



**27 April – 3 May 2024**

### **Trade Updates**

#### **Exports seen higher in April, order inflows robust**

Exporters who witnessed a 3.1% annual decline in shipments last fiscal are again upbeat as order inflows have seen a significant rise in April, the first month of new fiscal year. Orders have risen across key sectors in April as compared to March and April of last year, sources said. The sectors like textiles and apparel and leather are reporting an increase in orders which points to a healthy first quarter, director general and chief executive officer of Federation of Indian Export Organisations (FIEO) said Ajay Sahai.

<https://www.financialexpress.com/business/industry-exports-seen-higher-in-april-order-inflows-robust-3473196/>

**China, Hong Kong account for 56 pc of India 's total imports of electronics, telecom, electrical products: GTRI**  
India's imports of electronics, telecom, and electrical products soared to USD 89.8 billion in 2023-24 and over half of these imports are sourced from China and Hong Kong, economic think tank GTRI said in its report. China dominates with a commanding 43.9 per cent share of India's imports in electronics, telecom, and electrical sectors, the Global Trade Research Initiative (GTRI) said.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/china-hong-kong-account-for-56-pc-of-india-s-total-imports-of-electronics-telecom-electrical-products-gtri/articleshow/109787013.cms>

### **Free Trade Agreements**

#### **India set to sign trade deal with Oman to expand its Middle East ties**

India and Oman will sign a trade deal in the coming months, two Indian government officials said, as New Delhi seeks to expand its ties in the Middle East, where rising tensions are putting major shipping routes at risk. "It will help India with a strategic partner and access to key trade routes in a volatile region," one official told Reuters. India and Oman have annual trade of less than \$13 billion, but the relationship is important for New Delhi as the Gulf nation is a gateway to the narrow Strait of Hormuz between Oman and Iran,

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-set-to-sign-trade-deal-with-oman-to-expand-its-middle-east-ties/articleshow/109642648.cms>

#### **Critical mineral imports, acquisition of mines could feature in India - Chile FTA discussions**

India's Mines Ministry has suggested, discussions regarding India – Chile Free Trade Agreement (FTA) cover securing of critical minerals; along with acquisition of copper and lithium mines and commercial off-take agreements at G2G (government -to- government) levels, an official aware, told businessline. Currently, both countries have a preferential trade agreement (PTA) which is a limited trade arrangement, and not an FTA.

<https://www.thehindubusinessline.com/companies/critical-mineral-imports-acquisition-of-mines-could-feature-in-in-india-chile-fta-discussions/article68124668.ece>

### **India-UAE CEPA celebrates two years marked by robust growth in bilateral trade**

Marking a significant milestone in the enduring partnership between the UAE and India, the Embassy of the UAE celebrated the second anniversary of the Comprehensive Economic Partnership Agreement (CEPA). Reflecting upon the considerable strides achieved by the CEPA in fostering economic growth and collaboration across critical sectors, the event was attended by various eminent dignitaries in Mumbai.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-uae-cepa-celebrates-two-years-marked-by-robust-growth-in-bilateral-trade/articleshow/109761060.cms>

## **Bilateral Trade**

### **India, Maldives hold talks to enhance bilateral trade cooperation**

India on Wednesday said it looked forward to strengthening bilateral economic cooperation with the Maldives as its envoy held discussions with a senior minister of the archipelagic nation. Mohamed Saeed, Maldives' Minister of Economic Development and Trade, met with Munu Mahawar, Indian High Commissioner to the archipelago nation on Tuesday.

