

✓ BUSINESS LINE dt. 28/3/23

Coking coal imports rise 9 per cent in April-February

Abhishek Law

New Delhi

Coking coal imports were up nearly 9 per cent during the April-February period, with steel mills importing from Indonesia, Russia, the US, Mozambique and Canada, as against its largest supplier, Australia.

While coking coal imports from Australia dropped 13 per cent for the 11-month period to 33.1 million tonnes (against 38 mt in the year-ago-period), shipments from Indonesia, the US and Russia more than doubled.

For instance, coking coal shipments from Indonesia increased 216 per cent year-on-year to 2.62 mt (0.83 mt). On the other hand, shipments from the US saw a 146 per cent rise to 7.25 mt (2.95 mt). In the case of Russia, the y-o-y increase

was 130 per cent to 2.64 mt (1.15 mt).

Other countries that saw an increase in coking coal shipments included Canada – up 52 per cent y-o-y to 2.81 mt; and Mozambique – up 22 per cent to 2.34 mt.

India, the world's second largest crude steel producer, is also the world's largest importer of coking coal – a key item for steel-making. ✓

CHURN IN LINE-UP

Among the large suppliers, Australia occupied the top spot, followed by the US and Canada. Russia, which was previously amongst the top 10 suppliers, moved up the ranks to emerge the fourth largest supplier, followed by Indonesia at number five. Mozambique, previously among the top four suppliers to Indian mills, has dropped two spots to number 6.

✓ BUSINESS STANDARD. dt. 28/3/23

India to be Daikin's biggest production hub for exports

CEO says EU's tightening environmental regulations behind greater India focus

RAGHAV AGGARWAL

New Delhi, 27 March

The world's largest air-conditioner manufacturer Daikin Industries aims to triple exports of its 'Made in India' products by 2025 and turn the country into its biggest manufacturing hub for exports. In an interview with the *Financial Times*, the firm's chief executive Masanori Togawa said they would soon start manufacturing products like heat pumps in India.

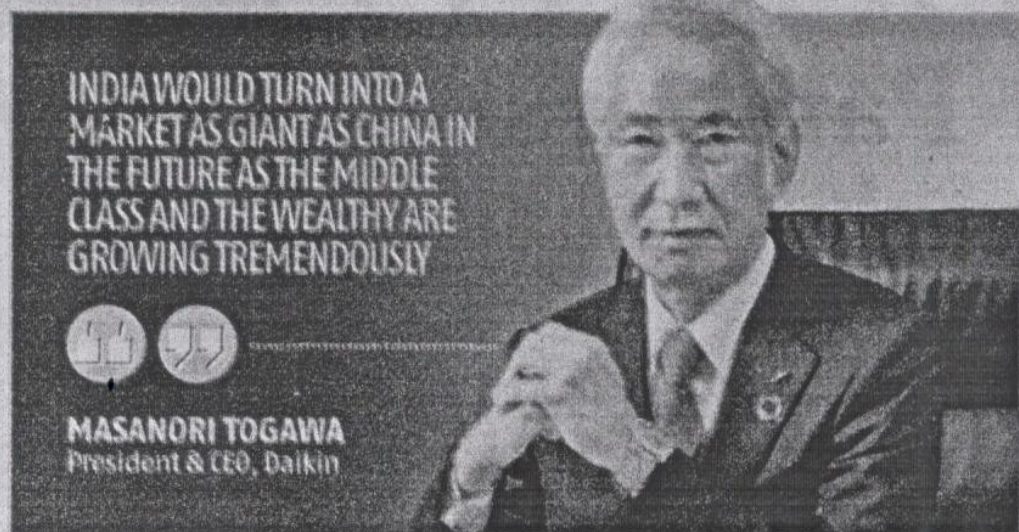
The main reason behind the increasing focus on India was the tightening environmental regulations in Europe.

"India would turn into a market as giant as China in the future as the middle class and the wealthy are growing tremendously. In addition to concentrating production of (mass-market air-conditioning) products in India, we will also consider making heat pumps in the country that are exported abroad," Togawa told *FT*.

In India, Daikin will begin a new plant in August, manufacturing air conditioners and compressors. Currently, it exports 'Made in India' products to 30 countries. It is expected to reach 100 nations by 2025.

Daikin currently manufactures the products at its Neemrana facility. In 2022, it announced a new plant in Sri City, Andhra Pradesh, but it has yet to become operational.

