Steel SCENARIO

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Sakuntala, Editor & Publisher

Does Indian export policy need a U-Turn?

India's exports rose 2.14 % to USD 36.27 billion in July, while the trade deficit almost tripled to USD 30 billion during the month due to an over 70% rise in crude oil imports. However, exports during April-July 2022–23 rose by 20.13 per cent, to USD 157.44 billion. Imports increased by 48.12 percent during the four months to USD 256.43 billion. The trade deficit stood at USD 98.99 billion as against USD 42 billion during April-July 2021-22. Commerce and Industry Minister Piyush Goyal is likely to chair a meeting of the Board of Trade to discuss ways to boost the country's exports. Discussions in the meeting are expected to focus on the new Foreign Trade Policy (FTP 2022-27), ways to take forward domestic manufacturing and exports. The platform provides an opportunity to have regular discussion and consultation with trade and industry and advise the government on policy measures related to FTP in order to achieve the objective of boosting India's trade.

India is presently known as one of the most important players in the global economic landscape. Its trade policies, government reforms, and inherent financial strengths have contributed to its standing as one of the world's most sought-after destinations for foreign investment. The key initiatives aimed to boost both goods and services exports by systematically addressing domestic and global trade constraints by lowering transaction costs; implementing WTO-compliant policies should help the economy reach the $5 trillion mark by 2025.The Government of India has been working on important deals with the Governments of Japan, Australia, and China to grow India's trade activity in the global market. India can potentially increase its exports of goods and services to Australia by up to US$ 15 billion by 2025 and US$ 35 billion by 2035.

Due to the uncertainties all over the world and in international trade, the ministry has extended the existing policy till September this year. The role of states, particularly districts, is crucial in promoting India's outbound shipments. The government is supporting aspirational districts and northeastern states, and also identifying the unique products of each district that can be promoted both in India and worldwide.

> **"The government's decision to impose export duties on steel isn't helping the sector as intended. India could lose export opportunities and the decision could also impact the overall economic activity in the country."**

The government's decision to impose export duties on steel isn't helping the sector as intended. India could lose export opportunities and the decision could also impact the overall economic activity in the country. Indian steel mills cut the price of hot rolled coil (HRC) on August to Rs. 58,500 per tonne, which is a reduction of Rs. 3,500 per tonne m-o-m, and cold rolled coil (CRC) to Rs 66,000 per tonne, a reduction of Rs. 2,500 per tonne m-o-m, to align more closely with trade channel prices. HRC prices fell 400 per tonne week on week to Rs. 57,400 per tonne on the trade channel, reflecting continued weak demand amid oversupply due to the imposition of export duty. Even steel stocks are seeing a meltdown. Steel exports are likely to remain low in FY23 because of the duties. Exports soared in FY22 as domestic steel players took advantage of the supply gap left by China after the removal of export rebates as that country is looking to move inward. The export situation can see a marginal improvement if the duties are reversed enough to make domestic steel competitive again. Steelmakers and steel exporters hope that the government will soon take corrective measures to ease their pain points. Reversing the government's decision to impose the duties would be a balm for the industry's stakeholders. While short-term policy actions like the export duty can be taken in exceptional circumstances, long-term policy stability is important to attract more investment into this industry.

Sakuntala Chanda

Volatility can spur renewed interest in steel price hedging in India

Shri Sameer Patil, Chief Business Officer, BSE

The currently volatile commodity market has placed pressure on all sectors of the economy, including base metals. Significantly, steel prices in the domestic market fell by almost a tenth in two weeks since the Government of India levied export duty, which has unfortunately coincided with the seasonal slowdown in demand.

The Government has levied a 15% export duty on steel, effective May 22, 2022 to rein in prices in its bid to arrest inflation. It also levied a steep duty on the export of iron ore while cutting the import duty on key raw materials such as coal to reduce the cost of steel production. While these measures have helped tame prices in the domestic market, the decline began before the changes.

India's crude steel production rose over 6% year-on-year to 10 million tonnes (mt) in June 2022. As per World Steel Association (worldsteel) data, India is the only country which has registered a positive growth in its steel output during June. The country had produced 9.4 mt of crude steel during June 2021.

Managing the associated cost and risk challenges requires a comprehensive approach. For Indian steel market participants, the present situation calls for a quick solution to insulate the sector from global price pressure and safeguard their finances. Although export duty hikes are a positive step towards curbing inflation, they pose significant challenges for business. Measures are needed to increase hedger confidence and the credibility of the risk management tools.

The steel industry needs to evaluate the risk management tools that the other industries are availing and how some of its unique features can be adopted by using exchange-based risk management tools. A continuously optimising hedging approach is based on, for example, planned exposure to future steel prices, forecasted volumes (including optionality in consumption profile), and pass-through capacity to clients. The key challenge in risk management is the ability to hedge or pass-through price risks. Overall, this calls for industries to proactively manage risks and energy costs.

As an example, let us take the case of Reliable Steel Traders Centre (RSTC), which needs to deliver 10,000 tonnes of steel at a future date, say, after three months. Several industries, including RSTC, face challenges in passing through price increases and the associated margin-compression effect. To overcome the problem of price risk, the company can resort to hedging on a BSE Futures platform.

In order to hedge 10,000 tonnes, the company needs to purchase 1,000 BSE SUFI Steel Billets Futures contracts (lots). The current market price of BSE SUFI Steel Billets price is, say, Rs. 51,170, the negotiated fixed price for delivery in 3 months is Rs. 55,000, the current cost of semi-finished steel is Rs. 25,000.

Let us refer to the table below for understanding this hedging example, using fictitious dates and prices:

Date	Futures platform BSE	Physical market
August 10, 2022	RSTC buys 1,000 lots of November expiry (3 month forward) BSE SUFI Steel Billets Futures contracts at Rs. 51,170 (day's market price) per tonne	Semi-finished price is Rs. 25,000 per tonne
August 16, 2022	Sells 200 BSE SUFI Billets Futures contracts at Rs. 52,170 (day's market price) per tonne	RSTC buys 2,000 tonnes semi- finished at Rs. 26,000 per tonne

Note: Increase in cost of underlying spot is offset by the increase price in the futures market, as the underlying drives the price of derivatives. Increase price of Rs. 1,000 per tonne is compensated against increase in price of the underlying commodity.

As RSTC continues to purchase semi-finished steel to process, it reduces the amount needed to hedge, and can sell the equivalent amount of BSE SUFI Steel Billet Futures contracts until the entirety of needed material is purchased, and the entire hedge is liquidated.

If the price increases, RSTC has covered its risk with the purchase of BSE SUFI Steel Billet Futures contracts, which they can sell at a profit to compensate for the increase in the underlying price. If the price goes down, the Service Center will buy the semi-finished steel from the steel mill cheaper, which will compensate for the loss on the futures contract.

Regardless of the direction of price, the variable price risk is covered with a hedge using BSE SUFI Steel Billet Futures contracts, and RSTC can deliver finished steel to their client at the promised fixed price 3 months after agreeing to a price. The profit margin is protected.

The simplified way to think about hedging is as a form of insurance. Like hedging an investment, when you take out an insurance policy you are agreeing to forgo a certain amount of money in order to reduce the financial risk to you should an accident or other unforeseen event happen to you in future. As seen, the hedge locks in the price by taking the opposite position in the futures market (sell) to what he has (buy) in the cash market. If the sell hedge is in place, a drop in the price of futures (and the value of cash steel) will make the growing, or cash steel, worthless, but the seller's short futures hedge will be worth more. The money lost in one market and the money made in the other will balance each other off very closely.

It is important to note that by hedging, a company is trying to mitigate risk, not make additional profit through speculation. Therefore, if properly hedged, adverse and favourable price fluctuations will net the same result.

In such a scenario, risk management tools such as BSE SUFI Steel Billets Futures enable the steel ecosystem and its stakeholders along the entire supply chain to protect profit margins and minimise risk, using futures contracts. These contracts bring a national-level benchmark price for the market participants which are transparent, structured, healthier and reducing price risks.

CASE India crosses production milestone of 50k loader backhoes

CASE Construction Equipment, a brand of CNH Industrial, has crossed the production milestone of 50,000th loader backhoe, from its state-of-the-art facility in Pithampur, Madhya Pradesh. CASE loader backhoes are known for their versatility, reliability, productivity, flexibility, safety, and operator comfort.

Built in 1989, the plant in Pithampur, near Indore, has been manufacturing a full range of advanced construction equipment, including loader backhoes, compactors, and crawler-excavators. Currently, the facility caters to the construction equipment required for India and over 75 countries located in Africa and the Middle East, the Asia Pacific region, and Latin America markets.

On achieving the milestone, **Mr. Fabrizio Cepollina**, Vice President, Industrial Construction Segment in Africa, Middle East and the Asia Pacific, CNH Industrial, said: “CASE has been manufacturing loaders backhoes since 1957. Today, our latest range of TLBs further drives the brand's legacy of excellence to newer limits. CASE is globally known for its superior quality machines, making us one of the leading brands in the construction equipment industry. This is a moment of pride for us, and we are working towards making our well-equipped Pithampur plant a global manufacturing hub for CASE products. The plant is already catering to the demand of close to 80 countries, including India. We are aiming to further increase the volume of exports from here to additional markets.”

Speaking on the occasion, **Mr. Sunil Puri**, MD, CNH Construction Equipment India, said, “We are fully aligned with the Government's initiatives such as Make in India and Atma Nirbhar Bharat, with our loader backhoes being 90% indigenised. This remarkable achievement of the 50,000th loader backhoe roll-out is a testimony of our customer's belief in the brand and our products.”

Mr. Satendra Tiwari, Plant Head - CASE Construction, India said, “CASE India has been working consistently to provide outstanding machines and have proven our capacity to evolve with the time. The bronze-certified world class manufacturing hi-tech facility is well automated with a focus on employee safety, product quality and precision, to efficiently meet both domestic and export demand. We are committed to following best practices and providing quality products from our only plant in the country. The 50,000th loader backhoe rollout is a proud moment for us at CASE India, and reaffirms our potential, encouraging us to continue to produce versatile machines for our customers.”

CASE Construction has a sizable R&D facility at Pithampur. As a part of its sustainability goals contributing to reducing carbon emission, the company has installed solar panels at its Pithampur plant that will help provide up to 25% of the plant's energy through a natural source. Moreover, the company has recently inaugurated a Skill Development Center to provide cost-free training on loader backhoe operation for enthusiasts with a lack of financial resources. The initiative contributes to the Centre's Skill India Mission by training 240 professionals each year. The 1200 sq. ft. facility is located at Sonvai, Rau near Pithampur.

"We are targeting a brand revenue of Rs. 22k crore by the end of FY24"

Mr. Satish Kumar Agarwal
Chairman & Managing Director, Kamdhenu Limited

Steel Scenario: What has made Kamdhenu the largest selling retail brand in India?

Mr. Satish Kumar Agarwal: Quality and affordability are the distinguishing hallmarks of any Kamdhenu product. Our model of decentralised production through strategic tie-ups with medium-sized manufacturing units and providing technical upgradation, implementation of Quality Management System and effective distribution through the exclusive dealer network has helped the company scale great heights. Today, Kamdhenu products are widely available across the country and are the number one in the respective markets they are in.

SS: From a humble beginning in 1995 to today's Rs. 16,000-crore of brand turnover growth – what were the major milestones and challenges in the success story?

SKA: The Kamdhenu group was founded in 1994 with a vision to provide best-quality TMT bars in the market at the best price. We began with a single reinforcement steel bars manufacturing plant at Bhiwadi, Rajasthan and today we have more than 80 manufacturing units across the country. The transformation from a single unit to the leading brand with nationwide presence is a benchmark in the industry.

The dealership and distributor network associated with Kamdhenu has also witnessed swift growth. There are around 8,000 exclusive dealers and distributors for our steel business.

Kamdhenu's range of steel bars offers best-in-class properties. The ultra-premium quality alloy steel TMT bar PAS 10000 provides 360-degree locking with concrete, which gives strength of up to 10,000 psi with the concrete. Micro-alloying with high value elements gives a better rust-proof quality and gives this rebar capability to bear 28% more weight. Kamdhenu NXT is the next generation high-end interlock steel TMT bar which has a unique characteristic to make new engineered reinforcement structures and smart architectural concepts more robust by providing 2.5 times stronger concrete-steel interlock.

The main challenge for us has always been about scaling up fast enough to meet rising demand. Our products due to their superior quality and affordability are quick to emerge as the preferred choice and demand has been strong. The Covid-19 pandemic and the lockdowns have been stumbling blocks not only for us but for everyone else too.

SS: The Kamdhenu Group has in its list of manufacturing, marketing, branding and distribution of a diverse range of products, including reinforcement steel bars, structural steels, binding wire, colour coated sheets and many more. What share of the construction market in India does it hold?

SKA: Kamdhenu's range of products are backed by a strong in-house R&D, quality control and manufacturing process that incorporate high quality standards at par with, if not better, than global benchmarks. While our pioneering business model ensures that we are agile in process upgradation and technology transfers, the decentralisation of manufacturing also helps us in keeping cost low as we are close to our customers. Our share of the construction market is substantial as we not only have been making strong inroads into new markets, we have also been maintaining leadership position in markets where we have a presence.

SS: What role do you think secondary steel producers will play in achieving the 300 million tonne steel capacity target by 2030?

SKA: Secondary steel producers will play a crucial role in achieving the target of 300 million tonne steel capacity by 2030-31, as laid out in the National Steel Policy 2017. Upcoming steel clusters will be region-defined and the presence of ancillary and secondary steel producers around the cluster will be required to ensure availability of raw materials. Today, more than 40% of steel comes from the secondary steel industry in India and this will further grow as production ramps up.

SS: What challenges does the company face presently and what kind of government support is your company looking for?

SKA: Apart from external factors that affect the industry as a whole, our biggest challenge has always been scaling up quickly enough to meet existing and emerging demand for our products. We are working hard to scale up the capacity of our steel business.

To help the industry as a whole the government must look at reducing the incidence of taxes and cess applicable to the sector. It must also consider the inclusion of petrol, oil, lubricants and natural gas under the purview of GST to enable steel manufacturers to avail input credit against these materials. Promoting a conducive policy environment will help attract more investments and also create robust employment opportunities.

SS: During FY22, your company achieved growth of 70% in revenue and 7% in EBIDTA. What have been the key drivers that have contributed to this jump during the last year?

SKA: We have seen an increased demand for home improvement supplies and small construction projects as well as a resurgence in demand from the housing sector, which have all contributed to the revenue and EBIDTA growth during the past year.

SS: What kind of business growth projection is the company looking for in the coming years?

SKA: The business model pioneered by Kamdhenu is geared towards sustained growth and expansion of operations is driven by consumer demands. Our products are affordable yet offer the best possible quality and hence acceptability is high and we are expanding to meet current and future demands. Also, the government's push towards infrastructure creation and revival in consumer demand presents an exciting opportunity for our steel business to ramp up and contribute to nation building.