[https://www.business-standard.com/external-affairs-defence-security/news/india-maldives-hold-talks-to-enhance-bilateral-trade-cooperation-124050100719\\_1.html](https://www.business-standard.com/external-affairs-defence-security/news/india-maldives-hold-talks-to-enhance-bilateral-trade-cooperation-124050100719_1.html)

### **India, Nigeria agree to early conclusion of local currency settlement system agreement**

India and Nigeria have agreed to an early conclusion of a local currency settlement system agreement to further strengthen economic ties between the two countries. According to the department of commerce, a seven-member delegation from India led by Additional Secretary in the commerce ministry Amardeep Singh Bhatia visited Abuja, Nigeria for the second session of India-Nigeria Joint Trade Committee (JTC) on April 29-30. It was held after a gap of five years.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-nigeria-agree-to-early-conclusion-of-local-currency-settlement-system-agreement/articleshow/109750160.cms>

### **India and New Zealand hold Joint Trade Committee meeting to strengthen their trade relations.**

A delegation led by Sunil Barthwal, the Secretary of Commerce for India, visited New Zealand on April 26 and 27 to explore ways to strengthen existing bilateral relations. It was the 11th Joint Trade Committee meeting between the two countries. The release further highlights that key areas of focus were progress on market access issues, economic cooperation projects, and the exploration of new initiatives.

<https://www.thehindubusinessline.com/economy/india-and-new-zealand-hold-joint-trade-committee-meeting-to-strengthen-their-trade-relations/article68131881.ece>

### **India, UAE discuss ways to deepen Comprehensive Strategic Partnership**

Foreign Secretary Vinay Kwatra on Tuesday held a meeting with UAE's Minister of State for International Cooperation Reem Ebrahim Al Hashimy and discussed ways to further deepen the Comprehensive Strategic Partnership between the two nations. During the meeting in Delhi, Vinay Kwatra and Reem Ebrahim Al Hashimy reviewed the entire gamut of multifaceted bilateral ties.

<https://economictimes.indiatimes.com/news/india/india-uae-discuss-ways-to-deepen-comprehensive-strategic-partnership/articleshow/109723124.cms>

### **US traders seek import tariff on Indian tile suppliers, blame subsidies**

A coalition of US ceramic tile suppliers has urged the federal government to impose tariffs on ceramic tile imports from India as it is impacting domestic industry due to subsidised imports by the Indian government. The Department of Commerce has instituted an investigation into this matter. Import of ceramics and tiles from India has increased significantly over the past few years, an association of the US ceramic and tiles industry has claimed alleging that these are impacting their domestic industry as the imports are subsidised by the Indian government.

[https://www.business-standard.com/world-news/us-traders-seek-import-tariff-on-indian-tile-suppliers-blame-subsidies-124043000008\\_1.html](https://www.business-standard.com/world-news/us-traders-seek-import-tariff-on-indian-tile-suppliers-blame-subsidies-124043000008_1.html)

## **Sectoral Updates**

### **Spices Board issues guidelines to exporters to prevent ethylene oxide contamination**

The Spices Board has come up with detailed guidelines for exporters on preventing Ethylene Oxide (ETO) contamination in spices after Singapore and Hong Kong recalled some packaged spice products exported from India while the US and Australia are also examining the matter. The guidelines advise exporters against using ETO as a sterilising agent to reduce the microbial contamination in spices consignments and suggests alternatives such as steam sterilisation and irradiation (not applicable to organic products under NPOP).

<https://www.thehindubusinessline.com/economy/spices-board-issues-guidelines-to-exporters-to-prevent-eto-contamination/article68129184.ece>

### **Govt allows onion export to Bangladesh, UAE, Sri Lanka & 3 more countries amidst domestic supply worries**

The central government has allowed the export of 99,150 MT onion to six countries, Bangladesh, UAE, Bhutan, Bahrain, Mauritius and Sri Lanka. According to a press release, the decision comes against the backdrop of lower estimated Kharif and Rabi crops in 2023-24 compared to the previous year, coupled with increased demand in the international market.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/govt-allows-onion-export-to-bangladesh-uae-sri-lanka-3-more-countries/articleshow/109644474.cms>

### **Govt unlikely to impose export curbs on low-grade iron ore, says report**

India is unlikely to impose tariffs on exports of low-grade iron ore for now despite rising overseas sales to China, a source with direct knowledge of the matter said, turning down requests from small steel producers. China typically accounts for more than 90% of overall shipments of iron ore from India which is the world's fourth-largest producer of the steel-making ingredient.