A leading producer of air con-



ditioners, Daikin is headquartered in Osaka, Japan. It was founded on October 24, 1924. Daikin was the first company globally to produce the first split and multi-split air conditioners.

It was also the first company to develop variable refrigerant volume (VRV) technology. This technology adjusts the refrigerant volume according to the building's requirements. This ensures energy efficiency and shuts off when no occupants are in the room.

It currently employs over 84,000 people worldwide.

Link with India

Daikin entered the Indian market in a joint venture with Usha Shriram Group at 80:20 stakes as Daikin Shriram Air-

conditioning. In 2004, it became a wholly-owned subsidiary of Japan's Daikin Industries.

In 2008, the company set up its manufacturing base in Neemrana. The production at the plant started in 2009. Three years later, in 2012, the company started producing its high-wall split air conditioners at the Neemrana facility.

Later, in 2016, it started a dedicated research and development centre in Neemrana.

What are heat pumps?

A heat pump is a device that transfers heat from one place to the other. In the process, it ends up cooling a warm place or heating a cool place. It does not generate any heat of its own.

Export demand holds turmeric prices from plunging

BUSINESS LINE dt. 29/3/23

Subramani Ra Mancombu
Chennai

Turmeric prices are ruling lower by over ₹1,000 a quintal compared with last year on slack domestic offtake but export demand is preventing further fall in the rates.

Currently, the modal price (rates at which most trades take place) for the finger variety turmeric at Erode in Tamil Nadu is ruling at ₹6,183 a quintal against ₹7,790 in the year-ago period. In the case of the bulb variety, the modal price is 5,413 against ₹6,594 a year ago.

At the Nanded agricultural produce marketing committee (APMC) yard in Maharashtra, the modal price is ₹6,000 compared with ₹7,200 a year ago.

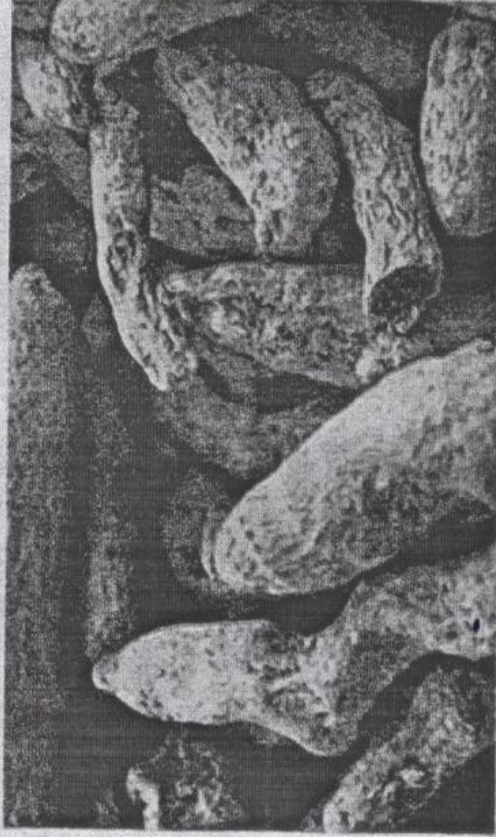
On NCDEX, spot prices for unpolished turmeric were quoted at ₹6,452.35 a quintal. In Nizamabad APMC yard, the modal rate is ₹5,751 against

₹6,520. "Demand in the domestic market is slack, resulting in prices trading in a ₹100-200 range either way. But demand for export is good and it has actually prevented the spice's price from dipping further," said Poonam Chand Gupta, a trader from Nizamabad, Telangana.

"Export demand is good amidst lukewarm domestic demand. You can say prices are at the bottom now. Export demand has ensured prices don't decline further," said Amrutlal Kataria, another trader from Nizamabad.

SHIPMENTS UP 10%

According to Spices Board India data, turmeric exports were up 10 per cent during April-November period of the current fiscal at 1.12 lakh tonnes valued at \$140.94 million. During the same period last fiscal, shipments were nearly one lakh tonnes valued at \$134.81 million. "Turmeric exports are sub-



POUNDED. Rates are lower by ₹1,000 a quintal than last year on poor domestic demand

dued a bit due to the recent rains in parts of Maharashtra. But they have been steady this fiscal," said Sunil Patil, Proprietor, Varadlaxmi Trading Company in Sangli, Maharashtra.

LOWER OUTPUT SEEN

One of the reasons for turmeric to rule low this year is a huge ending stock from last year. In addition, this year's production

is unclear with the market still assessing damages due to rains.

