-15%**

Russian diamond miner Alrosa has cut rough prices by **10%**

US president elect Donald Trump's policies expected to boost exports

Financial Express, 11/12/24

China's exports to US surge amid rising tariff concerns

- Unexpected drop in imports shows weak Chinese demand

BLOOMBERG
December 10

EXPORT VOLUMES SOAR, BUT PRICES FALLING

Domestic deflation and competition are dragging down export prices

Source: China's national bureau of statistics, General administration of customs, Bloomberg

COMPANIES IN CHINA rushing to ship goods to the US before new tariffs drove exports higher in November, while imports unexpectedly fell in another sign of continued weakness in the domestic economy.

Exports rose almost 7% to $312 billion in November from a year earlier, the customs administration said on Tuesday.

Shipments to the US hit their highest level since September 2022, while exports to Southeast Asia surged to a record, likely as Chinese firms aimed to have goods processed there and then shipped to the US before January 20, when Donald Trump returns to the White House.

Exports are also benefiting from Chinese companies turning to overseas markets to make up for weak domestic demand. While their strong sales have been a bright spot for the economy, this has also led countries to raise or consider trade barriers against the influx of Chinese products.

China's economy has been reliant on manufacturing and exports this year, with domestic demand remaining weak due to the property crisis and low consumer confidence. Most government stimulus has been focused on producers and infrastructure, especially in sectors like electric vehicles, solar and batteries.

With Trump's return and his threat of imposing additional 10% tariffs on goods from China, economists are urging Beijing to adopt more consumer-focused policies. Top leaders on Monday made their strongest pledge in years to revive growth, vowing "more proactive" fiscal and monetary policies next year to expand domestic demand and increase consumption.

The unexpected drop in imports shows just how weak Chinese demand is, with inbound shipments falling almost 4%, the largest contraction since February, when the country was on holiday for Lunar New Year.

"Going forward, frontloading by US importers on expectations of tariff hikes on Chinese goods could keep exports buoyant in coming months — a pattern seen before the first wave of tariffs during Donald Trump's first term as president. The economy will need the support — a bigger-than-expected drop in imports in November suggests domestic demand has yet to respond to stronger stimulus," said Eric Zhu, an economist.

Given the softness in domestic demand, as seen in imports and the recent inflation data, "the market is anxiously waiting for details on what exactly the government will do," said Zhiwei Zhang, chief economist at Pinpoint Asset Management. The benchmark CSI 300 Index climbed as much as 3.3% on Beijing's stimulus pledge.

RAJASTHAN

Business Standard, Dt. 12/12/24

Policy targets ₹1.5 trn goods exports by 2029

ANIL SHARMA
Jaipur, 11 December

The Rajasthan Export Promotion Policy aims to increase goods exports to ₹1.5 trillion by 2029, an official of the state industries department has said.

The policy, recently announced by the state government, will help boost exports by expanding and diversifying the portfolio through strategic administrative, institutional, fiscal, and infrastructural initiatives. It will also focus on encouraging research and development for technological upgradation and market research.

"The goods exports stood at over ₹83,704 crore as of FY24. The move will promote initiatives to elevate product quality and facilitate certification of exported goods," the official said.

A key feature of the policy includes increasing the workforce by promoting sector-specific skill development and capacity building according to the needs of the industries. "Imparting need-based training to stakeholders, including exporting units and officials, and support and mentor entrepreneurs are other main points of the policy," the official said.

The policy looks to promote diversification by identifying high-potential sectors like agro and food processing, engineering goods, and pharmaceuticals. For this, the government will provide targeted incentives and infrastructure support. The Bhajan Lal Sharma government will help in facilitating linkages between producers and exporters for efficient supply chains.

The policy also seeks to simplify regulatory procedures and provide online platforms for obtaining clearances and permits and implementation of financial incentives to support exporters, particularly SMEs.