[https://www.business-standard.com/industry/news/govt-unlikely-to-impose-export-curbs-on-low-grade-iron-ore-says-report-124050100444\\_1.html](https://www.business-standard.com/industry/news/govt-unlikely-to-impose-export-curbs-on-low-grade-iron-ore-says-report-124050100444_1.html)

### **Cotton yarn, fabric, handloom exports up 7% to \$11.7 bn in FY24, shows data**

The country's cotton yarn, fabrics/made-ups and handlooms exports rose 6.71 per cent year-on-year to \$11.7 billion in 2023-24, even as the total exports dipped by 3 per cent in the last fiscal. According to the commerce ministry data, these exports in March grew by 6.78 per cent to \$1 billion. In 2022-23, these exports stood at \$10.95 billion. This is one of the key product categories out of 30 closely monitored by the ministry.

[https://www.business-standard.com/industry/news/cotton-yarn-fabric-handloom-exports-up-7-to-11-7-bn-in-fy24-shows-data-124042601150\\_1.html](https://www.business-standard.com/industry/news/cotton-yarn-fabric-handloom-exports-up-7-to-11-7-bn-in-fy24-shows-data-124042601150_1.html)

### **India's plastics exports down 3.5% on global economic conditions and geopolitical tensions**

India's plastics exports fell 3.5% to \$11.55 billion in FY24 from \$11.96 billion in FY23, despite registering a positive y-o-y growth of 5.6% in March 2024 to \$1.11 billion, as per commerce ministry data analyzed by Mint. The decline was due to muted global economic conditions, restrictive trade policies, and geopolitical tensions affecting international trade.

<https://www.livemint.com/news/india/indias-plastics-exports-down-3-5-on-global-economic-conditions-and-geopolitical-tensions-11714550301546.html>

### **India's services exports decline marginally in March to \$30 billion**

India's services exports declined 1.3 per cent in March to \$30 billion while imports fell by 2.1 per cent to \$16.61 billion, showed Reserve Bank data released on Thursday. As per RBI's data on India's international trade in services, the trade surplus during March 2024 was \$13.4 billion. Both exports and imports of services were in positive zone in the preceding two months. According to the commerce ministry data, the services export during fiscal 2023-24 is estimated at \$339.62 billion and imports at \$177.56 billion.

[https://www.business-standard.com/economy/news/india-s-services-exports-decline-marginally-in-march-to-30-billion-124050201121\\_1.html](https://www.business-standard.com/economy/news/india-s-services-exports-decline-marginally-in-march-to-30-billion-124050201121_1.html)

### **India global services export to reach \$800 billion by 2030: Goldman Sachs**

India's services exports will be worth \$800 billion by 2030, up from \$340 billion last year as the growth strengthens the external sector against supply-side shocks and reduces rupee volatility, Goldman Sachs has said in a report. "Our baseline scenario suggests that services exports could reach around 11 per cent of gross

domestic product by 2030 (as compared to 9.7 per cent of GDP in 2023), which amounts to around \$800 billion (compared to around \$340 billion in 2023)," said the report called 'India's rise as the emerging services factory of the world'.

[https://www.business-standard.com/industry/news/india-global-services-export-to-reach-800-billion-by-2030-goldman-sachs-124043000713\\_1.html](https://www.business-standard.com/industry/news/india-global-services-export-to-reach-800-billion-by-2030-goldman-sachs-124043000713_1.html)

### **Indian steel exports to Europe hit a five-year high in FY24 but cedes space in UAE, Vietnam to Chinese mills**

India's steel exports to Europe hit a five-year high in FY24 with outbound shipments hovering at 3.3 million tonnes (mt), up 65 per cent y-o-y and near doubling over a five-year (from FY20). However, the cheer is short-lived. The country has ceded space in the UAE – where exports hit a five-year-low – and also in South East Asia, as per reports of the Steel Ministry, accessed by businessline.