Turmeric production in the 2021-22 crop year (June to July) was estimated at 13.30 lakh tonnes (lt) compared with 11.23 lt in 2020-21. A study made by Olam Spices and presented at the International Spices Congress in January projected turmeric output this year at 13.14 lt.

Though the production has

been estimated lower, the ending stock of 1.7 lt could be a dampener. "We are waiting for arrivals to pick up, especially from Nanded and Vidarbha regions," Patil said.

While the crop in Maharashtra is reported to have been affected by water-logging, production in Tamil Nadu and division of 5 lakh bags (50 kg each) of turmeric in Karnataka from extraction units could make up the shortage, he said.

PRICE OUTLOOK

In the short-term, turmeric prices could come under pressure from arrivals in Maharashtra, Patil said, adding that he would not be surprised if prices drop to levels of ₹5,500 since supplies are expected to continue till June. However, if the El Niño, a weather phenomenon that has an impact on the Indian monsoon, emerges then turmeric prices could tend to move northward, said Patil.

● MAKE-IN-INDIA PUSH UNDER PLI SCHEME

FINANCIAL EXPRESS dt. 29/3/23

iPhone exports up 65% y-o-y in 2022

JATIN GROVER

New Delhi, March 28

IPHONE MAKER APPLE witnessed its best year in India in 2022 with its 'Made-in-India' smartphone shipments growing 65% y-o-y in terms of volume and over two times in terms of value largely due to an increase in demand for premium phones, according to data by Counterpoint.

The reason for the significant growth in Apple's shipments during the year can be attributed to the production-linked incentive scheme in which its contract manufacturers Foxconn

Hon Hai, Wistron, and Pegatron are the participants. The company's contribution in terms of value to 'Made-in-India' smartphone shipments also increased to 25% in 2022, from 12% in 2021.

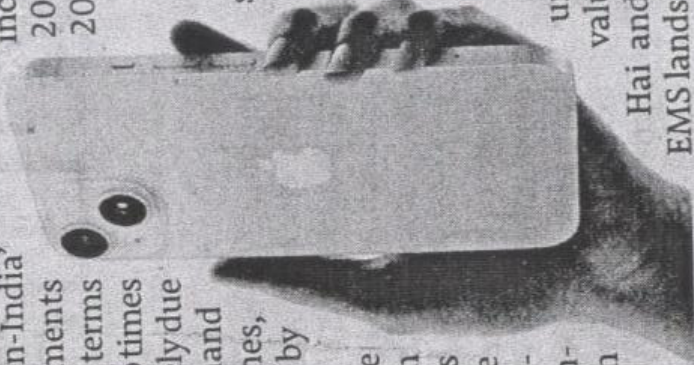
Apple's EMS (electronics manufacturing services) partners Foxconn, Hon Hai, Wistron and Pegatron were among the top 10 EMS players in India in 2022 in terms of volume. In terms of

value, Foxconn, Hon Hai and Wistron led the EMS landscape, according to

Counterpoint.

Both Foxconn and Wistron have also received the PLI incentive in the recent disbursements. In 2022, the 'Made in India' smartphone market registered a growth of 34% YoY in terms of value. However, in terms of volume the market declined 3% YoY to 188 million units. The major factor behind this decline was the softening of consumer demand due to macroeconomic headwinds, Counterpoint said.

"The high inventory, which has impacted the overall supply of smartphones, is now being felt at the manufacturing level. The premiumisation trend is benefitting some of the manufacturers," said Prachir Singh, senior analyst, Counterpoint.



Chilli export up 25% in five years to FY22

BUSINESS LINE

dt 30/5/23

Our Bureau

Mangaluru



Export of chilli from India has seen more than 25 per cent growth between 2017-18 and 2021-22 fiscals, the Centre told Parliament on Wednesday.

In a written reply in the Lok Sabha on Wednesday, Anupriya Patel, Union Minister of State for Commerce and Industry, said the export of chilli from India increased from 4.43 lakh tonnes (lt) in 2017-18 to 5.57 lt in 2021-22.

Meanwhile, the production of red chillies in India went up by 7.33 per cent during the period between 2017-18 and 2021-22.

According to data provided in the answer, India produced 17.10 lt of red chillies in 2017-18 against 18.36 lt in 2021-22.