Rajasthan's key export sectors include engineering goods, gem & jewellery, textiles, metals, handicrafts, agro-food products, and chemicals and allied products, which collectively account for over 70 per cent of the state's total exports, government data showed.

Business Line. Dt: 13/12/24

Tractor sales slow as festival surge wanes; exports hit a low

BETTER OUTLOOK. Demand is expected to pick up, aided by strong farm sentiments

G Balachandar
Chennai

Domestic tractor sales witnessed a significant slowdown in November following the record-breaking high volumes seen during the festival month of October. Meanwhile, tractor exports registered their lowest monthly figure for the calendar year, last month. Total domestic tractor sales stood at 71,300 units in November this year compared with 72,266 units in November 2023 and 1,18,232 units in October this year, according to data fromthe Tractor & Mechanisation Association.

For the April-November 2024 period, total domestic tractor sales stood at 6.88 lakh units, a 4 per cent increase from 6.60 lakh units sold during the same period last year.

Industry experts attributed the decline in volumes to the high base of October, but remained optimistic about the second half of the fiscal. They expect demand to pick up, supported by strong farm sentiments due to a good monsoon.

"The slight decline is attributed to the shift in the timing of the Diwali and Dhanteras festival season compared with last year," said Hemant Sikka, President – Farm Equipment Sector, Mahindra & Mahindra.

EXPORT HEADWINDS. Tractor exports continue to face challenges and November shipments were lower MURALI KUMAR K

Top tractor maker Mahindra & Mahindra reported a modest growth of 2 per cent in its November volumes at 31,746 units (31,069 units).

Escorts reported an 8 per cent decline at 8,730 units (9,503 units) and the company attributed the year-on-year (y-o-y) decline to the shift of festival days to October this year. However, during September-November, the company's domestic tractor sales were up 9 per cent to 38,554 tractors (35,387 units).

Tractor production in November stood at 74,854 units, down from 94,771 units in October but higher than the 60,014 units produced in November 2023.

REMAIN OPTIMISTIC

Tractor exports continue to face challenges and total shipments during November were lower at 6,963 units when compared with 7,097 units in October this year. However, exports saw a y-o-y increase from 6,722 units in November 2023.

Tractor makers project strong growth in H2 of this fiscal aided by surplus rainfall, strong reservoir levels, a hike in MSP of key Rabi crops and favourable terms of trade. With very good reservoir levels and higher MSP for key Rabi crops, farmers' sentiments are positive and cash flows are healthy.

Business Line. Dt:- 13/12/24

Edible oil imports jump 38% in Nov as soya, sunflower oil shipments rise

Our Bureau
Mangaluru

India's edible oil imports increased by 38 per cent in the first month of the oil year 2024-25 (November-October) due a significant rise in imports of RBD palmolein, crude sunflower oil and soyabean oil.

According to the Solvent Extractors' Association of India (SEA), India imported 15.90 lakh tonnes (lt) of edible oils in November against 11.48 lt in the corresponding period of the oil year 2023-24.

India imported 2.84 lt of RBD palmolein in November 2024 against 1.71 lt in November 2023, registering a growth of 66.33 per cent.

CPO IMPORTS DIP

However, import of crude palm oil (CPO) declined by 21 per cent in November. India imported 5.47 lt of CPO in November 2024 (6.92 lt in November 2023). Import of crude sunflower oil increased to 3.40 lt (1.28 lt) in November, recording a jump of 164.7 per cent.

Import of crude soyabean oil increased to 4.07 lt (1.49 lt), witnessing a sharp rise of 172 per cent.

SOYA OIL PRESSURES

BV Mehta, Executive Director of SEA, said Indian vegetable oil importers have quickly adjusted to the change in price differentials in the world market.

Unusually strong price competitiveness has resulted in booming Argentine soya oil import to India since October.

