The Hindu dt. 26.1.22

'India's exports to China growing faster than inbound shipments'

PLI schemes for different sectors will help reduce dependence on imports over time; technical regulations framed for products such as toys, electronics, chemicals and fertilizers will check sub-standard imports, says government official

Vikas Dhoot
NEW DELHI

India's trade equation with China has been improving in recent years with outbound shipments rising faster than imports, whose growth is being driven largely by vital raw materials and to meet demand from high-growth sectors such as telecom and power, a senior government official said.

China is one of India's large trading partners, with trade flows between the two countries having grown 59% from about $72 billion in 2014-15 (FY15), to $115.4 billion in FY22.

Trade balance: Major imports from China include electronics, IT hardware, telecom gear and organic chemicals. PTI

"Since India-China trade started picking up, the growth in exports to China has been much higher than the import growth," a Commerce Ministry official told *The Hindu*. From $11.9 billion in FY15, India's exports to China had risen 78.1% to $21.25 billion last year, while imports stood at $94.16 billion, 55.8% over the $60.4 billion recorded in FY15. By contrast, imports from China had increased 192% between 2006-07 and 2013-14, when they had crossed $51 billion, he pointed out.

Intermediate goods account for more than a third of India's imports from China, while capital goods constitute another 19.3%, with telecom and power sector gear being key drivers, which helped meet domestic demand in these fast-expanding sectors, the official said. The major items of import from China are electronic components, computer hardware and peripherals, telecom instruments, organic chemicals, industrial machinery for dairy, residual chemicals and allied products, electronic instruments, bulk drugs and intermediates.

The production-linked incentive schemes for different sectors will help reduce the dependence on such imports over time, even as technical regulations framed for products such as toys, electronics, chemicals and fertilizers will check sub-standard imports, he emphasised.

Financial Express dt. 27.10.22

India-China trade crosses $100 bn in Jan-Sept

India's trade deficit climbs to over $75 bn during the period

PRESS TRUST OF INDIA
Beijing, October 26

INDIA AND CHINA bilateral trade continued to boom, crossing $100 billion for the second year in the first nine months of 2022 while India's trade deficit climbed to over $75 billion, according to trade data released by Chinese customs.

The total bilateral trade, amidst the military standoff in eastern Ladakh, went up to $103.63 billion, registering a 14.6% increase compared to last year during the same period.

China's exports to India climbed to $89.66 billion, registering an increase of 31%, data released by China's General Administration of Customs (GAC) said.

However, India's exports in the past nine months stood at $13.97 billion, registering a decline of 36.4%.

As a result, the total trade deficit went up to over $75.69 billion.

Last year, the India-China bilateral trade hit a record high of over $125 billion crossing the $100 billion mark in a year when the relations touched a new low due to the standoff by the militaries in eastern Ladakh. Last year, China's exports to India went up by 46.2 per cent to $97.52 billion while India's exports to China grew by 34.2 per cent to $28.14 billion.

The trade deficit for India stood at $69.38 billion in 2021.

Financial Express dt.31.10.22

Govt to announce sugar export quota for 2022-23 in phases

SANDIP DAS
New Delhi, October 30

THE GOVERNMENT IS likely to announce sugar export quota for the new sugar season 2022-23 (October-September) in tranches for ensuring domestic availability and to curb any possibility of increase in prices during the year.

Sources told FE that learning from the experience of wheat exports where the government had abruptly put a ban on shipment of grain in May after committing for 10 million tonne (mt) of shipment in the current fiscal, the government was looking to ensure sufficient domestic sugar inventories prior to announcing exports quota at one go.

While Indian Sugar Mills Association has stated that the country could easily export 8 mt of sugar in the 2022-23 season, the government is likely to announce an export quota of 5 mt initially and in the subsequent months after assessment of domestic production, the next tranche of export quote would be issued.

"We will be assessing the domestic supply situation closely and allow exports in phases," an official told FE.

The exports quantity would be based on sugar production as the crushing of sugarcane has just commenced. The government wants to keep the option of revising exports quota at a later stage.

In the 2020-21 season, sugar exports rose to 7.1 mt and in the current season exports are likely to cross 11 mt. In sugar seasons 2017-18, 2018-19 and 2019-20, only about 0.6 mt, 3.8 mt and 5.9 mt of sugar was exported. Meanwhile, the government has extended the curbs on sugar exports by one year till November 30, 2022 which implies restrictions on shipment of sweetener under open general licence regime.

The new sugar season (2022-23) has already commenced from October 1, while the government is likely to announce a quota also referred to as maximum admissible export quota (MAEQ) this week, according to an industry source. The government followed MAEQ in 2020-21 and the open general license system in 2021-22.

According to ISMA, the country's sugar output for the 2022-23 season (October-September) is estimated to be around 41 mt. The domestic consumption would be around 27.5 mt. Meanwhile, the food ministry has extended the deadline for implementing the export release orders (ERO) of sugar issued for the 2021-22 season till November 30, 2022. It implies that the export quota issue in the previous crop year (2021-22) could be executed till November 30, 2022.

The Economic Times dt.28.10.22

India Starts Exporting Tea to Syria after a Gap of 50 Years

Consignments routed through Lebanon because of US and European Union sanctions

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Kolkata: Syria has started buying tea from India after a gap of 50 years, and because of US and European Union sanctions on the Western Asian country, the consignments are routed through Lebanon, traders said.

Countries such as Iraq and Turkey are also buying good quantities of orthodox teas from India in the absence of supplies from Sri Lanka in the market, they said.

"Syria has started buying tea from India in the absence of Sri Lanka, which is a major orthodox player. Tea is going to the country through Beirut and payment is routed through some other countries. The demand for orthodox tea in Syria is good," said Anish Bhansali, managing partner of tea exporting firm Bhansali & Co.

Orthodox tea refers to loose-leaf tea, produced using traditional or orthodox methods such as plucking, withering, rolling, oxidation and drying. The other main variety, CTC tea, is processed using the crush, tear and curl method and accounts for a larger portion of India's tea exports.

Sri Lanka accounts for about half the global trade in orthodox teas. Sri Lanka's absence in the market due to political turmoil in the country has helped India enter orthodox tea consuming nations.

According to Tea Board figures. India's exports of orthodox tea during January-July totalled 57.70 million kg, compared with 48.11 million kg in the first seven months of 2021.

"The markets that have been vacated by Sri Lanka is where the Indian teas are going. Countries like Turkey and Iraq are buying good volumes of orthodox teas. We are hopeful that in 2022, exports (including both orthodox and CTC) will cross 225 million kgs as compared to 196.54 million kgs in 2021," said Mohit Agarwal, director, Asian Tea Company.

WEST ASIA BOUND

COUNTRIES such as Iraq and Turkey are also buying good quantities of orthodox teas

SRI LANKA accounts for about half the global trade in orthodox teas

LANKA'S absence in the market has helped India enter orthodox tea consuming nations

57.70 million kg
INDIA'S EXPORTS OF ORTHODOX TEA DURING JANUARY-JULY

48.11 million kg
INDIA'S EXPORTS OF ORTHODOX TEA IN FIRST SEVEN MONTHS OF 2021

20-25%
INCREASE IN PRICES OF INDIAN ORTHODOX TEAS COMPARED WITH LAST YEAR