To a query on the cost of production of natural rubber, Anupriya Patel said the cost of production of nat-

RED HOT. The production of red chillies in India went up by 7.33 per cent during the period between 2017-18 and 2021-22

Welfare has extended the crop diversification programme (CDP), an ongoing sub scheme of Rashtriya Krishi Vikas Yojana (RKVY), to encourage tobacco farmers to shift to alternative crops/cropping system in tobacco-growing States such as Andhra Pradesh, Bihar, Gujarat, Karnataka, Maharashtra, Odisha, Tamil Nadu, Telangana, Uttar Pradesh, and West Bengal, with effect from 2015-16.

3,76,906.6 tonnes with an assessable value of ₹5,383.21 crore till March 23 of the current financial year. The import duty collected was at ₹729.17 crore.

ural rubber for 2021-22 was at ₹91.30 a kg in Karnataka. This was followed by Kerala at ₹90.64, Tripura at ₹70.61, and Assam at ₹66.01.

The cost of production included all paid-out costs of labour and material inputs, interest on working capital and depreciation. The tapping system, followed for this calculation, was once in three days.

On the quantum of natural rubber imported and import duty collected, she said India imported

3,76,906.6 tonnes with an assessable value of ₹5,383.21 crore till March 23 of the current financial year. The import duty collected was at ₹729.17 crore.

TOBACCO AREA DOWN

To a separate query on the area under tobacco cultivation, the Minister said the area has come down to 3.57 lakh hectares (lh) during 2020-21 from 4.04 lh in 2019-20.

She said the Department of Agriculture and Farmers

GULFOOD EXPO

To a separate query on India's participation Gulfood 2023, the Minister said the Agricultural and Processed Food Products Export Development Authority (APEDA) participated in Gulfood 2023 held from February 20-24 in Dubai, UAE.

An exclusive millet gallery was set up during Gulfood 2023, wherein participating Indian exporters exhibited their millet-based products..

Basmati Exporters to Iran Seek LC as Arrears Mount

THE ECONOMIC TIMES - dt. 30/3/23

Sutanuka Ghosal
@timesgroup.com

Kolkata: Indian rice exporters have decided to ship basmati rice to Iran only against letter of credit (LC) or cash due to non-payment of dues amounting to ₹700 crore amid a currency crisis in the Gulf nation.

All India Rice Exporters Association (AIREA) has written to Government Trading Corporation (GTC) of

Though Private Importers in Iran do import basmati rice, these days GTC is mostly buying it through floating of tenders

Iran about their decision as the latter has failed to pay for new season crop that arrived in the market in November-December last year and shipped during January-March.

"We have written to GTC that exports can only be done according to rules of

the Indian government, which allows exports only through opening of LC or cash against documents," Vinod Kaul, executive director of AIREA told ET, "We have yet to hear from GTC." Earlier, GTC was given payment conditions of three months of credit. Though private importers in Iran do import basmati rice, these days GTC is mostly buying the commodity through floating of tenders.

CURRENCY CRISIS

Iran's non-payment of dues to Indian rice exporters amount to ₹700 crore

Iranian rial has tumbled significantly against the dollar in recent months



Iran is one of the largest buyers of basmati rice from India

Before the US sanctions, Iran was the largest buyer with 1.3 million tonnes of imports

Iran is one of the largest buyers of basmati rice from India. "There is a severe currency crisis in Iran," Kaul said. The Iranian rial has tumbled significantly against the US dollar in recent months, making imports far more expensive and sapping the purchasing power of ordinary Iranians.

From about 300,000 rials against the US dollar in September, the Iranian currency slumped to about 600,000 rials against the dollar by February end. It has made some recovery this month, but the country continues to reel under high inflation.

There is also an acute shortage of US dollar in Iran as Iranians are turning to the greenback and gold to protect their savings amid fears that the US sanctions are likely to remain

in as talks to revive the 2015 nuclear deal are stalled.

Gurnam Arora, joint managing director of Kohinoor Foods, said prices of basmati rice internationally have risen to \$300 per tonne as the yield of basmati rice in India has been less this year.

"In the domestic market, prices have appreciated by 30% and have touched Rs 95-100 per kg," Arora said.

India's annual basmati rice production hovers between 8.2-9 million tonnes. Of this, 4.5 million tonnes of rice are exported to the global markets. The largest buyers are the Middle East countries.

Before the US sanctions, Iran was the largest buyer with 1.3 million tonnes of imports.

Now, the country buys 0.9 million tonnes of basmati rice from India.