We are looking forward to expand our TMT steel bar production capacity from 38 lakh tonnes to 50 lakh tonnes during the next two years through the franchisee route. Also, we are targeting to achieve a total brand revenue of Rs 22,000 crore in the steel segment by the end of financial year 2023-24.

JSW Steel JV with New Zealand's NSHL to set up scrap shredding facilities in India

JSW Steel Limited announced on August 19, 2022 that it has entered into a joint venture agreement with New Zealand-based National Steel Holdings Limited (NSHL) for setting up scrap shredding facilities in India.

"JSW Steel Limited has entered into a joint venture agreement with National Steel Holdings Limited on August 18, 2022 for the purposes of establishing scrap shredding facilities in India using industry leading machinery, technical knowhow and relevant processes in a suitable manner," the company said in a regulatory filing.

This is in furtherance of the company's endeavour to reduce its carbon footprint by setting a target of achieving 42% reduction in CO_2 emissions intensity by FY 2030, from the base year of 2005, it added.

NSHL, based in Auckland, New Zealand, is engaged in the business of metal recycling, collection and processing, and has the relevant expertise and technical knowhow in relation to end-to-end metal processing and recycling, said JSW Steel.

JSW Steel and NSHL will each hold 50% stake each in the JV firm. The board of directors of the new company will consist of four members.

(Courtesy: Swarajya)

TATA STEEL
#WeAlsoMakeTomorrow

TATA

#SteelFact
One electric heavy vehicle with zero tail-pipe emission, reduces Greenhouse Gas footprint by over

125 tons CO_2

equivalent every year.

Source: World Steel Association

REDUCING GHG FOOTPRINT
FOR A BETTER TOMORROW

In keeping with its Responsible Supply Chain Policy, Tata Steel had the unique honour of the first ever deployment of Electric Heavy Vehicles to transport finished steel and became the first steel producer in the country to do so. Each such heavy vehicle uses sophisticated technologies with a minimum carrying capacity of 35 tonnes of steel.

Sure, we make steel.

But #WeAlsoMakeTomorrow.

Responsible Steel

Tata Steel is now a part of ResponsibleSteel™, the industry's first global multi-stakeholder standard and certification initiative.

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Barring crude oil, core industries show performance growth

By Spark Economy Research Centre Bureau

The combined index of eight core industries increased by 12.7% (provisional) as compared to the index of June 2021, the Government of India announced on July 29, 2022. The production of coal, cement, electricity, refinery products, fertilisers, steel, and natural gas industries increased in June 2022 over the corresponding period of last year.

The Index of Core Industries (ICI) measures combined and individual performances of production in selected eight core industries – coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity. The eight core industries comprise 40.27% of the weight of items included in the Index of Industrial Production (IIP).

The press note issued stated that the final growth rate of ICI for March 2022 has been revised to 4.8% from its provisional level of 4.3%. The growth rate of ICI during April-June FY23 was 13.7% (provisional) as compared to the corresponding period of the last financial year.

The performance summary of the eight core industries is given below:

• **Coal** production (weight: 10.33%) increased by 31.1% in June 2022 over June 2021. Its cumulative index increased by 31.2% during April-June 2022-23 over the corresponding period of the last financial year (CPLY).

• **Crude** oil production (weight: 8.98%) declined by 1.7% in June 2022 over June 2021. Its cumulative index increased by 0.6% during April-June 2022-23 over CPLY.

• **Natural gas** production (weight: 6.88%) increased 1.2% in June 2022 over June 2021. Its cumulative index increased by 4.8% during April-June 2022-23 over CPLY.

• **Petroleum Refinery** production (weight: 28.04%) increased by 15.1% in June 2022 over June 2021. Its cumulative index increased by 13.5% during April-June 2022-23 over CPLY.

• **Fertiliser** production (weight: 2.63%) increased by 8.2% in June 2022 over June 2021. Its cumulative index increased by 13.2% during April-June 2022-23 over CPLY.

• **Steel** production (weight: 17.92%) increased by 3.3% in June 2022 over June 2021. Its cumulative index increased by 6.6% during April-June 2022-23 over CPLY.

• **Cement** production (weight: 5.37%) increased by 19.4% in June 2022 over June 2021. Its cumulative index increased by 17.1% during April-June 2022-23 over CPLY.

• **Electricity** generation (weight: 19.85%) increased by 15.5% in June 2022 over June 2021. Its cumulative index increased by 16.8% during April-June 2022-23 over CPLY.

1. Data for April, May and June 2022 are provisional. Index numbers of core industries are revised / finalised as per updated data from source agencies.

2. Since April 2014, electricity generation data from renewable sources are also included.

3. The industry-wise weights indicated above are individual industry weight derived from IIP and blown up on pro-rata basis to a combined weight of ICI equal to 100.

4. Since March 2019, a new steel product called Hot Rolled Pickled and Oiled (HRPO) under the item 'Cold Rolled (CR) coils' within the production of finished steel has also been included.

Performance of Eight Core Industries Yearly Index & Growth Rate (Base Year: 2011-12=100) Index

Sector	Coal	Crude Oil	Natural Gas	Refinery Products	Fertilisers	Steel	Cement	Electricity	Overall Index
Weight	**10.33**	**8.98**	**6.88**	**28.04**	**2.63**	**17.92**	**5.37**	**19.85**	**100.00**
2013-14	104.2	99.2	74.5	108.6	98.1	115.8	111.5	110.3	**106.5**
2014-15	112.6	98.4	70.5	108.8	99.4	121.7	118.1	126.6	**111.7**
2015-16	118.0	97.0	67.2	114.1	106.4	120.2	123.5	133.8	**115.1**
2016-17	121.8	94.5	66.5	119.7	106.6	133.1	122.0	141.6	**120.5**
2017-18	124.9	93.7	68.4	125.2	106.6	140.5	129.7	149.2	**125.7**
2018-19	134.1	89.8	69.0	129.1	107.0	147.7	147.0	156.9	**131.2**
2019-20	133.6	84.5	65.1	129.4	109.8	152.6	145.7	158.4	**131.6**
2020-21	131.1	80.1	59.8	114.9	111.6	139.4	130.0	157.6	**123.2**
2021-22	142.3	77.9	71.3	125.1	112.4	163.0	156.9	170.1	**136.1**
Apr-Jun 2021*	114.2	77.8	68.5	118.1	102.6	154.2	146.1	168.3	**128.2**
Apr-Jun 2022*	149.8	78.3	71.8	134.1	116.1	164.3	171.0	196.6	**145.8**

*Provisional

Growth Rates (on Y-o-Y basis in per cent)

Sector	Coal	Crude Oil	Natural Gas	Refinery Products	Fertilisers	Steel	Cement	Electricity	Overall Growth
Weight	**10.33**	**8.98**	**6.88**	**28.04**	**2.63**	**17.92**	**5.37**	**19.85**	**100.00**
2013-14	1.0	-0.2	-12.9	1.4	1.5	7.3	3.7	6.1	**2.6**
2014-15	8.0	-0.9	-5.3	0.2	1.3	5.1	5.9	14.8	**4.9**
2015-16	4.8	-1.4	-4.7	4.9	7.0	-1.3	4.6	5.7	**3.0**
2016-17	3.2	-2.5	-1.0	4.9	0.2	10.7	-1.2	5.8	**4.8**
2017-18	2.6	-0.9	2.9	4.6	0.03	5.6	6.3	5.3	**4.3**
2018-19	7.4	-4.1	0.8	3.1	0.3	5.1	13.3	5.2	**4.4**
2019-20	-0.4	-5.9	-5.6	0.2	2.7	3.4	-0.9	0.9	**0.4**
2020-21	-1.9	-5.2	-8.2	-11.2	1.7	-8.7	-10.8	-0.5	**-6.4**
2021-22	8.5	-2.6	19.2	8.9	0.7	16.9	20.8	8.0	**10.4**
Apr-Jun 2021*	7.9	-3.4	21.8	15.4	-1.7	88.4	57.8	16.8	**26.0**
Apr-Jun 2022*	31.2	0.6	4.8	13.5	13.2	6.6	17.1	16.8	**13.7**

*Provisional, YoY is calculated over the corresponding financial year of previous year

Performance of Eight Core Industries Monthly Index & Growth Rate (Base Year: 2011-12=100)

Index

Sector	Coal	Crude Oil	Natural Gas	Refinery Products	Fertilisers	Steel	Cement	Electricity	Overall Index
Weight	10.3335	8.9833	6.8768	28.0376	2.6276	17.9166	5.3720	19.8530	**100.00**
Jun-21	112.1	78.2	70.0	113.2	116.9	153.1	148.2	169.1	**127.2**
Jul-21	119.2	80.3	72.8	122.2	120.1	155.2	154.3	184.7	**134.7**
Aug-21	118.4	79.4	73.7	115.5	117.0	161.1	148.8	188.7	**134.2**
Sep-21	113.8	77.0	73.3	112.7	113.6	160.5	141.1	167.9	**128.0**
Oct-21	140.4	79.2	76.3	127.5	122.9	167.6	161.9	167.3	**137.8**
Nov-21	149.2	76.6	72.2	131.9	121.4	157.4	127.3	147.9	**131.8**
Dec-21	164.3	79.1	72.7	134.4	121.1	169.9	168.8	162.5	**141.7**
Jan-22	174.8	79.1	71.4	135.8	115.2	174.5	176.4	165.6	**144.8**
Feb-22	174.4	71.6	64.9	124.9	102.4	165.0	167.7	160.8	**137.1**
Mar-22	210.8	79.6	72.6	142.5	107.7	182.4	198.8	191.0	**158.0**
Apr-22*	146.2	77.8	70.9	134.7	96.0	163.6	170.9	194.5	**144.4**
May-22*	156.5	80.3	73.5	137.3	126.0	171.3	165.4	199.9	**149.5**
Jun-22*	146.9	76.8	70.9	130.3	126.4	158.1	176.8	195.3	**143.4**

**Provisional*

Growth Rates (on Y-o-Y basis in per cent)

Sector	Coal	Crude Oil	Natural Gas	Refinery Products	Fertilisers	Steel	Cement	Electricity	Overall Growth
Weight	10.3335	8.9833	6.8768	28.0376	2.6276	17.9166	5.3720	19.8530	**100.0000**
Jun-21	7.4	-1.8	20.6	2.4	2.0	25.2	7.5	8.2	**9.4**
Jul-21	18.8	-3.2	19.0	6.7	0.6	9.4	21.7	11.0	**9.9**
Aug-21	20.6	-2.3	20.7	9.1	-3.1	6.9	36.3	16.0	**12.2**
Sep-21	7.8	-1.7	27.5	6.0	0.04	7.1	11.3	0.9	**5.4**
Oct-21	14.7	-2.2	25.8	14.4	0.04	5.9	14.6	3.2	**8.7**
Nov-21	8.2	-2.2	23.7	4.3	2.5	0.9	-3.6	2.1	**3.2**
Dec-21	5.2	-1.8	19.5	5.9	3.5	-0.6	14.2	2.9	**4.1**
Jan-22	8.2	-2.4	11.7	3.7	-2.0	3.8	14.1	0.9	**4.0**
Feb-22	6.6	-2.2	12.5	8.8	-1.4	5.6	4.2	4.5	**5.9**
Mar-22	0.3	-3.4	7.6	6.1	15.3	4.1	9.0	6.1	**4.8**
Apr-22*	28.8	-0.9	6.4	9.2	8.7	2.2	7.4	11.8	**9.3**
May-22*	33.6	4.6	7.0	16.7	22.9	14.6	26.2	23.5	**19.3**
Jun-22*	31.1	-1.7	1.2	15.1	8.2	3.3	19.4	15.5	**12.7**

**Provisional, YoY is calculated over the corresponding month of previous year*

ICEMA develops catalogue to showcase Indian CE industry strengths

The infrastructure sector is a key driver of the Indian economy and is poised to play an important role in propelling the country's overall growth and development, with the construction equipment (CE) industry being the primary stakeholder. While the Indian Construction Equipment Manufacturers' Association (ICEMA) has been working towards developing a robust CE ecosystem in the country, its existing strengths need to be showcased both to the domestic and global players. To achieve these objectives, ICEMA has been making concerted efforts to build the brand of the Indian CE industry, both in India and in global markets.

In line with the above objective, ICEMA has developed a first-of-its-kind 'CE Industry Catalogue' that showcases the manufacturing strengths of the Indian CE industry for a vast range of hi-tech equipment, apart from providing comprehensive information and connect to CE industry stakeholders, including OEMs, suppliers / vendors and financiers and other players.

Aiming to promote Indian CE products in the international markets, the catalogue will also help to attract investments in the Indian CE industry space through global suppliers setting up manufacturing bases in India. A stronger supply chain will support the Government of India's Atma Nirbhar Bharat mission.

The CE Industry Catalogue was released by Shri Nitin Gadkari, Union Minister for Road Transport & Highways, during the inauguration of ICEMA's Annual Session 2022. Congratulating ICEMA on the release of this unique catalogue, he said, “I am very pleased that the Indian CE industry is taking proactive steps to strengthen its value chain. This industry catalogue will help to position India's CE industry as a potential global manufacturing hub.”

In a congratulatory message, Dr. Mahendra Nath Pandey, Union Minister for Heavy Industries, expressed his satisfaction at ICEMA's efforts in bringing together various players of India's CE industry ecosystem. “The CE Industry Catalogue is a much-needed effort that will showcase the wide variety of equipment being manufactured in India. I am sure it will project India's manufacturing and technological capabilities in the global markets,” he said.

The catalogue will reach out to key stakeholders, including the Government, policy makers, key ministries and departments both at the Centre and state levels, state corporations, infrastructure companies, members of NIP Task Force, etc. The catalogue is expected to become a reference document in CE markets, including OEMs, suppliers (Indian and overseas), component manufacturers, banks and NBFCs. Other key stakeholders include diplomats, bureaucrats, embassies, foreign missions in India, Indian missions abroad, R&D / academic institutions and affiliated associations, amongst others.

Jindal Stainless partners with EY India to solidify ESG goals

Company initiates 'Project Samanvay' to create long-term value for stakeholders

Jindal Stainless, India's leading stainless steel manufacturer, is taking deliberate initiatives to achieve its broad environmental, social and governance (ESG) goals. As a responsible corporate that is committed to transition to sustainable manufacturing, Jindal Stainless has initiated Project *Samanvay* to assess its preparedness as per select ESG indices. The company has appointed Ernst & Young (EY) LLP as its partner to develop a strategic roadmap for the project. Additionally, the company has also proposed to forecast its GHG emissions and establish emission reduction targets in line with Science Based Target initiative (SBTi). At the launch of Project *Samanvay* on August 8, 2022, Jindal Stainless MD **Mr. Abhyuday Jindal** said: “As pioneers of the Indian stainless steel industry, we are at the forefront to align with and adopt operational excellence by optimum sustainable practises across our manufacturing mechanism. Inspired by our roots, we firmly believe that efficient and immediate efforts towards sustainability, social upliftment, good governance, decarbonisation, waste management, and digital prowess are inevitable to build long-term value for all our stakeholders and achieve a circular economy. We are happy to collaborate with EY in this initiative and are confident to achieve excellence across our ESG and sustainability functions along with our partners in progress.” Chairman & CEO, EY India **Mr. Rajiv Memani** observed, “Organisations invested to achieve sustainability of operations have a competitive edge as investors are seeking more sustainable portfolios, demanding greater ESG compliance and performance from potential investment targets. Reducing carbon emissions and the energy consumed in stainless steel production requires a well-planned, stage-gated roadmap. We are honoured to work with Jindal Stainless, which has taken a pioneering step towards a comprehensive strategy of adopting ESG in their entire value chain that will reap benefits beyond compliance to build a future-focused and a sustainable enterprise.”