He said excessive import of soyabean is placing pressure on domestic soyabean price which is currently quoted around ₹4,250-4,300 a quintal against MSP (minimum support price) of ₹4,892 a quintal. This is complicating the situation for Indian soyabean processors who already are suffering from poor competitiveness of their soyameal in the world market, he said.

FUTURES TRADING

To support farmers and the market, SEA has urged the Central government to lift the suspension of futures trading on CPO, soyabean oil, mustard seed, soyabean, and not to extend beyond December 20.

He said the total share of refined oil (RBD palmolein) in the total edible oil import basket increased from 15 per cent in November 2023 to 18 per cent in November 2024.

Business Line. Dt:- 13/12/24

India extends permit system for computer imports by a year

Amiti Sen
New Delhi

India has extended import authorisation system for certain IT hardware products, including laptops, PCs and tablets, by another year.

The system, which was last extended by three months till December 31, 2024, will now continue till the end of calendar year 2025, per notification issued by the Directorate General of Foreign Trade on Wednesday. Importers of the seven IT hardware items, which also include ultra small form factor computers and servers, will need to apply for import authorisations for CY25 in the import management system (IMS) on the DGFT website, the notification stated.

The application portal will be open from December 13, 2024 to December 15, 2025.

"Any authorisation issued for import of restricted IT Hardware under IMS shall be valid till December 31, 2025," it noted. Importers will be allowed to submit multiple applications for authorisations.

UNCERTAINTY ENDS

The government's decision to continue with the import authorisation system by another year brings an end to the uncertainty faced by IT majors such as HP, Dell, Apple and Lenovo, as the existing system is liberal and results in automatic issuance of import authorisations once importers apply online.

The IT hardware products were placed under the restricted import category on October 1, 2023, but the rules were made non-prohibitive and did not put any restrictions on quantities as long as importers apply to the DGFT for automatic import authorisations.

The importers need to enter details such as the value, volume and country of sourcing for the proposed imports which helps the government in monitoring it.

There were apprehensions that the import system may be made more restrictive as the intention of the government in moving from a free import regime to a restricted regime was to check imports, especially from China, and give domestic manufacturing a push.

As the government already has a Production Linked Incentive (PLI) for IT hardware products for encouraging domestic production, restricting imports of the items is expected to bolster the scheme.

"The government held intensive discussions with industry representatives who pushed for continuation of the system for some more time," an official told *businessline*. Earlier US Trade Representative Katherine Tai had discussed India's import policy on the IT hardware items with Commerce & Industry Piyush Goyal and had made a case for transparency and certainty.

The introduction of the import authorisation system did not affect imports significantly with total imports of the seven IT hardware items declining about 3.4 per cent in 2023-24 to $8.4 billion compared to $8.7 billion in the previous fiscal.

The Economic Times. Dt: 13/12/24

US to Hike Tariffs on Imports of Chinese Clean Energy Products

New trade war move to impact import of solar wafers, polysilicon and tungsten products

Bangkok: The Biden administration plans to raise tariffs on solar wafers, polysilicon and some tungsten products from China to protect US clean energy businesses.

The notice from the US Trade Representative's office said tariffs on Chinese-made solar wafers and polysilicon will rise to 50% from 25% and duties on certain tungsten products will increase from zero to 25%, effective on Jan. 1, following a review of Chinese trade practices under Section 301 of the 1974 Trade Act.

The decision followed a public comment period after the USTR said in September that it was considering such actions.

"The tariff increases announced today will further blunt the harmful policies and practices by the People's Republic of China," USTR Katharine Tai said in a statement. "These actions will complement the domestic investments made under the Biden-Harris Administration to promote a clean energy economy, while increasing the resilience of critical supply chains."

Reports Thursday said US and Chinese officials were meeting this week and next for trade talks ahead of the year's end.