Robust overseas demand fuels kabuli chana exports from India

BUSINESSLINE. dt. 31/3/23

Vishwanath Kulkarni
Bengaluru

An empty global pipeline has fuelled demand for Indian Kabuli chana, the premium variety of chickpea, and shipments have more than doubled in value during 2022-23, compared with the previous year. Trade sources said the outlook for next year's shipments is good on firm demand, and prices are expected to rule firm despite the crop being better than last year.

Strong demand from buyers such as the UAE and Sri Lanka has boosted Kabuli chana shipments to over \$112 million during April-January of the current fiscal, compared with \$46.47 million during the same period a year ago, DGCIS data said.

"The pipeline is empty the world over and an early Ramadan has boosted demand for the bigger size calibre of 12 mm (bold) chickpeas" said Harsha Rai, vice-presid-

ent - sales, Mayur Global Corporation, an international broker and manufacturer.

Rai said India and Mexico are the two producers of the bold variety of kabuli chana and the harvest in Mexico will start next month. Also, the Mexican crop is lower than the last year, and it does not have carry-over stocks, which worked to India's advantage.

YIELD WORRIES

The global demand for kabuli chana is such that even the smaller variety has seen good demand. "Maharashtra has come up with a good crop for the smaller 8 mm calibre and exports have been consistent. The stocks are not going into cold storage or stocking and is going into exports and consumption," Rai added.

Satish Upadhyay, an international agri-commodities broker, said fresh demand from Dubai and Algeria and some concerns over crop

yield on account of bad weather, are keeping prices steady to firm. The earlier prediction was that the crop was larger than last year's, but the arrivals of the 12 mm calibre has been affected by the weather, Upadhyay said.

Vivek Agrawal of JLV Agro said the export trend was good and continuous buying was keeping prices firm. "India has a good crop this year, and we expect good exports," Agrawal said.

Indrajit Paul, AGM, Commodities Research, DeHaat, said prices have jumped by 15-16 per cent over the past one month on good export demand. As against earlier expectations for 4.5 lakh tonnes, the crop is likely to be around 4 lakh tonnes on account of the heat.

During April-January, kabuli chana exports more than doubled to the UAE at \$33.72 million (\$14.64 m in 2021-22), Sri Lanka at \$12.92 million (\$5.21 m) and Algeria at \$9.09 m (\$2..86 m)

India's coffee exports for FY23 hit a record on higher global prices

BUSINESSLINE dt. 3/4/23

Vishwanath Kulkarni

Bengaluru

India's coffee exports for financial year ending March, 2023 scaled a new high at \$1.126 billion on increase in global prices. The exports are higher by about a tenth in dollar value terms over the previous year's \$1.027 billion and surpassed the target of \$1.088 billion fixed by the Commerce Ministry.

In fact, coffee exports have clocked over a billion dollars for the second consecutive year during 2022-23. The export growth is higher at around 18 per cent at ₹9033.38 crore as against previous year's ₹7655.50 crore.

This growth in exports is despite a 3.6 per cent decline in volumes at 3.98 lakh tonnes over the previous year's 4.13 lakh tonnes, as per the Coffee Board of India's data.

HIGHER REALISATIONS

"The increase in exports is due to higher realisations,"



said Coffee Board CEO and Secretary KG Jagadeesha. The per unit realisation for Indian coffees was higher by 22 per cent at ₹2.26 lakh per tonne during 2022-23 as against ₹1.84 lakh per tonne the previous year.

"The International Coffee Organisation's composite index price last year was very high compared to the last 10 years," Jagadeesha said. The ICO indicator price for "other milds", a category under which the Indian coffees are classified, went up from around 185 US cents per pound last year to 226 US cents per pound.

"Our growth in value terms is much faster than in

quantity. In terms of quantity, we are lagging behind. If the prices remain the same during 2023-24, we may exceed the billion dollar mark again," Jagadeesha said. While India may not face problems in exports of value-added instant coffees, the green coffee shipments all depend on natural factors such as weather. "If there is a favourable weather, we will have a good crop and good exports," he added.

DECLINE IN VOLUMES

Ramesh Rajah, President, Coffee Exporters Association, said the higher value due to the gain in the international market has made up for the decline in volumes. "We were expecting a 5 per cent decline in volumes," Rajah said, adding that it would be hard to sustain the exports during 2023-24. "There could be a marginal decline in quantity and five per cent dip in value during 2023-24 as the order books are only 60 per cent of the normal, which is a bit of concern," Rajah said.