Producers & users of high strength steel meet at INSDAG seminar

By Steel Scenario Bureau

Institute for Steel Development & Growth (INSDAG) organised a seminar in Kolkata on July 22, 2022 on the topic 'Use of High Strength Steel & Solutions for Construction'. Over 70 invited delegates, including several eminent civil/structural engineering professionals and members of the steel fraternity, participated in the programme designed as a producer-user interface. Among them were architects, representatives of government bodies like PWD, Metro Rail and Municipal Corporation, consultants, structural engineers and steel producers.

Mr. Amitabha Ghoshal, eminent structural engineer, conducted the event at which **Mr. D.K. Mohanty**, Director (Commercial), RINL, was the chief guest. INSDAG's new website of the Institute was also inaugurated in the course of the seminar attended by.

The Indian steel ecosystem is at the stage of shifting to the use of high strength steel (HSS) in engineering and construction. This is also the trend worldwide. High strength steels are characterised by very high tensile-carrying capacity and >250 MPa yield strength. Though the exact definition is yet to be established, SERC, Chennai has defined HSS as any steel having yield strength (YS) in the range of 420-700 Mpa. Above 700 Mpa YS may be termed as 'advanced' HSS. In the case of rebars, YS in the range of 500-700 MPa is considered as HSS.

The major takeaways from the various addresses and presentations by participants of the seminar were the following:

• **Mr. Ghoshal** spoke about sustainability in the context of steel production and usage. One tonne of steel produces 1.85 tonnes of CO2. Hence it is important to make use of HSS in order to reduce carbon footprints.

• **Dr. N. Bandopadhyay** spoke about the need of HSS, particularly in the context of bridge design. He gave examples of the bridges over the Hooghly at Kolkata – both the old and the new one – to explain his point. In absence of use of HSS, such bridges could not have been designed. He further pointed out that the main considerations were fatigue and deflection.

• **Dr. P. Prabha of SERC**, Chennai introduced HSS and discussed the main driving points in favour of HSS and highlighted the requirement of much more research in this field, to update BIS codes for designers, etc.

• **Mr. Dipak Basak** of Dasturco pointed out that use of HSS helps in creating more space while occupying less area.

• **JSW** expressed their plan of stepwise inclusion in adoption of steel structures which includes integration with education, knowledge sharing forum, awareness campaign, software-based holistic evaluation tool, etc. JSW Severfield Structures Ltd (JSSL), which has constructed many steel highrises, showcased their projects at Mumbai and other locations. The JSSL presentation further highlighted the advantages they derived in the form of reduction in size of steel columns vis-à-vis RCC columns, reduced foundation size in case of steel columns, less labour requirement – leading to lower labour expenses, lower accidents.

• **Tata Steel** showcased three products which they have launched and introduced their features, usage and advantages. They were the high-grade hollow sections, the LRPC and the welded mesh category.

• **AM/NS** exhibited their products, especially plates for structural applications conforming to IS 2062 having YS E250 to E550

• **SAIL** highlighted its HSS production facilities and product range, availability of rebars and NEX parallel flange rolled sections of higher grades.

'Domestic steel production will be doubled by 2030'

Union Minister for Steel and Civil Aviation Shri Jyotiraditya Scindia said while inaugurating MMMM 2022 at New Delhi

By Steel Scenario Bureau

Union Minister for Steel and Civil Aviation Shri Jyotiraditya Scindia, while inaugurating the Minerals, Metals, Mining Works & Materials (MMMM 2022) trade exhibition held during August 25-27, 2022 at Pragati Maidan, New Delhi, stated in his address that domestic steel production will be doubled by 2030. At present, Indian steel companies produce around 145 million tonnes of steel per annum.

By 2030, as envisaged under the National Steel Policy, domestic steel production capacity is set to increase to 300 million tonnes, and consequently the volume of saleable steel is expected to be double the present level. The Union Ministry of Steel has also set up a single point of contact Project Development Cell which will facilitate investments for the development of India's steel sector under the National Steel Policy, among various other investment opportunities as provided under the Government's 'Make in India' scheme.

Mr. Gagan Sawhney, Director (Portfolio), Highway India Pvt. Ltd, said on the occasion, “MMMM is an ideal platform for technology transfer and trading contracts. Meaningful business partnerships can be done on this platform. This recognises the potential of prospective investors in increasing industrial production, promoting cooperation and international trade.”

Industry bigwigs who visited the trade exhibition were of the view that integrated business platforms like MMMM have paved the way of doing smoother business with effective networking. Such events create ample scope for policy makers to identify available technology options that are suitable for Indian industry, and provide buyers and suppliers the opportunity to network and consolidate business relations with each other.

Besides participation of domestic companies, this year's edition of the three-day MMMM event witnessed international business delegations from six countries, including China, Taiwan, Germany and the UK with 10,000 guests, comprising entrepreneurs, CEOs, consultants, senior government officials, policy makers, distributors and R&D professionals. Altogether more than 300 companies showcased their products and capabilities at MMMM 2022, making it one of the mega business platforms of Asia.

The exhibition also hosted a high-level international conference on resource potential and circular economy in the field of minerals and metals in India. The conference was addressed by prominent business personalities from India and abroad.

MMMM 2022 was aligned with the other five major exhibitions of related industries, including Advanced Hand Tools and Fasteners (HTF), Power Tools & Fasteners, IMEX for Modern Machine Tools, Tech India for Engineering and Manufacturing and CWE for Advanced Cutting and Welding Equipment. UMEX for laser technology and cost-effective and second-hand machinery was also showcased at the expo.

As a society, we need to respect and talk more about vocational skills : T. V. Narendran

By Steel Scenario Bureau

India has a big role to play demographically, and creation of suitable job opportunities can bring this to the fore. “Today, there is so much to learn – thanks to new technologies leading to creation of many opportunities. We need to constantly adapt ourselves. As a society, we need to respect and talk more about vocational skills,” said Mr. T.V. Narendran, Global CEO & Managing Director, Tata Steel Ltd (TSL), while addressing the joint workshop programme organised by IISSSC (Indian Iron & Steel Sector Skill Council) and IIT Kharagpur on the theme 'Developing Knowledge & Skill Matrix for Integrated Operations of Advanced Technology for Ferrous & Non-Ferrous Industries' held in Kolkata on August 12, 2022.

“We need to understand what each of us is good at and be successful. Additionally, there are some things which we need to look upon – from our industry point of view, people should be paid more for skills. We need good quality supply along with creating a platform to monetise the individuals for his/her particular skills,” added Mr. Narendran.

Mr. Sushim Banerjee, CEO, IISSSC, while laying stress on both skilling of freshmen and upscaling and reskilling of existing employees, observed that knowledge and skill development are essential for a standard growth of the Indian economy. “Technological interventions and coming of new technologies like Industry 4.0, will require both knowledge and skill acquaintance by the existing employees and new entrants,” he pointed out. Informing that the Ministry of Skill Development & Entrepreneurship has entrusted skilling activities in the non-ferrous sector in segments like aluminium, copper, zinc and lead, to IISSSC as recently as April 2022, he said the various technological developments in these fields will require new job roles and a lot of knowledge and skilling inputs. “This compelled us reach IIT Kharagpur to become our Knowledge Partner and sign an MoU with them to serve the required knowledge and technical purposes,” concluded Mr. Banerjee.

Prof. J. Maiti of IIT Kharagpur said, “The recent Skilling India initiative taken by the Government of India as a part of the Atma Nirbhar Bharat programme focuses on skilling competencies with knowledge in different jobs and occupations. The Vocal for Local initiative – skilling India concept will make this more fruitful.”

The workshop progressed with MoU signings with Don Bosco Technical Institute & SEACOM Skill University (with a three-year diploma course on Mechanical maintenance) along-with a series of technical presentations from IIT Kharagpur, IISSSC, TSL, SAIL, JSW, JSPL, AM/NS, RINL, HCL, Hindalco, Shyam Steel and the West Bengal Steel Rolling Mills Association.

STEEL MARKET PRICE (thousand tonnes)

August 2022

CITY	INGOT	BILLETS	TMT 12MM	WIRE(5. 5MM/12G HB)	SCRAP	COIL/CR/HR	SPONGE IRON	PIG IRON	
								Foundry Grade	steel Grade
ALANG	49500				44700				
AHMEDABAD	50300	51000			43700	66800/57300			
BHIWARI	49000								
BHAVNAGAR	50500	50800	56000		45500				
DELHI			56100		44000	65000/55800			
DURGAPUR	47700	48500	51000	51800/53800	44200		35500	52000	48000
GOA	49700	50000	55700						
GHAZIABAD	50300	50400	54300		44000	66000/57500			
INDORE	50100	50500	54700		42300				
JALNA SUPER		51000	55000		43200				
JAIPUR	50000	49800			42500		39000		
JAMMU	51400				40000				
KANPUR	49000		57200						
KOLKATA	48400	49200	51000		44700	63800/54500			
LUDHIANA	51100	50800			43000	65800/56000		51000	49000
MANDI GOBINDGARH	50100	50500	55500		39600		39800	51200	49200
MUMBAI	50700	51200	55500		42500	66900			
MUZAFRNAGAR	49500	50200	53500		47000				
RAIGARH	47300	48000	50900				36200		47000
RAIPUR	47900	48300	51700	53000/55500	43700		36400		47200
ROURKELA	47000	47700	51900				35900		46000

Source: Metal Market

Industry Scenario

VOL 02 / M01

Will Make in India impact the Trade Flow of India?

The COVID-19 pandemic has devastating health and economic consequences, with unprecedented disruption to people's lives, the global economy, and world trade. With the onset of the COVID-19 pandemic, trade collapsed in a dramatic fashion. At its trough in the second quarter of 2020, the volume of global trade in goods fell 12.2% and trade in services fell even more sharply, by 21.4%, compared with the last quarter of 2019. The impact of Make in India and the ongoing global trade war on the Indian economy confirms that tariff escalations have had an overall positive impact on the Indian economy, contributing to about 0.31% in terms of additional real GDP, but a decline in investment growth (-0.35%), with export growth sharply falling by 2.6%.

Prospects for the global economy have darkened since the outbreak of war in Ukraine in February. The most immediate economic impact of the crisis has been a sharp rise in commodity prices. Despite their small shares in world trade and output, Russia and Ukraine are key suppliers of essential goods, including food, energy, and fertilizers, the supplies of which are now threatened by the war. Grain shipments through Black Sea ports have already been halted, with potentially dire consequences for food security in poor countries.

The war is not the only factor weighing on world trade at the moment. Lockdowns in China to prevent the spread of COVID-19 are again disrupting seaborne trade at a time when supply chain pressures appear to be easing. This could lead to renewed shortages of manufacturing inputs and higher inflation. Consequently, India's growth outlook appears to have clouded. Crude oil prices are lingering above $100 per barrel, and wheat and cereal prices have gone up several times—all of which are critical imports from the two warring nations. India also partly meets its fertiliser needs from the region. For India, which has been battling inflation for a while now, this situation is making matters worse.

Despite the external shocks, we believe that India's underlying economic fundamentals are strong and, despite the short-term turbulence, the impact on the long-term outlook will be marginal.

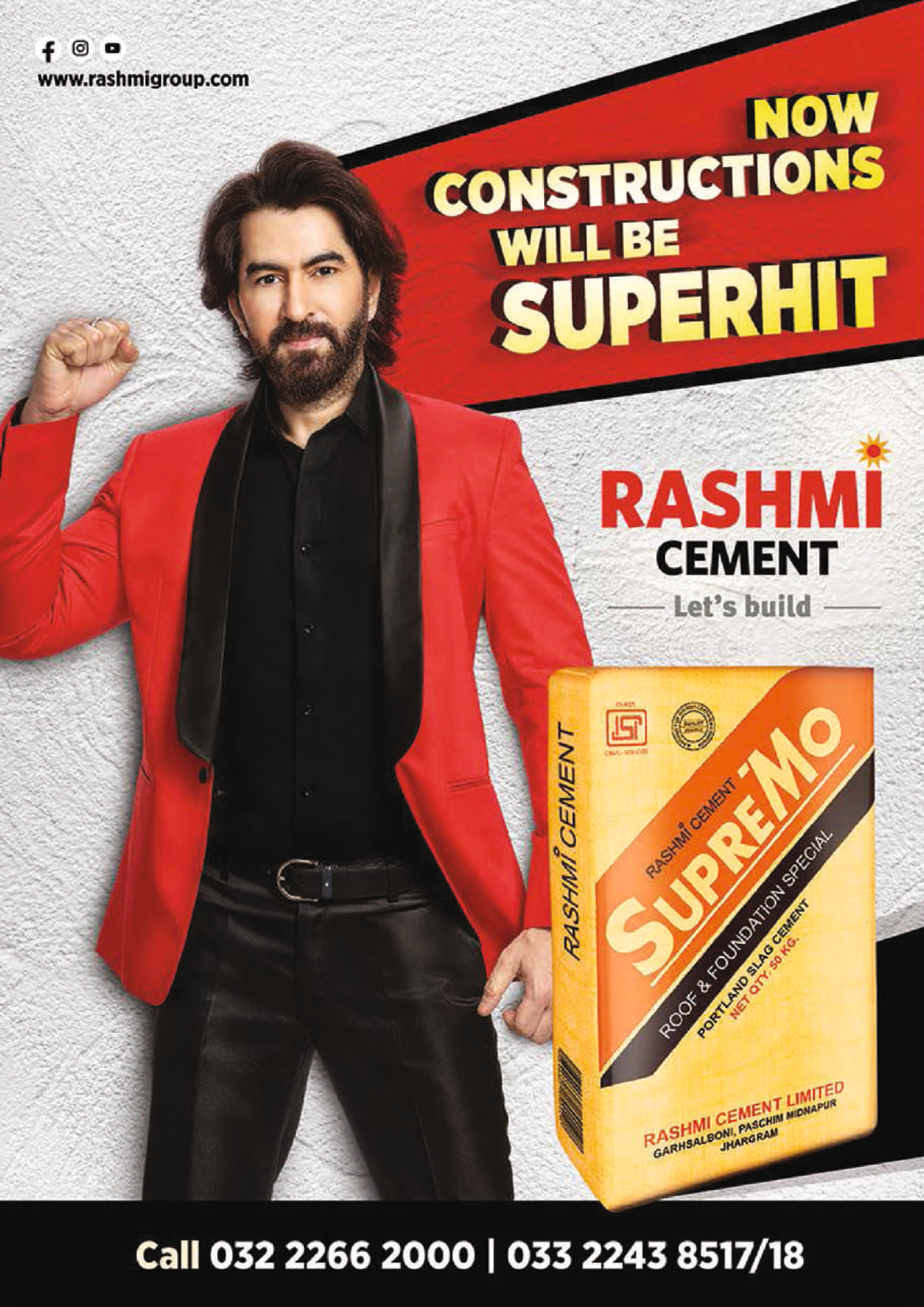
The highest value of Indian exports was traded with countries in Europe at nearly 86 billion U.S. dollars in fiscal year 2022. North American countries followed with over 84 billion worth of Indian exports in the same time period.