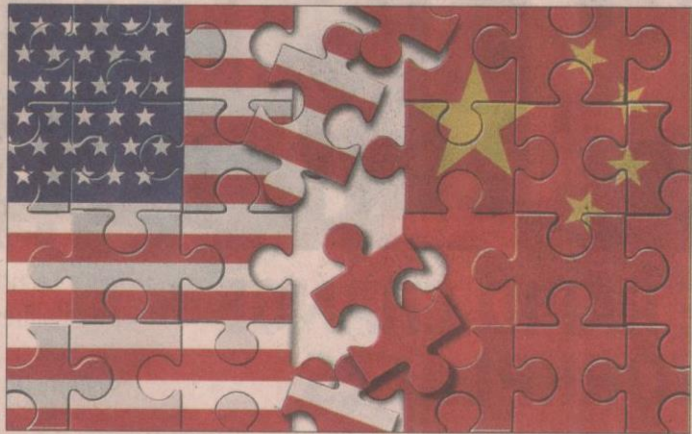
China's Commerce Ministry took aim Thursday at the approval by the House of Representatives of a defense spending bill that includes $3 billion in funding for removal from US networks of telecoms equipment provided by Chinese firms, including Huawei and ZTE.

"The United States' claim that Chinese information and communication products pose security risks is completely baseless," ministry spokesperson He Yadong said. "We hope that the US will respect facts and stop politicizing and weaponizing economic and trade issues. China will take all necessary measures to firmly safeguard the legitimate rights and interests of Chinese enterprises," he added without elaborating.

Last week, Washington tightened restrictions on Chinese access to advanced semiconductor technology. Beijing responded by banning exports to the US of certain critical minerals needed to make computer chips, such as gallium, germanium and antimony. It also stepped up its controls on graphite exports to the US.

China provides a very large share of most of those materials and the United States has been working to secure alternative sources in Africa and other parts of the world.

Tungsten is another strategically vital metal whose production is dominated by China. **AP**



Trump Invites Xi to Inauguration

Washington: US President-elect Donald Trump has invited Chinese President Xi Jinping and other foreign leaders to his inauguration next month in Washington, a Trump transition spokesperson said on Thursday.

Asked if Xi had responded, Karoline Leavitt told Fox News in an interview that was "to be determined". She did not name the other world leaders who were also invited.

"This is an example of President Trump creating an open dialogue with leaders of countries that are not just our allies but our adversaries and our competitors, too," she added. "He is willing to talk to anyone and he will always put America's interests first."

The Kremlin separately on Thursday said that it had not received an invitation to attend the Jan. 20 inauguration.

Reuters

Business Line, Dt. 16/12/24

India's petro product exports rose in Oct, led by petrol, ATF

FUELLING SALE. With limited arbitrage opportunities in Europe, exports to Asia increased

Rishi Ranjan Kala
New Delhi

India's exports of petroleum products rose on an annual basis aided by higher shipments of petrol, aviation turbine fuel and fuel oil.

The Petroleum Planning and Analysis Cell (PPAC) said exports of refined products rose 12.7 per cent y-o-y to 5.05 million tonnes (mt) provisionally in October. Month-on-month, the shipments were lower by 22.2 per cent.

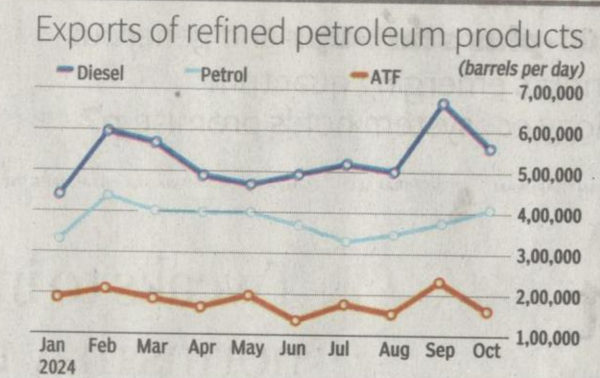
Export of POL products increased 4.2 per cent y-o-y during April-October to 36.76 mt largely on account of an increase in outbound cargoes of petcoke, fuel oil, petrol and jet fuel.