The South Asian country's latest goal was to double world exports from 1.6% to over 3%, according to the Modi government. This was meant to reduce dependency on imports and create more jobs within the domestic market, resulting in higher incomes. The highest value of Indian imports came from North East Asia, at more than 151 billion U.S. dollars in fiscal year 2022. This was followed by the West Asia Gulf Cooperation Council with an import value of 110 billion U.S. dollars during the same year.

The government is undertaking a multi-pronged strategy to make India a US$ 5 trillion economy by 2025. On the one hand, it aims to build up the supply side for enhanced domestic competitiveness. On the other hand, it is focusing on expanding international market access for higher demand. The government has undertaken various initiatives and policies to support the export ecosystem. To gain greater access to global markets, India is engaging in and negotiating various trade deals, especially with large economies like Australia, Canada, the UK, UAE, the EU, etc. The global economy was struggling to curtail the negative impact of the trade dispute between the US and China on the global supply chains. As a result, it has severely impacted global economic growth and the recovery from adverse effects is still behind the targets.

One of the most essential components to sustaining economic growth is export flows, which were gravely affected due to the imposition of lockdowns and restricted mobilities among major economies. Furthermore, events such as the Suez Canal Blockage have further obstructed global trade recovery. The latest geopolitical tension between Russia and Ukraine at a time when the world economy is struggling to recover from the debilitating blow of these collective negative shocks will further prolong the recovery process. These crises, on one hand, have disturbed the existing economic structures and exposed their fragilities, on the other hand, these global crises have provided India with an opportunity to expand its exports via re-crafting policies, with a major focus on bolstering local manufacturing capabilities and promoting "Make in India" globally. As the western block seems to lessen the reliance on China and Russia, it opens new avenues for India to expand its trade ties.

However, to capitalise on this opportunity, India needs free access to these markets for seamless trade flows. The bilateral relationships of India recently have prospered as it is engaging with economies that have enormous potential to expand trade flows. In the long run, the realignment of the world order will provide an exceptional prospect for India as it stands to gain market access to the western bloc, when synergised with the current redefining and sharpening of strategies to uplift domestic manufacturing, India can acquire a greater share of global exports.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INDIAS FOREIGN TRADE: July 2022

India's overall exports (Merchandise and Services) for July 2022 records a positive growth of 11.51 per cent over the same period last year

India's overall exports (Merchandise and Services combined) in July 2022* are estimated to be USD 61.18 Billion, exhibiting a positive growth of 11.51 per cent over the same period last year. Overall imports in July 2022* are estimated to be USD 82.22 Billion, exhibiting a positive growth of 42.90 per cent over the same period last year.

Table 1: Trade during July 2022*

		July 2022 (USD Billion)	July 2021 (USD Billion)	Growth vis-à-vis July 2021 (%)
Merchandise	Exports	36.27	35.51	2.14
	Imports	66.27	46.15	43.61
	Trade Balance	**-30.00**	**-10.63**	**-182.10**
Services*	Exports	24.91	19.36	28.69
	Imports	15.95	11.39	40.02
	Net of Services	**8.96**	**7.97**	**12.49**
Overall Trade (Merchandise + Services) *	Exports	61.18	54.87	11.51
	Imports	82.22	57.54	42.90
	Trade Balance	**-21.04**	**-2.67**	**-688.49**

India's overall exports (Merchandise and Services combined) in April-July 2022 are estimated to be USD 253.84 Billion, exhibiting a positive growth of 22.85 per cent over the same period last year. Overall imports in April-July 2022* are estimated to be USD 317.40 Billion, exhibiting a positive growth of 47.68 per cent over the same period last year.*

Table 2: Trade during April-July 2022*

		April-July 2022 (USD Billion)	April-July 2021 (USD Billion)	Growth vis-à-vis April-July 2021 (%)
Merchandise	Exports	157.44	131.06	20.13
	Imports	256.43	173.12	48.12
	Trade Balance	**-98.99**	**-42.07**	**-135.31**
Services*	Exports	96.40	75.57	27.56
	Imports	60.96	41.80	45.85
	Net of Services	**35.44**	**33.77**	**4.93**
Overall Trade (Merchandise + Services) *	Exports	253.84	206.63	22.85
	Imports	317.40	214.92	47.68
	Trade Balance	**-63.55**	**-8.29**	**-666.23**

** Note: The latest data for services sector released by RBI is for June 2022. The data for July 2022 is an estimation, which will be revised based on RBI's subsequent release. (ii) Data for April-July 2021 has been revised on pro-rata basis using quarterly balance of payments data.*

** Note: The latest data for services sector released by RBI is for June 2022. The data for July 2022 is an estimation, which will be revised based on RBI's subsequent release. (ii) Data for April-July 2021 has been revised on pro-rata basis using quarterly balance of payments data.*

Fig 1: Overall Trade during July 2022*

Fig 2: Overall Trade during April-July 2022*

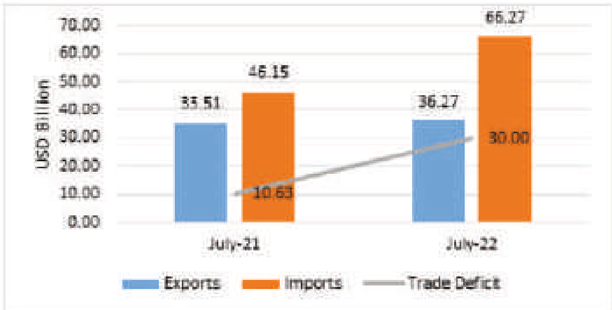
MERCHANDISE TRADE

• Merchandise exports in July 2022 were USD 36.27 Billion, as compared to USD 35.51 Billion in July 2021, exhibiting a positive growth of 2.14 per cent.

• Merchandise imports in July 2022 were USD 66.27 Billion, which is an increase of 43.61 per cent over imports of USD 46.15 Billion in July 2021.

• The merchandise trade deficit in July 2022 was estimated at USD 30 Billion as against USD 10.63 Billion in July 2021, which is an increase of 182.10 per cent.

Fig 3: Merchandise Trade during July 2022



• Merchandise exports for the period April-July 2022 were USD 157.44 Billion as against USD 131.06 Billion during the period April-July 2021, registering a positive growth of 20.13 per cent.

• Merchandise imports for the period April-July 2022 were USD 256.43 Billion as against USD 173.12 Billion during the period April-July 2021, registering a positive growth of 48.12 per cent.

• The merchandise trade deficit for April-July 2022 was estimated at USD 98.99 Billion as against USD 42.07 Billion in April-July 2021, which is an increase of 135.31 per cent.

Fig 4: Merchandise Trade during April-July 2022

•Non-petroleum and non-gems & jewellery exports in July 2022 were USD 26.62 Billion, registering a positive growth of 1.55 per cent over non-petroleum and non-gems & jewellery exports of USD 26.21 Billion in July 2021.

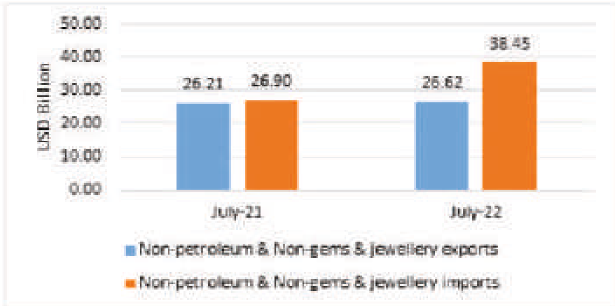
•Non-petroleum, non-gems & jewellery (gold, silver & precious metals) imports were USD 38.45 Billion in July 2022 with a positive growth of 42.91 per cent over Non-petroleum, non-gems & jewellery imports of USD 26.90 Billion in July 2021.

Table 3: Trade excluding Petroleum and Gems & Jewellery during July 2022

	July 2022 (USD Billion)	July 2021 (USD Billion)	Growth vis-à-vis July 2021 (%)
Non- petroleum exports	29.90	29.67	0.76
Non- petroleum imports	45.14	33.74	33.77
Non-petroleum & Non Gems & Jewellery exports	26.62	26.21	1.55
Non-petroleum & Non Gems & Jewellery imports	38.45	26.90	42.91

Note: Gems & Jewellery Imports include Gold, Silver & Pearls, precious & Semi-precious stones

Fig 5: Trade excluding Petroleum and Gems & Jewellery during July 2022



• Non-petroleum and non-gems & jewellery exports during April-July 2022 was USD 110.47 Billion, an increase of 10.81 per cent over non-petroleum and non-gems & jewellery exports of USD 99.69 Billion in April-July 2021.

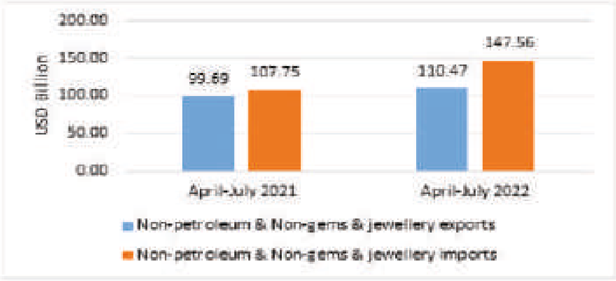
• Non-petroleum, non-gems & jewellery (gold, silver & precious metals) imports were USD 147.56 Billion in April-July 2022, recording a positive growth of 36.94 per cent, as compared to Non-petroleum, non-gems & jewellery imports of USD 107.75 Billion in April-July 2021.

Table 4: Trade excluding Petroleum and Gems & Jewellery during April-July 2022

	April-July 2022 (USD Billion)	April-July 2021 (USD Billion)	Growth vis-à-vis April-July 2021 (%)
Non- petroleum exports	123.98	112.32	10.38
Non- petroleum imports	174.40	129.81	34.35
Non-petroleum & Non Gems & Jewellery exports	110.47	99.69	10.81
Non-petroleum & Non Gems & Jewellery imports	147.56	107.75	36.94

Note: Gems & Jewellery Imports include Gold, Silver & Pearls, precious & Semi-precious stones

Fig 6: Trade excluding Petroleum and Gems & Jewellery during April-July 2022



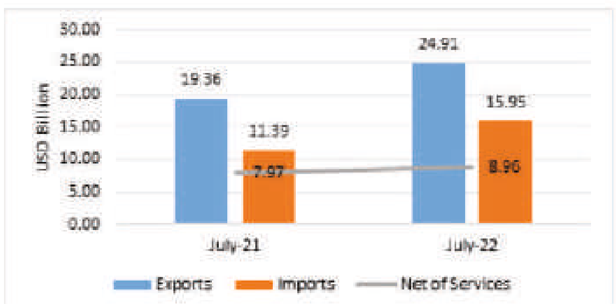
SERVICES TRADE

• The estimated value of services export for July 2022* is USD 24.91 Billion, exhibiting a positive growth of 28.69 per cent vis-a-vis July 2021 (USD 19.36 Billion).

• The estimated value of services import for July 2022* is USD 15.95 Billion exhibiting a positive growth of 40.02 per cent vis-à-vis July 2021 (USD 11.39 Billion).

• The services trade balance in July 2022* is estimated at USD 8.96 Billion, which is an increase of 12.49 per cent over July 2021 (USD 7.97 Billion).

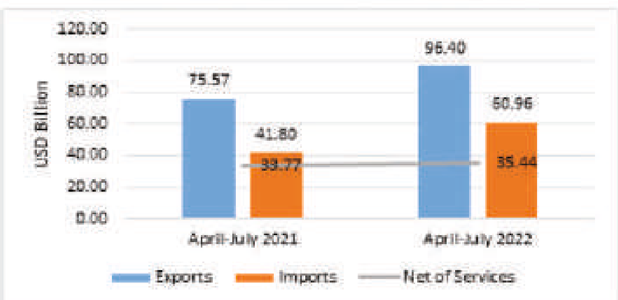
Fig 7: Services Trade during July 2022*



• The estimated value of services export for April-July 2022* is USD 96.40 Billion, exhibiting a positive growth of 27.56 per cent vis-a-vis April-July 2021 (USD 75.57 Billion).

• The estimated value of services imports for April-July 2022* is USD 60.96 Billion exhibiting a positive growth of 45.85 per cent vis-à-vis April-July 2021 (USD 41.80 Billion).

Fig 8: Services Trade during April-July 2022*



• The services trade balance for April-July 2022* is estimated at USD 35.44 Billion as against USD 33.77 Billion in April-July 2021, which is an increase of 4.93 per cent.

Table 5: Export Growth in Commodity Groups in July 2022

Sl. No.	Commodities	(Values in Million USD)		% Change
		JUL'21	JUL'22	JUL'22
	Commodity groups exhibiting positive growth			
1	Tobacco	65.16	113.48	74.16
2	Electronic Goods	1244.20	1817.64	46.09
3	Coffee	71.19	93.39	31.18
4	Rice	710.94	930.50	30.88
5	Cereal preparations & miscellaneous processed items	182.45	227.18	24.52
6	Oil Meals	65.45	80.64	23.21
7	Oil seeds	76.58	92.68	21.02
8	Meat, dairy & poultry products	256.39	308.81	20.45
9	Leather & leather products	387.72	464.38	19.77
10	Ceramic products & glassware	295.97	332.28	12.27
11	Tea	70.07	78.33	11.79
12	Petroleum Products	5840.02	6376.21	9.18
13	Organic & Inorganic Chemicals	2426.09	2620.85	8.03
14	Fruits & Vegetables	220.06	234.00	6.33
15	Other cereals	96.78	101.98	5.37
16	Spices	338.42	343.53	1.51
17	Marine Products	701.60	711.87	1.46
18	Mica, Coal & Other Ores, Minerals including processed minerals	406.45	409.77	0.82
Sl. No.	Commodities	(Values in Million USD)		% Change
		JUL'21	JUL'22	JUL'22
	Commodity Groups exhibiting negative growth			
19	Iron Ore	363.20	20.58	-94.33
20	Handicrafts excl. hand made carpet	189.04	121.23	-35.87
21	Cotton Yarn/Fabs./made-ups, Handloom Products etc.	1315.42	944.92	-28.17

Sl. No.	Commodities	(Values in Million USD)		% Change
		JUL'21	JUL'22	JUL'22
	Commodity Groups exhibiting negative growth			
22	Cashew	36.68	26.92	-26.61
23	Carpet	158.23	117.75	-25.58
24	Man-made Yarn/Fabs./made-ups etc.	486.91	437.59	-10.13
25	Gems & Jewellery	3459.67	3279.36	-5.21
26	Plastic & Linoleum	832.61	803.25	-3.53
27	Engineering Goods	9545.20	9346.52	-2.08
28	Jute Mfg. including Floor Covering	39.86	39.17	-1.73
29	Drugs & Pharmaceuticals	2145.67	2123.16	-1.05
30	RMG of all Textiles	1389.22	1380.91	-0.60

Table 6: Import Growth in Commodity Groups in July 2022

Sl. No.	Commodities	(Values in Million USD)		% Change
		JUL'21	JUL'22	JUL'22
	Commodity Groups exhibiting positive growth			
1	Silver	11.76	1108.86	9329.08
2	Project goods	42.00	198.67	373.02
3	Cotton Raw & Waste	57.68	193.87	236.11
4	Coal, Coke & Briquettes, etc.	1958.92	5179.98	164.43
5	Textile yarn Fabric, made-up articles	142.36	268.82	88.83
6	Newsprint	31.35	58.21	85.68
7	Petroleum, Crude & products	12402.06	21133.57	70.40
8	Artificial resins, plastic materials, etc.	1313.21	2191.85	66.91
9	Leather & leather products	55.77	91.05	63.26
10	Vegetable Oil	1369.58	2015.77	47.18
11	Metaliferrous ores & other minerals	573.04	824.99	43.97
12	Fertilisers, Crude & manufactured	1181.11	1691.75	43.23
13	Non-ferrous metals	1297.09	1815.39	39.96
14	Wood & Wood products	469.43	654.82	39.49
15	Dyeing/tanning/colouring mtrls.	269.85	369.88	37.07
16	Machinery, electrical & non-electrical	2821.52	3812.61	35.13
17	Iron & Steel	1336.51	1727.91	29.29
18	Fruits & vegetables	174.57	225.08	28.93
19	Organic & Inorganic Chemicals	2440.47	3141.76	28.74
20	Electronic goods	5319.77	6800.89	27.84
21	Chemical material & products	917.63	1172.30	27.75
22	Machine tools	311.07	385.98	24.08
23	Pearls, precious & Semi-precious stones	2628.17	3214.10	22.29
24	Pulp and Waste paper	134.63	155.93	15.82
25	Professional instrument, Optical goods, etc.	523.64	593.57	13.35
26	Transport equipment	1331.39	1371.71	3.03
Sl. No.	Commodities	(Values in Million USD)		% Change
		JUL'21	JUL'22	JUL'22
	Commodity Groups exhibiting negative growth			
27	Pulses	162.03	66.05	-59.24
28	Sulphur & Unroasted Iron Pyrites	29.39	14.11	-51.99
29	Gold	4203.06	2370.32	-43.60
30	Medicinal & Pharmaceutical products	795.31	710.12	-10.71

Table 6: Import Growth in Commodity Groups in July 2022

Table 7: MERCHANDISE TRADE

EXPORTS & IMPORTS: (Rs. Crore)		
(PROVISIONAL)		
	JULY	APRIL-JULY
EXPORTS (including re-exports)		
2021-22	2,64,666.37	9,69,332.85
2022-23	2,88,747.71	12,24,231.62
%Growth 2022-23/2021-22	9.10	26.30
IMPORTS		
2021-22	3,43,919.55	12,81,020.08
2022-23	5,27,541.77	19,95,937.36
%Growth 2022-23/2021-22	53.39	55.81
TRADE BALANCE		
2021-22	-79,253.18	-3,11,687.23
2022-23	-2,38,794.06	-7,71,705.73

Table 8: SERVICES TRADE

EXPORTS & IMPORTS (SERVICES) : (US $ Billion)		
(PROVISIONAL)	June 2022	April-June 2022
EXPORTS (Receipts)	25.29	71.49
IMPORTS (Payments)	15.77	45.01
TRADE BALANCE	9.53	26.48

EXPORTS & IMPORTS (SERVICES): (Rs. Crore)		
(PROVISIONAL)	June 2022	April-June 2022
EXPORTS (Receipts)	1,97,466.28	5,52,079.75
IMPORTS (Payments)	1,23,100.22	3,47,617.89
TRADE BALANCE	74,366.06	2,04,461.85
Source: RBI Press Release dated 1st August 2022		

Essar Oil (UK) expands dealer base while strengthening decarbonisation plans

Essar Oil (UK) Limited has cemented a longstanding relationship with the Shropshire-based family business DA Roberts with the signing of a five-year, 60 million-litre fuel deal. The deal will see DA Roberts' Grindley Brook garage in Whitchurch, Shropshire rebranded as an Essar outlet, enabling the business to buy fuel direct from its manufacturing source to improve efficiencies and bring economies of scale savings.

As one of only six refineries in the UK, Essar is able to leverage its manufacturing strengths to provide quality products at value prices direct to dealers like DA Roberts rather than through third parties. Essar Oil (UK)'s main asset is the Stanlow manufacturing complex, one of the most advanced refineries in Europe situated close to the major cities of Liverpool and Manchester. The company annually produces over 16% of the UK's road transport fuels, while playing a key role in Britain's broader petrochemical industry. Its customers include most of the major retail brands operated by international oil companies and supermarkets, Manchester airport, leading commercial airlines and the region's trains and buses.

According to Mr. Dave Roberts at DA Roberts Fuels Ltd, “We know how important it is that our sites are well-equipped to handle the continued increase in demand from our customer base in Shropshire. With Essar's support we're well-placed to do that, providing people in the region with the best deals available and allowing us to grow to invest in our future fuel offering.”

Mr. James Hughes, territory manager at Essar Oil (UK), said: “It's a great moment to finally agree on terms with Mr Roberts at Grindley Brook after many years of commercial discussions. The transfer to the Essar brand at the end of last month, was seamless and is credit to the dedication and enthusiasm of Dave's team. Grindley Brook Garage is one of the largest dealer sites in the UK selling in excess of 1million litres per month and we welcome them to the Essar retail network.” The site will be offering all grades of fuel, including high octane Essar 99, as well as providing customers with the chance to join the Essar Keypoints loyalty programme.

Mr. Carlos Rojas, head of commercial at Essar Oil (UK), said: “We're focused on delivering an industry-leading customer experience offering that will provide value to both dealers and their customers alike, and that's what we'll be providing as part of this deal. Our team has worked hard to develop and maintain a strong relationship with the business over the past five years that leaves us best-placed to help it achieve its future success. We are committed to building on that great business relationship with the Grindley Brook Garage over the next few years and helping its owners strengthen its historic brand.”

Save the Date
4th November, Kolkata

FIRST ANNOUNCEMENT

INFRABUILD 2022

THEME:
Sustainable Infrastructure - Building the Nation in the Green Way

Who will participate?

- Professionals (architects, structural and civil engineers)
- Builders
- Real Estate Promoting Groups of Eastern India
- Central Authorities (Railways, Metro Rail, Airport Authority)
- Public Work Divisions
- State Government Senior Representatives & Chief Engineers of various development departments
- EPC's
- Consultant organisation
- Final Year students (architects & engineers)
- Companies manufacturing products required for infrastructural development.

First Ukraine, now Taiwan: Is an economic tsunami coming next?

By **Kingshuk Banerjee**

The war in Ukraine has a huge cost in human suffering and is sending shocks through the world economy. All these shocks threaten the gains made towards recovery from the Covid-19 pandemic and block the path towards sustainable development.
– UNCTAD Secretary-General Rebeca Grynspan

It was a cloudy afternoon on the first day of August in Odessa, the Ukranian port on The Black Sea. Due to the Russian invasion and Black Sea blockade by the Russian navy, there had hardly been any activity in recent months in what was normally one of the busiest ports of the world. But that August afternoon was different. The port was abuzz with interest as after loading of 26,000 tonnes of corn, the Sierra Leone-registered cargo ship Razoni was seen pulling out of the port, guided by a Ukrainian naval vessel, for its journey to Lebanon and Egypt. At least 10 other ships, among the dozens trapped in Ukrainian ports since the start of the war, were loaded and ready to follow.

Despite this seeming resumption of normalcy in sea trade by Ukraine, the ground situation is still pretty perilous. Soon after the Ukrainian grain exports deal was brokered by the UN Secretary-General António Guterres and Turkish President Recep Tayyip Erdogan, a Moscow missile had assassinated Oleksiy Vadaturskyi, head of one of Ukraine's biggest grain exporting companies, and his wife in Mykolaiv, another port city. Moreover, as per one industry insider, Russian naval forces have closed shipping in and out of the Sea of Azov – one of the few access points for Ukranian ocean trade. Parts of the Black Sea and Sea of Azov are now dangerous or unpassable. There have been missile attacks on vessels and ship arrests and lane closures for commercial shipping. This has created a heavy build-up of vessels waiting to get through the Kerch Strait. With 70% of Ukraine's exports distributed via ship, the congestion is worsening by the hour. As a result, the growing number of carriers that have suspended services in Russia make up about 62% of total ocean freight capacity.

Under the circumstances, the transit by 1996-built 18,495 tonnage bulk carrier Razoni, transporting Ukraine's first maritime export since Russia invaded in February, was executed under a heavy cloud of apprehension. Nevertheless, the ship's Syrian captain, Mohammad Abdoh was unperturbed. Nonchalantly he told Ukrainian officials a few days earlier: “I understand what war is and I am ready to go.” Needless to say, that came as a big sigh of relief to Ukraine. And that was the flicker of hope at the end of a long, dark tunnel of the Russian naval blockade of the Black Sea.

The dismal state of maritime trade in the Black Sea region could be further comprehended with the help of statistics as well. As per 2015 data, the Black Sea ports handled 415 million metric tons (mmt) of cargo out of which 164 mmt was bulk. The same ports handled 464 mmt cargo in 2019 out of which 187 mmt was bulk. This thriving seaborne trade – mainly in crude oil, grain and steel – from the Black Sea ports has been in complete disarray since the Russian invasion in February 2022.

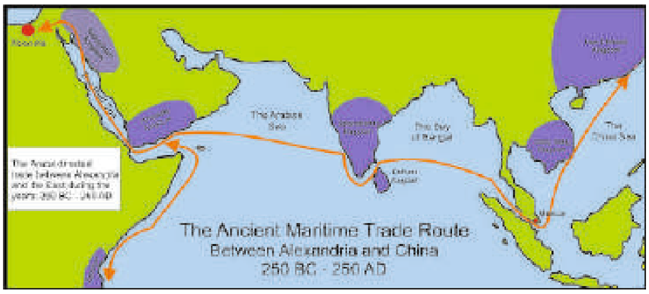
Conduit for crude oil

Being a major artery for the movement of commodities at the crossroads of Europe and Asia, the Black Sea has half a dozen countries touching its shores, but is vital to many others beyond, for the trade of energy, steel and agricultural products.

Crude and refined oil products from Russia, Azerbaijan and Kazakhstan pass through export terminals on the sea's eastern edge. Three terminals handle about 1.8 million barrels a day of crude exports.

The CPC terminal, located just to the north of the Russian port of Novorossiysk, handles about 1.3 million barrels a day of crude delivered by pipeline from Kazakhstan. The Novorossiysk oil terminal handles about 400,000 barrels a day of Russian crude, exported either as Urals or Siberian Light, with Urals accounting for about three-quarters of the total volume. Supsa, further south in Georgia, is the end point of a pipeline carrying crude from Azerbaijan. The line carried about 31 million barrels, equivalent to 85,000 barrels a day, of crude in 2021, according to BP's full-year results. But almost 90% of the project's crude exports are piped to an export terminal on Turkey's Mediterranean coast.

Countries on the western side of the Black Sea depend on seaborne crude. Both Romania and Bulgaria import crude through terminals on their Black Sea coasts. About 200,000 barrels a day move from east to west across the Black Sea, while additional volumes are imported via the Bosphorus from the Mediterranean.



A breadbasket gone bare

Known as one of the world's breadbaskets, the Black Sea region supplies tens of millions of tons of grain and vegetable oils annually from its ports, as Kiev is the fourth largest exporter of wheat globally. Ukraine accounted for nearly 10% of global wheat exports and 12% of the world's corn exports in marketing year 2021-22 (July-June), according to data from the US Department of Agriculture.

There was a plan to expand the existing fleet of ships to increase grain supply in order to check its prices. At the end of 2021, it was estimated that the fully cellular fleet increased in size by about 144 ships and 1.1 million TEU. By the end of 2022, it is forecast that the fleet will increase in size again by another 175 vessels and another 1.05 million TEU. There's an even bigger growth forecast for the end of 2023 based on existing orders. All of this extra capacity ought to put a downward pricing pressure on freight rates. But the continuing Russia-Ukraine war has torn the plan asunder.

Meanwhile, the United Nations Conference on Trade & Development (UNCTAD) notes that the global grains sector, especially corn (maize), barley, wheat and oilseeds (e.g. sunflower) is substantially supplied by Russia and Ukraine, which together account for about 14% of corn supply, 23% of barley, 27% of wheat and 53% of oilseeds. Supply of these foodstuffs is mostly to European and peripheral nations, along with China and India. However, the impact on lesser developed nations, especially Africa, could be really adverse as they have so far primarily imported wheat from Russia. A further concern for lesser developed nations is the spike in fertiliser prices, the UNCTAD notes.

Steel trade suffering

As per latest reports, the war led to the cessation of iron & steel supplies not only from Ukraine, but also from Russia. The segments of pig iron and semi-finished products felt the most negative impact of the war. In 2021 EU imported 22.4% from Russia and 29.4% from Ukraine. USA imported 34.3% of pig iron from Russia and 28.5% from Ukraine.

The war has disrupted supply chains. According to our estimations, 90% of steel capacities are not operating now, especially in Ukraine. Some enterprises are trying to resume production and increase volumes, but it is difficult due to downtime of other plants in the supply chain. In particular, most coking plants have stopped production.

To resume the operation of coking plants, it is necessary not only to ensure their safety, but also to arrange supplies of coking coal. Russia was the main supplier of soft and semi-soft coking coal, which was used for coke production and pulverised coal injection. In 2021 Ukraine imported from Russia 8 mmt of coking coal. The share of Russian supplies in the Ukrainian domestic market was 43% and substitution of coal supplies from Russia is challenging.

Currently in Ukraine, only one out of six integrated steel plants is working fully – Kametstal (formerly Dniprovskyi Iron & Steel Works). According to a statement by Metinvest Group which controls Kametstal, this plant is working with 80% capacity utilisation. Other companies have resumed only rolling operations or are supplying steel products from warehouses. ArcelorMittal Kryvyi Rih announced the possible launch of a blast furnace in April.