Xavier Tang, Market Analyst at Vortexa, said India's refined product exports increased by 20 per cent y-o-y in October.

"The export growth, when compared on a year-on-year basis, seems high due to lower exports in October 2023; October 2024 exports are also down slightly from the average volumes in the first nine months of the year," he told *businessline*.

Data from the PPAC show that diesel exports rose by 6.2 per cent y-o-y to around 554,511 barrels per day (bpd) in October.

Month-on-month, the shipments fell 16.6 per cent. Petrol, or motor spirit (MS), shipments rose a whopping 104.5 per cent y-o-y and 9.1 per cent m-o-m to 402,845 b/d during the same period, Vortexa's data showed. Jet fuel shipments fell 30.6 per cent m-o-m to 159,971 bpd in October. However, cargoes were higher by 32.4 per cent on an annual basis.



Source: Vortexa

ASIA SHIPMENTS UP

"A closed east-west diesel arb (arbitrage) to Europe, coupled with tighter diesel supplies in Asia due to several unplanned refinery outages have driven Indian refiners to export more diesel/gasoil to Asia. More Indian diesel/gasoil cargoes loaded for Asia this month, with limited arbitrage opportunities to Europe," he said.

After hitting a six-month high in September 2024, diesel exports are expected to lose steam during the festival season impacted by weakening price arbitrage in Europe amidst anticipation of higher domestic consumption in October- December.

Vortexa said strong exports were driven by weak domestic demand , as well as an open diesel arbitrage to Europe.

"Our preliminary data show India's refined product exports in November matching October's levels, but down y-o-y. Higher domestic demand, and weak export margins especially to the West, are likely to keep a lid on India's refined product exports in December," Tang said.

Business Standard, dt. 16/12/24

India's smartphone exports breached ₹20K cr mark in Nov

SURAJEET DAS GUPTA
New Delhi, 15 December

Breaking all previous records, smartphone exports from India have, for the first time, breached the ₹20,000 crore mark in a single month, according to data submitted by companies and figures compiled from industry associations.

Smartphone exports in November reached ₹20,395 crore, representing a staggering 92 per cent increase over the same month last year, when the figure was ₹10,634 crore.

Leading the pack were Apple iPhones, followed by South Korean giant Samsung. Together, they accounted for the lion's share of November's exports. Queries sent to Apple Inc and Samsung India did not elicit any response.

Apple Inc and its vendors spearheaded the march, exporting iPhones worth ₹14,000 crore in November 2024. The company's previous monthly record was ₹12,000 crore in October. For the Cupertino-headquartered company, this marks the first time it has exported over 80 per cent of the total production value of iPhones assembled in India by its three vendors.

Leading the pack were Apple iPhones, followed by Samsung mobiles. Together, they accounted for the lion's share of the November exports

This achievement outshines its production-linked incentive (PLI) scheme commitment to export 70-75 per cent of production value in 2024-25 (FY25).

Foxconn's iPhone factory in Tamil Nadu was the single largest contributor to India's smartphone exports, followed by Tata Electronics in Karnataka. Pegatron was the third major contributor among Apple's vendors.

Samsung, Indian companies, and merchandise trade contributed the remaining share of total smartphone exports.

The smartphone PLI scheme, regarded as the most successful among the various PLI initiatives, has led to a sharp rise in exports, catapulting smartphones from being India's 23rd-ranked export in 2019 to the third-largest individual commodity export today.

This growth has also pushed electronics exports overall, moving them from seventh place in 2019 to third so far in FY25.

In October, the India Cellular & Electronics Association, the country's leading electronics industry body, assessed the industry's performance under the PLI scheme. In a letter to the finance ministry and the Ministry of Electronics and Information Technology, it reported that against a total PLI disbursement of ₹5,800 crore between 2021 and 2024, the industry contributed ₹1.1 trillion in incremental goods and services tax and duties on mobile components.