About one-third of Ukrainian steel capacities are located in Mariupol – Azovstal and Ilyich Iron & Steel Works. Mariupol is the hottest point of this war. The city of half a million people has been surrounded for a month and is constantly being shelled. Active hostilities are to be seen on the city streets. No one knows exactly what damage the steel plants have suffered. Their managements say that the plants will be restored as soon as peace returns to Ukraine.

The restoration of urban infrastructure may take a longer time, but is important for the resumption of production. Transport is a major problem that is preventing factories from restarting. Steel companies are trying to solve the issue of transportation in consultation with the national railway operator Ukrzaliznytsya.

Stoppage of steel production has led to disruption in supplies of by-products as well. Almost all integrated steel plants in Ukraine have air separation units that produce oxygen and other industrial gases. It needs mention here that Ukraine is the world's largest supplier of noble gases, including neon, krypton and xenon. All these gases are essential for semiconductor manufacturing. Globally, Ukraine supplies about 70% of neon gas and 40% krypton gas.

Chip production chipped too

Not only steel, chip production in the USA has also received a big jolt due to this war. Ukraine supplies 90% of the highly purified neon required for chip production in the USA. The two major purifiers for Russian and Ukrainian neon are located in Odessa. Now it is nearly impossible to use those facilities in supply chains. Termination of noble gas supplies from Ukraine will push chip prices up and we will inevitably see aggravation of chip shortage.

Ukraine war a disaster for global seaborne trade

As far as global seaborne trade is concerned, the 7-month-old Ukraine war is nothing but a disaster. A recent study states that since the commencement of war, seaborne trade with Russia nosedived to 58%. Sanctions are clearly working and the inherent dangers of coming near the war zone – with five merchant ships coming under fire in the war so far – have ensured Russia has been massively cut off from global seaborne trade.

The drop in ship calls is being felt far away from the conflict too. Ports in the Baltic Sea, like St. Petersburg, responsible for a third of Russia's nautical trade, now have 65% fewer ships making port calls, according to calculations by the investment bank UBS. Ports in the Pacific such as Vladivostok have seen volumes slide by 52% since the war started.

In a new report the UNCTAD has detailed how the war in the Ukraine is increasing the cost of shipping around the world. The UNCTAD report looks at the shipping and transport hurdles in the Black Sea region to disruptions in regional logistics, the halting of port operations in Ukraine, the destruction of important infrastructure, trade restrictions, increased insurance costs and higher fuel prices. Shipping distances have increased as a result of the protracted war, along with transit times and costs.

“Grains are of particular concern, given the leading role of the Russian Federation and Ukraine in agrifood markets, and its nexus to food security and poverty reduction,” the report states. Fewer grain shipments over longer distances are leading to higher food prices across the world. Grain prices and shipping costs have been on the rise since 2020, but the war in Ukraine has exacerbated this trend and reversed a temporary decline in shipping prices.

The report says that between February and May 2022, the price paid for the transport of dry bulk goods such as grains increased by nearly 60%. The accompanying increase of grain prices and freight rates would lead to a 3.7% increase in consumer food prices globally.

The Russian Federation is a giant in the global market for fuels and fertilisers, which are key inputs for farmers worldwide. Continued disruptions in their supply could lead to lower grain yields and higher prices, UNCTAD warned, with serious consequences for global food security, particularly in vulnerable and food import-dependent economies.

Russia's status as a leading oil and gas exporter is also pushing up energy prices worldwide, the UNCTAD study shows. “Confronted with trade restrictions and logistical challenges, the cost of oil and gas has increased as alternative sources of supply, often at more distant locations, are called upon,” the report notes. Daily rates for smaller-size tankers, which are key for regional oil trading in the Black Sea, Baltic Sea and Mediterranean Sea regions, have dramatically increased. The higher energy costs have also led to higher marine bunker prices, raising shipping costs for all maritime transport sectors.

Taken altogether, UNCTAD officials said the increased costs imply higher prices for consumers worldwide and threaten to widen the poverty gap. In view of this, UNCTAD has reiterated calls for urgent action to open Ukraine's ports to international shipping so that foodgrains from the country can reach overseas markets at lower shipping costs.

UNCTAD feels continued collaboration is needed among vessel flag states, port states and other actors in the shipping industry to maintain all necessary services, including bunkering supplies, health services for sailors and certification of regulatory compliance.

This will help to keep to a minimum the negative impacts on costs, insurance premiums and operations.

UNCTAD also says alternative ways of transport must be pursued and that easing transit and the movement of transport workers – even temporarily – can reduce the pressure on cross-border trade and transit.

Also, UNCTAD calls for more investment in transport services and trade and transit facilitation. In addition, it seeks more international support for developing countries, especially the most vulnerable economies, as the war in Ukraine adds to the challenges posed by the Covid-19 pandemic and the climate crisis.

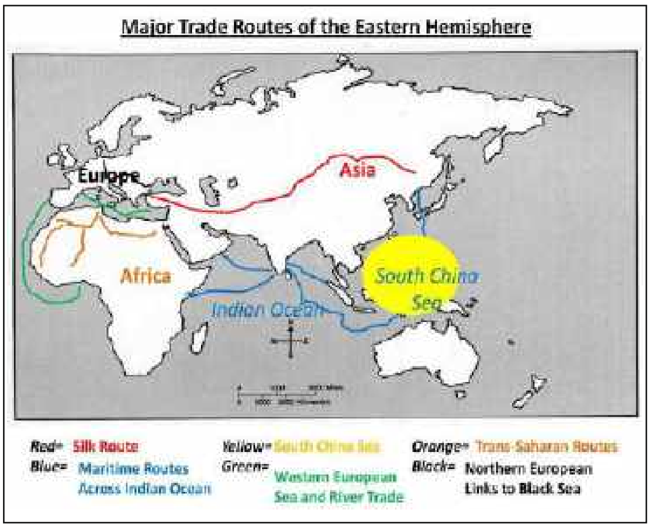
Global seaborne trade scenario

As per UNCTAD's review report of 2021, global economic output fell by 3.5% and merchandise trade by 5.4%, while volume of international maritime shipments fell by 3.8% to 10.65 billion tonnes in 2020. However, UNCTAD expected world maritime trade to recover by 4.3% in 2021, and growth was projected to continue over the 2022-26 period, albeit at rates that would be moderated by the easing in world economic outlook.

But then the Ukraine war erupted in February 2022 and scuttled this optimism. One prime example of this decline is the seaborne coal trade.

One recent shipping report stated that following a disastrous 2020, with the world hit by lockdowns and recession pretty much everywhere, global seaborne coal trade managed to rebound to some extent in 2021. In the full 12 months of 2021, global seaborne coal exports increased by 4.4% y-o-y to 1,147 million tonnes from 1,099 million tonnes in 2020. This was still well below the levels in pre-Covid times – being 10.1% down from the 1,276 million tonnes shipped during 2019.

At the start of 2022, however, global coal trade declined again. During January-April of 2022, global seaborne coal loadings declined by 4% y-o-y to 351.6 million tonnes from 366.3 million tonnes. Most of the decline was in January, which was particularly disappointing at just 76.7 million tonnes, down by 17.6% from coal loadings in January 2021. Overall, in Jan-Apr 2022, shipments from Indonesia fell by 8% y-o-y to 96.6 million tonnes and shipments from Russia too were lower by 10.2% y-o-y to 49.6 million tonnes.



UNCTAD outlook grim

UNCTAD, in its "rapid assessment" of the Russia-Ukraine war's impact on trade and development painted a very grim picture. The global body's report clearly showed a "rapidly worsening" outlook for the world economy, "underpinned" by rising food, fuel and fertiliser prices.

Detailing the new difficulties for both air and seaborne trade, the report stated that since the outbreak of the war, there have been a series of restrictions on transport through Russia and Ukraine. Russian airspace is closed to 36 countries and vice-versa. Air freight carriers may have to fly alternative, longer and more expensive routes. Meanwhile, some freight forwarders are now recommending that shippers should not book overland shipments between Asia and Europe. Both Russia and Ukraine are key countries in the Asia-Europe land route. "Already expensive and overstretched maritime trade will find it difficult to replace these suddenly unviable land and air routes," the UNCTAD pointed out.

The report went on to add that 1.5 million ocean containers were shipped by rail west from China to Europe. "If the volumes currently going by container rail were added to the Asia-Europe ocean freight demand, this would mean a 5-8% increase in an already congested trade route. Indeed, due to higher fuel costs and rerouting efforts, current container shipping carrying capacity is being constrained."

The UNCTAD argues that one impact of the war will be higher freight rates, adding that "Due to higher fuel costs, rerouting efforts and zero capacity in maritime logistics, the impact of the war in Ukraine can be expected to lead to even higher freight rates".

A new study provides a quick assessment of the costs of the war on the Russian economy and finds that – even according to the most conservative estimates – it is costing $20 billion a day. It is also expected that the loss of human life alone will account for 2.7 billion dollars in lost GDP over the coming years.

Tensions brew in Taiwan

As if the Ukraine war is not enough, now tensions are brewing in the Taiwan Strait too.

The Taiwan Strait is a 180-km wide channel of water separating the island of Taiwan from continental Asia. The strait is a part of the South China Sea and connects to the East China Sea in the north. It is a waterway that has great significance even in today's time.

And fate of this strait is embedded with that of the South China Sea. Stretching from Singapore and the Strait of Malacca chokepoint in the southwest to the Strait of Taiwan in the northeast, the South China Sea is one of the most important energy trade routes in the world. Almost a third of global crude oil and over half of global liquefied natural gas (LNG) passes through the South China Sea each year.

A significant amount of crude oil arriving in the Strait of Malacca (1.4 million bbl/d) goes to terminals in Singapore and Malaysia instead of continuing on to the South China Sea. After processing, this crude oil is shipped out again to Asian markets through the South China Sea as refined petroleum products, such as motor gasoline and jet fuel. The rest of the crude oil passes through the South China Sea to China and Japan, the two largest energy consumers in Asia. Finally, about 15% of crude oil moving through the South China Sea goes on to the East China Sea, mostly to South Korea.

Crude oil flow in the South China Sea also comes from intra-regional trade, particularly from Malaysian, Indonesian, and Australian crude oil exports. Intra-regional trade is distributed evenly among Singapore, South Korea, Japan, and China, with smaller amounts going to other Southeast Asian countries.

The South China Sea is also a major destination for LNG exports. About 6 trillion cubic feet of liquefied natural gas, or more than half of global LNG trade, passed through the South China Sea in 2021. Half of this amount continued on to Japan, with the rest of it going to South Korea, China, Taiwan, and other regional countries. Almost 75% of all LNG exports to the region came from Qatar, Malaysia, Indonesia, and Australia.

Finally, large quantities of coal from Australia and Indonesia, the world's two largest coal exporters, pass through the South China Sea to markets around the world, especially to China, Japan, and India. These coal shipments include both steam coal used for generating electricity and process heat as well as metallurgical coal that is a key ingredient in primary steel production.

It is claimed that $5.3 trillion worth of goods transits through the South China Sea annually, of which $1.2 trillion accounts for trade with the US. As per statistics, over 64% of China's and nearly 42% of Japan's maritime trade transited the waterway in 2016. The United States is less reliant on South China Sea, with just over 14% of its maritime trade passing through it.

Therefore, as the pundits argue, whatever sabre rattling is being done by Beijing over the Taiwan Strait in recent months, there exists a deterrent for China too. Given the significance of the South China Sea for Chinese trade, Beijing may be more inclined to take steps to preserve the free flow of trade than to disrupt regional trade flows. Even the extreme hypothetical scenario in which Chinese capabilities expand to the point where it is capable of letting its own commerce pass while stopping that of other countries, would be risky. Long-term interference with shipping traffic would increase insurance premiums on commercial vessels and force shippers to consider more cost-effective trade route alternatives.

Storm clouds looming

But what experts are really apprehensive about is that if the Taiwan crisis is escalated to a full-blown confrontation between the two superpowers USA and China, there would be a complete shutdown of seaborne traffic in the South China Sea, causing global economic chaos much bigger than the 2008 crisis. According to the experts, the Chinese economy will be battered. Today's US-PRC trade war might result in trade reductions; but if the PRC attacks Taiwan militarily, China's global trade will lurch to a near-halt. The PRC's Belt and Road project and its Asian Infrastructure Investment Bank will be on hold a long, long while, most likely permanently.

The warning in a nutshell is that Beijing would do well to remember that the Chinese as well as the global economy had taken off only on the juice provided by western investment and technology and open markets in the US and Europe. China's “rise” was aided and abetted by America's CEO class, which moved businesses to China to chase cheap labour or even sold their companies to make a quick buck.

If the Russia-Ukraine war persists for a longer period, and if the Taiwan crisis escalates simultaneously, a tsunami of unprecedented force may strike the global economy. The dark clouds are already gathering on the global economic horizon.

Government's Ethanol Blending Programme set to be a 'revolution' in India

Bharat Petroleum, the second largest Indian Oil Marketing Company and one of the premier integrated energy companies in India, has reiterated the strategic importance of biofuels in India, on occasion of World Biofuel Day. World Biofuel Day is observed to create awareness about the importance of non-fossil fuels as an alternative to conventional fossil fuels. The day honours the research experiments by Sir Rudolf Christian Karl Diesel (inventor of the diesel engine) who ran an engine with peanut oil in 1893. Biofuels in India will assist in Improving Farmers Income, Import Reduction, Employment Generation, Waste to Wealth Creation, cleaner environment, health benefits etc. The existing biodiversity can be put to optimum use by utilizing dry lands for generating wealth for the local populous and in turn contribute to the sustainable development. India's net import of petroleum was 185 MT at a cost of $551 billion in 2020-21. Most of the petroleum products are used in transportation. Hence, a successful E20 program can save the country $1billion per annum, i.e. Rs. 30.000 crore.

Speaking on the occasion, Shri P.S. Ravi, Executive Director, Retail, BPCL said “BPCL is the coordinator and leader for Ethanol in the industry and we play a big part in contributing to the Ethanol Blended petrol programme of the Government. Achieving energy security and the transitioning to a thriving low carbon economy is critical for a growing nation like India. Blending locally produced ethanol with petrol will help India strengthen its energy security, reduce imports, enable local enterprises and farmers to participate in the energy economy and reduce vehicular emissions amongst many more benefits.”

Ethanol is a less polluting fuel and offers equivalent efficiency' at a low'-Availability of large arable land, rising production of food grains and sugarcane leading to surpluses, availability of technology to produce ethanol from plant based sources and feasibility of making vehicles compliant to ethanol blended petrol make E20 not only a national imperative, but also an important strategic requirement. BPCL along with OMCs has signed 131 LTOAs with project proponents proposing to set up ethanol plants of approx. 757 Cr lit per annum capacity in ethanol deficit states. They have also taken initiative to move ethanol from Surplus states to deficit states through railway mode and ensure higher blending in deficit states.

How India has fared in six months of the Russia-Ukraine war

By Industry Scenario Bureau

India has been actively trading with Russia for centuries and with Ukraine since it emerged as an independent nation following the dissolution of the Soviet Union in the early 1990s. The Russia-Ukraine war since February 2022 has, naturally, thrown India's trade and commerce with both the European countries on a tailspin. The war has certainly scarred the Indian economy and financial system, despite India's refusal to take sides and despite our limited dependence on Russia and Ukraine for imports (2.1%) and exports (1%).

India's main imports from Russia include fuels, mineral oils, pearls, precious or semi-precious stones, nuclear reactors, boilers, machinery and mechanical appliances, electrical machinery & equipment and fertilisers. From Ukraine India imports agricultural products, metallurgical products, plastics and polymers, etc. Major export items from India to Russia include pharmaceutical products, electrical machinery & equipment, organic chemicals and vehicles, while India's main exports to Ukraine are pharmaceuticals, machinery, chemicals and food products, etc. In FY22, till the war started in February, the value of India's bilateral trade with the two countries was showing good growth. With Russia it stood at US$ 9.4 billion, against USS 8.1 billion in 2020-21, and with Ukraine at US$ 2.3 billion, compared to US$ 2.5 billion in FY21.

Macro indices take a hit

However, during the last six months, the conflict has not only disrupted the growth pattern but has even affected India's GDP forecasts for FY23, say financial market analysts. In July, the International Monetary Fund slashed India's economic outlook in 2022-23 to 7.4% from its earlier forecast of 8.2%, in view of the higher than anticipated inflation and consequent rapid policy tightening by the Reserve Bank of India (RBI). Earlier, financial institutions and analysts like Morgan Stanley and Asian Development Bank had stated an even lower GDP outlook for India at 7.2% citing similar factors, in addition to 'less favourable external conditions'.

The cloud over India's macro-economic growth projections has been progressively accumulating, ever since global crude oil prices skyrocketed as the immediate fallout of the Russian invasion of Ukraine. The consequent sharp rise in prices of fuels, metals, edible oil and other essential commodities without pause in the first two month itself indicated consumer inflation would follow, and it did – jumping from 7% in March to 7.8% in April. Anticipating this, however, and to counter inflationary pressures on the economy, the RBI had taken a considered decision in March itself to effect small hikes in repo rate and cash reserve ratio, and this has continued right up to August, with expected results. After peaking in April, consumer inflation has progressively decreased – to 7.04% in May, 7.01% in June, and 6.7% in July.

Vietnam's sudden decision to stop exports of palm oil recently once again caused turbulence in India's consumer price index because edible oil prices again went skyward after a period of cooling. Seeking to provide relief to the harried Indian public from inflationary woes, banks have recently announced lowered interest on borrowings to encourage them to invest in housing and purchase of consumer durables, etc., keeping the forthcoming festive season in sight. In a parallel bid, since last month, banks have also started to give higher returns on deposits to mop up excess liquidity in the market. The government has also announced a string of infrastructure development projects to stir up economic activity.

Weakening currency

In a statement released following its meeting on August 5, 2022 the Government of India's Monetary Policy Committee (MPC) admitted that the global economic and financial environment "has deteriorated with the combined impact of monetary policy tightening across the world and the persisting war in Europe heightening risks of recession". It continued: "Gripped by risk aversion, global financial markets have experienced surges of volatility and large sell-offs. The US dollar index soared to a two-decade high in July. Both advanced economies and emerging market economies (EMEs) witnessed weakening of their currencies against the US dollar."

This has been particularly true about the Indian rupee, which buckled under intense selling pressure due to the global recessionary headwinds and volatility in the US financial market. The Indian currency breached the

Rs. 80 per US$ exchange level at least twice in July, recovered after the RBI stepped in to stem the slide, and then dove back to Rs. 80 in August end. In a written statement to Parliament in late July, Union Finance Minister Nirmala Sitaraman had noted that "global factors such as the ongoing Russia-Ukraine war, soaring crude oil prices and tightening of global financial conditions are among the key reasons for the weakening of the Indian rupee against the dollar."

According to a CNBC report, India's exposure to high energy prices is also responsible for the weakening of the rupee against the American dollar. India is the world's third largest oil importer and buys oil in dollars. As the rupee weakens, the cost of oil purchases also goes up. "According to Nomura analysts, for every $1 increase in the price of oil, India's import bill increases by $2.1 billion," said the report.

Had the currency of exchange been the rupee, India's trade deficit would not have breached the US$ 100 billion over the April-July 2022 period. In fact, with the "significant uptick" in cheap Russian crude oil imports to India since March, dollar outgo from India's coffers have only increased. Industry data says that import of Russian crude reached nearly 1 million barrels per day in June from 800,000 barrels per day in May. In this scenario, if the exchange currency had been the rupee, the Indian economy would have benefited enormously. However, Moscow has been pressurising all its trade partners to pay in roubles, and this has not been acceptable to New Delhi, so the dollar outflow continues.

In May, in response to severe public criticism for the continuing high prices of fuels, including cooking gas which he cut in excise duties on petrol and diesel pump prices.

In July, however, the RBI established a mechanism for international trade settlements in Indian rupees, which will help a long-term goal to internationalise the Indian currency, feel market analysts. The measure will facilitate "trade with neighbouring countries, with trading partners who are unable to access dollar funds and/are temporarily outside the international trading mechanism and those looking to broaden their pool of trade settlement currencies," the CNBC report quoted a senior DBS bank executive as saying.

Trade deficit widening

India's widening current account deficit (result of a country's imports exceeding its exports) will continue to drag the rupee down, feel observers. Imports have been steady due to the country's dependence on imported energy, electronics goods and certain machinery and even showed a 4.2% growth in July over June. On the other hand, high priced export items like steel and petroleum products have fallen. Among items responsible for a large foreign exchange outgo during the March-May period was imported coal, prices of which shot up following the onset of the Russia-Ukraine war. Imported coal is used as input material by power producers. Steel producers too use imported metallurgical coal for hot metal production. What became a huge worry during the April-June peak summer months was that power producers started reducing capacity utilisation to balance cash outflow. This resulted in power outages across the country and threatened to disrupt industrial production. The government's swift diktat to Coal India to immediately increase production and supplies to utilities, and to power producers to use a mix of imported and domestic coal for power production saved the crisis from compounding further.

The trade deficit has been aggravated by large capital outflows from the financial market due to, firstly, the US raising its Fed rate in June and July and, secondly (but to a lesser extent), the global recessionary trend. In an attempt to encourage capital inflows into the domestic market, RBI has recently taken a number of steps, including the easing of regulations and norms on foreign deposits and investments in the debt market and for external commercial borrowings.

The government, on the other hand, has been facing flak from industry circles for some of its decisions, despite its best intentions to curb inflation and keep the wheels of the economy turning. To arrest the multiplying hikes in steel prices which occurred due to decreasing availability of steel in the domestic market, following a thrust laid by steel producers on exports to take advantage of the massive demand arising in western markets caused by disruption in iron & steel supplies from Russia and Ukraine, the government imposed duties on steel exports in July. Naturally, export earnings from steel nosedived. Also, earnings from petroleum product exports declined by US$ 2.4 billion in July from US$ 7.83 billion in June, as volumes fell after the government imposed an export cess on petrol and diesel.

These duties, unfortunately, contributed to the widening of India's trade deficit. Again, reduced exports of gems & jewellery, organic and inorganic chemicals and readymade garments contributed to US$ 2.7 billion lower export earnings in July than in June. This is due to the recessionary trends being witnessed in the US, which is a major market for Indian gold and studded jewellery as well as readymade garments.

Rains bring relief

Amidst all the market upheavals and furrowed brows, the annual southwest monsoon brought some relief – though late, but better than never. And domestic economic activity has also demonstrated resilience, says the MPC's statement. “As on August 4, 2022, the southwest monsoon rainfall was 6% above the long period average. Kharif sowing is picking up. High frequency indicators of activity in the industrial and services sectors are holding up. Urban demand is strengthening while rural demand is gradually catching up. Merchandise exports recorded a growth of 24.5% during April-June 2022, with some moderation in July. Non-oil non-gold imports were robust, indicating strengthening domestic demand,” it elaborates.

The MPC, however, while warning that “spillovers from geopolitical shocks are imparting considerable uncertainty to the inflation trajectory”, maintains that inflation will be “retained at 6.7% in 2022-23”. This projection has been made on the assumption of a normal monsoon in 2022 and average crude oil price (Indian basket) of US$ 105 per barrel, in addition to the following positive factors:

* Food and metal prices have come off their peaks;

* Rising kharif sowing augurs well for the domestic food price outlook;

* Stocks of rice are well above the buffer norms; and

* Firms polled in the RBI's enterprise surveys expect input cost pressures to soften across sectors in H2.

The MPC added further optimism in its outlook for growth by stating: “Rural consumption is expected to benefit from the brightening agricultural prospects. The demand for contact-intensive services and the improvement in business and consumer sentiment should bolster discretionary spending and urban consumption. Investment activity is expected to get support from the government's capex push, improving bank credit and rising capacity utilisation.” The RBI's industrial outlook survey expects “sequential expansion in production volumes” on the back of new orders till the end of FY23.

This outlook, however, has been tempered by the consideration of risks stemming from pressures arising out of external geopolitical events like the Russia-Ukraine war continuing indefinitely, the possibility of the China-Taiwan conflict escalating, the volatility in global financial markets increasing and global financial conditions tightening. Taking all these factors into consideration, the real GDP growth projection for 2022-23 has been retained by the MPC at 7.2%, which is more than can be expected in the presently uncertain global environment.

On this cautiously optimistic note, If all goes well (we will have to keep our fingers firmly crossed), the forthcoming festive season (October-December) will hopefully be a time for celebration by Indians who have bravely faced untold miseries due to the Covid pandemic in the last two years.

Indian automobile industry to witness high demand in the coming days

Indian automobile industry expects the demand sentiment to remain positive and hopes that the momentum will continue amid the long festive season and the adequate rainfall across the country. “The timely arrival of monsoons, new model launches by the OEMs along with improvement in the availability of semiconductors helped sustain the demand in July,” stated a report, adding that “on a year-on-year (y-o-y) basis, the domestic sales growth stood at 11 per cent, with 2.9 per cent growth on a month-on-month (m-o-m) basis.”

The original equipment manufacturers (OEMs) are also increasing their production and building up inventory ahead of the festival season, the report added. The festive season in the country, which usually witnesses an increase in automobile sales, starts with Rakshabandhan and stretches up to Diwali on October 25.

Vinkesh Gulati, President, FADA, stated, “We expect the festive season this year to be the best in terms of passenger vehicle sales on the back of new launches and improved production activity. The industry has been rolling out over 3 lakh units on an average in the past 4-5 months which is helping in retails.” As per the report, the two-wheeler segment's domestic sales registered a 5.5 per cent growth m-o-m in July 2022, with the sub-segment scooters rising 14 per cent. On the other hand, the motorcycles sub-segment grew 2 per cent. The two-wheelers segment's average inventory days were in the range of 20-23 days in July 2022. However, the exports for two-wheelers dropped 9.6 per cent on an m-o-m basis with a 15 per cent m-o-m decline in export sales in the motorcycles sub-segment. This drop came in because of the rising inflation, geopolitical tensions in international markets and adverse economic conditions in Nepal and Sri Lanka. “Normal monsoons in most parts of the country resulting in a decent agricultural harvest kept the demand sentiment positive,” the report added. The passenger vehicle segment, in terms of domestic sales, showed an improvement of 6.3 per cent on an m-o-m basis during July 2022. The passenger cars and utility vehicles sub-segments grew 8 per cent and 3 per cent, respectively, on an m-o-m basis. The domestic passenger vehicles segment, with OEMs continuously launching new models - especially in the compact SUV segment - is also expected to sustain the demand in the festive season. The waiting periods in the coming months are also expected to reduce due to the improving availability of semiconductor chips. As per a FADA report, the average inventory days stood at 20-25 days for July 2022. The exports increased 3.4 per cent y-o-y which showed a growth in sales by 2 per cent and 5 per cent, respectively, in the export market. This was due to increasing demand in the passenger cars and utility vehicles sub-segment.

Quick Estimates For Selected Major Commodities For July 2022

TRADE: EXPORT

Sl. No.	Commodities	Values in Rs Crore				% Change	
		JUL'21	APR'21-JUL'21	JUL'22	APR'22-JUL'22	JUL'22	APR'22-JUL'22
1	Tea	522.18	1634.57	623.52	1882.40	19.41	15.16
2	Coffee	530.55	2224.97	743.41	3312.63	40.12	48.88
3	Rice	5298.39	23101.29	7406.91	28444.95	39.80	23.13
4	Other cereals	721.30	2468.53	811.75	3181.24	12.54	28.87
5	Tobacco	485.63	2319.82	903.28	3165.68	86.00	36.46
6	Spices	2522.18	10133.03	2734.55	10027.72	8.42	-1.04
7	Cashew	273.40	1109.90	214.30	855.38	-21.62	-22.93
8	Oil Meals	487.76	2693.49	641.87	3228.15	31.60	19.85
9	Oil seeds	570.70	2401.84	737.73	3052.07	29.27	27.07
10	Fruits & Vegetables	1640.05	6380.69	1862.67	7225.62	13.57	13.24
11	Cereal preparations & miscellaneous processed items	1359.75	5265.31	1808.40	7384.82	32.99	40.25
12	Marine Products	5228.83	18282.60	5666.60	21297.49	8.37	16.49
13	Meat, dairy & poultry products	1910.81	9453.57	2458.21	11099.85	28.65	17.41
14	Iron Ore	2706.81	15392.32	163.82	4926.91	-93.95	-67.99
15	Mica, Coal & Other Ores, Minerals including processed minerals	3029.13	11680.70	3261.82	14296.90	7.68	22.40
16	Leather & leather products	2889.55	9423.40	3696.57	13340.74	27.93	41.57
17	Ceramic products & glassware	2205.80	8620.55	2644.98	10060.86	19.91	16.71
18	Gems & Jewellery	25783.92	93472.42	26104.25	105086.40	1.24	12.43
19	Drugs & Pharmaceuticals	15991.02	58691.22	16900.69	65207.88	5.69	11.10
20	Organic & Inorganic Chemicals	18080.95	68772.65	20862.35	83906.44	15.38	22.01
21	Engineering Goods	71137.50	262078.33	74399.81	297995.06	4.59	13.70
22	Electronic Goods	9272.63	31167.98	14468.74	51125.00	56.04	64.03
23	Cotton Yarn/Fabs./made-ups, Handloom Products etc.	9803.45	34629.43	7521.68	31925.90	-23.28	-7.81
24	Man-made Yarn/Fabs./made-ups etc.	3628.80	13105.61	3483.30	13733.53	-4.01	4.79
25	RMG of all Textiles	10353.40	35491.63	10992.26	45647.57	6.17	28.62
26	Jute Mfg. including Floor Covering	297.09	1084.47	311.81	1320.37	4.95	21.75
27	Carpet	1179.23	4216.78	937.29	3886.82	-20.52	-7.83
28	Handicrafts excl. handmade carpet	1408.83	4855.94	964.98	3702.63	-31.51	-23.75
29	Petroleum Products	43523.95	138529.34	50755.68	260051.70	16.62	87.72
30	Plastic & Linoleum	6205.22	25159.99	6394.00	24534.48	3.04	-2.49
	Sub-Total	**249048.83**	**903842.38**	**270477.23**	**1134907.18**	**8.60**	**25.56**
	GRAND TOTAL	**264666.37**	**969332.85**	**288747.71**	**1224231.62**	**9.10**	**26.30**

1 R W H * U D Q G W R W D O L V L Q F O X V

Note 2: The figures for JUL ¶ are provisional.

Quick Estimates For Selected Major Commodities For July 2022

TRADE: EXPORT

Sl. No.	Commodities	Values in Million USD				% Change	
		JUL'21	APR'21-JUL'21	JUL'22	APR'22-JUL'22	JUL'22	APR'22-JUL'22
1	Tea	70.07	220.87	78.33	241.24	11.79	9.22
2	Coffee	71.19	300.94	93.39	426.31	31.18	41.66
3	Rice	710.94	3123.11	930.50	3653.08	30.88	16.97
4	Other cereals	96.78	333.98	101.98	408.27	5.37	22.24
5	Tobacco	65.16	313.93	113.48	406.57	74.16	29.51
6	Spices	338.42	1369.39	343.53	1288.30	1.51	-5.92
7	Cashew	36.68	149.93	26.92	110.10	-26.61	-26.57
8	Oil Meals	65.45	364.09	80.64	415.35	23.21	14.08
9	Oil seeds	76.58	324.60	92.68	392.72	21.02	20.99
10	Fruits & Vegetables	220.06	862.04	234.00	929.84	6.33	7.87
11	Cereal preparations & miscellaneous processed items	182.45	712.00	227.18	949.34	24.52	33.33
12	Marine Products	701.60	2471.65	711.87	2735.83	1.46	10.69
13	Meat, dairy & poultry products	256.39	1278.89	308.81	1428.40	20.45	11.69
14	Iron Ore	363.20	2082.12	20.58	642.69	-94.33	-69.13
15	Mica, Coal & Other Ores, Minerals including processed minerals	406.45	1579.24	409.77	1839.31	0.82	16.47
16	Leather & leather products	387.72	1273.45	464.38	1713.18	19.77	34.53
17	Ceramic products & glassware	295.97	1165.63	332.28	1292.79	12.27	10.91
18	Gems & Jewellery	3459.67	12631.44	3279.36	13511.49	-5.21	6.97
19	Drugs & Pharmaceuticals	2145.67	7934.52	2123.16	8380.97	-1.05	5.63
20	Organic & Inorganic Chemicals	2426.09	9300.92	2620.85	10784.37	8.03	15.95
21	Engineering Goods	9545.20	35437.95	9346.52	38315.53	-2.08	8.12
22	Electronic Goods	1244.20	4212.39	1817.64	6567.13	46.09	55.90
23	Cotton Yarn/Fabs./made-ups, Handloom Products etc.	1315.42	4681.56	944.92	4109.08	-28.17	-12.23
24	Man-made Yarn/Fabs./made-ups etc.	486.91	1771.59	437.59	1765.70	-10.13	-0.33
25	RMG of all Textiles	1389.22	4794.93	1380.91	5871.80	-0.60	22.46
26	Jute Mfg. including Floor Covering	39.86	146.58	39.17	169.88	-1.73	15.90
27	Carpet	158.23	570.11	117.75	499.81	-25.58	-12.33
28	Handicrafts excl. handmade carpet	189.04	656.27	121.23	475.94	-35.87	-27.48
29	Petroleum Products	5840.02	18731.62	6376.21	33458.43	9.18	78.62
30	Plastic & Linoleum	832.61	3403.82	803.25	3153.60	-3.53	-7.35
	Sub-Total	**33417.25**	**122199.56**	**33978.88**	**145937.05**	**1.68**	**19.43**
	GRAND TOTAL	**35512.82**	**131055.38**	**36274.11**	**157441.51**	**2.14**	**20.13**

Note 1: Exports include Re-Exports.

Note 2: The figures for - 8 ar/e p¶rovisional.

I R W H * U D Q G W R W D O L V L Q F O X V

Quick Estimates For Selected Major Commodities For July 2022

TRADE: IMPORT

Sl. No.	Commodities	Values in Rs Crore				% Change	
		JUL'21	APR'21-JUL'21	JUL'22	APR'22-JUL'22	JUL'22	APR'22-JUL'22
1	Cotton Raw & Waste	429.88	1576.12	1543.24	3669.88	259.00	132.84
2	Vegetable Oil	10207.07	40864.32	16045.84	56576.56	57.20	38.45
3	Pulses	1207.54	2904.58	525.76	2254.69	-56.46	-22.37
4	Fruits & vegetables	1301.02	5799.91	1791.70	7098.21	37.71	22.38
5	Pulp and Waste paper	1003.34	3478.73	1241.22	4558.74	23.71	31.05
6	Textile yarn Fabric, made-up articles	1060.98	4326.88	2139.88	7298.63	101.69	68.68
7	Fertilisers, Crude & manufactured	8802.43	24098.90	13466.59	39947.04	52.99	65.76
8	Sulphur & Unroasted Iron Pyrites	219.01	770.63	112.29	1209.08	-48.73	56.90
9	Metaliferrous ores & other minerals	4270.68	17871.95	6567.09	26953.64	53.77	50.82
10	Coal, Coke & Briquettes, etc.	14599.24	57921.07	41233.49	173726.08	182.44	199.94
11	Petroleum, Crude & products	92428.86	320522.52	168226.63	638393.39	82.01	99.17
12	Wood & Wood products	3498.53	15344.15	5212.47	19462.12	48.99	26.84
13	Leather & leather products	415.65	1757.41	724.80	2797.79	74.38	59.20
14	Organic & Inorganic Chemicals	18188.07	69856.49	25008.92	103195.24	37.50	47.72
15	Dyeing/taming/colouring materials	2011.13	8305.17	2944.29	11178.85	46.40	34.60
16	Artificial resins, plastic materials, etc.	9786.99	46006.77	17447.49	66579.63	78.27	44.72
17	Chemical material & products	6838.81	28747.93	9331.69	34281.04	36.45	19.25
18	Newsprint	233.64	850.13	463.38	1234.89	98.33	45.26
19	Pearls, precious & Semi-precious stones	19586.98	73353.41	25584.78	89846.38	30.62	22.48
20	Iron & Steel	9960.63	37397.85	13754.42	49847.26	38.09	33.29
21	Non-ferrous metals	9666.85	39445.88	14450.76	54111.32	49.49	37.18
22	Machine tools	2318.29	10074.21	3072.48	10912.49	32.53	8.32
23	Machinery, electrical & non-electrical	21027.97	89004.51	30349.01	111454.16	44.33	25.22
24	Transport equipment	9922.45	44479.17	10919.02	45801.66	10.04	2.97
25	Project goods	312.98	2834.98	1581.46	3692.67	405.29	30.25
26	Professional instrument, Optical goods, etc.	3902.56	19482.72	4724.89	17762.65	21.07	-8.83
27	Electronic goods	39646.63	142233.48	54136.18	197543.79	36.55	38.89
28	Medicinal & Pharmaceutical products	5927.18	26126.01	5652.68	22017.23	-4.63	-15.73
29	Gold	31324.13	89875.67	18868.09	99989.36	-39.76	11.25
30	Silver	87.62	376.07	8826.72	19244.61	9973.96	5017.34
	Sub-Total	**330187.15**	**1225687.61**	**505947.26**	**1922639.07**	**53.23**	**56.86**
	GRAND TOTAL	**343919.55**	**1281020.08**	**527541.77**	**1995937.36**	**53.39**	**55.81**

Note 1: Grand total L V L Q F O X V L Y H R I F R P S R Q H Q W
Note 2: The figures for - 8 ar/e p¶rovisional.

Quick Estimates For Selected Major Commodities For July 2022

TRADE: IMPORT

Sl. No.	Commodities	Values in Million USD				% Change	
		JUL'21	APR'21-JUL'21	JUL'22	APR'22-JUL'22	JUL'22	APR'22-JUL'22
1	Cotton Raw & Waste	57.68	213.31	193.87	468.47	236.11	119.62
2	Vegetable Oil	1369.58	5526.97	2015.77	7265.82	47.18	31.46
3	Pulses	162.03	392.20	66.05	290.43	-59.24	-25.95
4	Fruits & vegetables	174.57	784.25	225.08	912.61	28.93	16.37
5	Pulp and Waste paper	134.63	470.47	155.93	585.36	15.82	24.42
6	Textile yarn Fabric, made-up articles	142.36	585.13	268.82	936.40	88.83	60.03
7	Fertilisers, Crude & manufactured	1181.11	3258.55	1691.75	5121.81	43.23	57.18
8	Sulphur & Unroasted Iron Pyrites	29.39	104.27	14.11	156.37	-51.99	49.97
9	Metaliferrous ores & other minerals	573.04	2416.84	824.99	3464.19	43.97	43.34
10	Coal, Coke & Briquettes, etc.	1958.92	7831.34	5179.98	22323.14	164.43	185.05
11	Petroleum, Crude & products	12402.06	43314.28	21133.57	82031.10	70.40	89.39
12	Wood & Wood products	469.43	2075.64	654.82	2499.74	39.49	20.43
13	Leather & leather products	55.77	237.74	91.05	359.44	63.26	51.19
14	Organic & Inorganic Chemicals	2440.47	9445.84	3141.76	13270.42	28.74	40.49
15	Dyeing/tanning/colouring materials	269.85	1122.94	369.88	1436.83	37.07	27.95
16	Artificial resins, plastic materials, etc.	1313.21	6221.54	2191.85	8554.41	66.91	37.50
17	Chemical material & products	917.63	3889.22	1172.30	4403.33	27.75	13.22
18	Newsprint	31.35	114.97	58.21	157.91	85.68	37.35
19	Pearls, precious & Semi-precious stones	2628.17	9915.70	3214.10	11535.04	22.29	16.33
20	Iron & Steel	1336.51	5056.50	1727.91	6402.70	29.29	26.62
21	Non-ferrous metals	1297.09	5334.08	1815.39	6956.69	39.96	30.42
22	Machine tools	311.07	1362.97	385.98	1401.34	24.08	2.82
23	Machinery, electrical & non-electrical	2821.52	12036.53	3812.61	14316.14	35.13	18.94
24	Transport equipment	1331.39	6011.70	1371.71	5891.51	3.03	-2.00
25	Project goods	42.00	384.22	198.67	472.58	373.02	23.00
26	Professional instrument, Optical goods, etc.	523.64	2639.68	593.57	2282.28	13.35	-13.54
27	Electronic goods	5319.77	19220.00	6800.89	25389.89	27.84	32.10
28	Medicinal & Pharmaceutical products	795.31	3536.02	710.12	2830.18	-10.71	-19.96
29	Gold	4203.06	12088.11	2370.32	12860.94	-43.60	6.39
30	Silver	11.76	50.88	1108.86	2450.20	9329.08	4715.64
	Sub-Total	**44304.37**	**165641.89**	**63559.92**	**247027.27**	**43.46**	**49.13**
	GRAND TOTAL	**46146.97**	**173123.95**	**66272.76**	**256433.45**	**43.61**	**48.12**

Note 1: Imports include Re-Imports.

Note 2: The figures for - 8 ar/e p¶rovisional.

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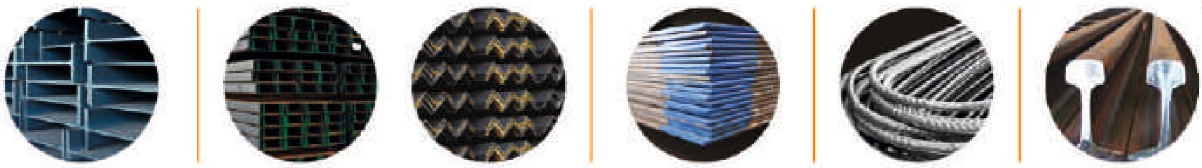
JINDAL STEEL & POWER

TOUGHEST TERRAINS
DESERVE THE TOUGHEST STEEL.

PRODUCT RANGE FROM JSP



PARALLEL FLANGE BEAMS & COLUMNS | CHANNELS AND ANGLES | PLATES AND COILS | TMT REBARS | RAILS

SPECIALITY OF PRODUCTS FROM JSP

- HIGHER STRENGTH
- HIGH CORROSION RESISTANCE
- CUSTOMIZED AND CONTROLLED CHEMISTRY
- SUPERIOR WELDABILITY
- WIDE PRODUCT RANGE

INNOVATIVE AND SUPERLATIVE PRODUCTS FROM JSP ARE REVOLUTIONIZING BRIDGE INFRASTRUCTURE.

ELECTROTHERM®

"The most preferred Steel Plant maker up to 1 Million Ton / Annum"

Total Solution for High Quality Steelmaking through Melting-Refining-Casting-Rolling

Induction Melting Furnace

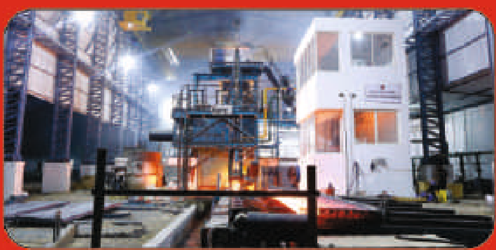
State-of-the-art Digital inverter technology through Fibre Optic Communication (DiFOC) system in Power Supply Units up to 40,000 KW coupled with Ultra-efficient furnace up to 80 ton capacity.

40 MW / 80 ton

Ladle Refining Furnace

ERF® (Electrotherm Refining Furnace) with ELdFOS® technology, a special metallurgical equipment for carrying out de-phosphorization and de-sulphurization in the same equipment.

10 ton to 200 ton



Continuous Casting Machine

- Direct rolling of billets
- Enormous metal saving due to reduced scale loss
- Substantial energy saving
- Reduced material handling
- Improved yield from rolling mill
- Enhanced productivity of plant
- Environment friendly
- Higher profitability

80 mm to 400 mm

Rolling Mill

- Highly advanced and proven European Technology to maximize production, manufactured in India
- Renowned and acclaimed technical as well as OEM partners
- Wide range of supply from conventional to the most advanced equipment
- Proven competency in efficient handling of green field, brown field or revamping projects
- Higher productivity / yield
- Superior product quality

Compact Mill for Bar & Wire-Rod, Structural and Narrow Strip Mill

Engineering & Technologies

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