<https://www.thehindubusinessline.com/economy/indian-steel-exports-to-europe-hit-a-five-year-high-in-fy24-but-cedes-space-in-uae-vietnam-to-chinese-mills/article68131408.ece>

### **Need to be watchful about steel imports amid surge, says T V Narendran**

As steel imports continue to surge, Tata Steel CEO T V Narendran has said there is a need to be watchful about the situation. The comment comes at a time when India has reported a 38 per cent surge in steel imports to 8.319 million tonnes, becoming a net importer of the commodity during the 2023-24 financial year. Speaking to PTI, the industry executive said, "It would be a pity if the situation continues in the long run. We have to be watchful about imports."

[https://www.business-standard.com/companies/news/need-to-be-watchful-about-steel-imports-amid-surge-says-t-v-narendran-124042800233\\_1.html](https://www.business-standard.com/companies/news/need-to-be-watchful-about-steel-imports-amid-surge-says-t-v-narendran-124042800233_1.html)

### **India buys more Russian, less Saudi oil in April**

India in April imported more Russian oil but less from Iraq and Saudi Arabia than it did a month earlier, preliminary data from trade flow tracking agencies Kpler and LSEG shows. Refiners in India have been snapping up Russian oil since Moscow's invasion of Ukraine in February 2022 prompted the West to shun it and impose sanctions. Russia remained India's top oil supplier in April followed by Iraq and Saudi Arabia, the data showed.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-buys-more-russian-less-saudi-oil-in-april/articleshow/109727995.cms>

### **March crude oil imports decline 1.1% to 20.69 million tonnes: Govt**

India's crude oil imports in March fell by 1.1 per cent from a year earlier to 20.69 million metric tonnes, government data released on Friday showed. Data from the Petroleum Planning and Analysis Cell's (PPAC) website also showed imports of crude oil products dipped nearly 12 per cent to 3.83 million tonnes on a yearly basis, while product exports decreased 6.4 per cent to 5.66 million tonnes over the same period.

[https://www.business-standard.com/economy/news/march-crude-oil-imports-decline-1-1-to-20-69-million-tonnes-govt-124042700042\\_1.html](https://www.business-standard.com/economy/news/march-crude-oil-imports-decline-1-1-to-20-69-million-tonnes-govt-124042700042_1.html)

### **India's oil import bill could swell to \$101-104 billion in FY25: ICRA**

India's net oil import bill could widen to USD 101-104 billion in current fiscal from USD 96.1 billion in 2023-24 and any escalation in the Iran-Israel conflict could impart an upward pressure on the value of imports, ICRA said on Tuesday. The domestic rating agency said based on its analysis, lower value of Russian oil imports is estimated to have led to savings of USD 7.9 billion in 11 months (April-February) of 2023-24, up from USD 5.1 billion in 2022-23.

[https://www.business-standard.com/economy/news/india-s-oil-import-bill-could-swell-to-101-104-billion-in-fy25-icra-124043000405\\_1.html](https://www.business-standard.com/economy/news/india-s-oil-import-bill-could-swell-to-101-104-billion-in-fy25-icra-124043000405_1.html)

### **Urea import dips for the third year in a row**

28% fall in 4 yrs from record 98 lakh tonnes level. India's urea import has dropped 7 per cent in 2023-24 fiscal, for the third consecutive year, thanks to increase in its domestic output and launch of nano-urea. Besides urea, there is also a decline in import of Di-ammonium Phosphate (DAP) and complex fertilizers, which led to overall imports falling 10 per cent in 2023-24 fiscal.

<https://www.thehindubusinessline.com/economy/agri-business/urea-import-dips-for-the-third-year-in-a-row/article68125859.ece>

## WTO

### **India to participate in WTO mini-ministerial in Paris**

India will participate in the WTO mini-ministerial meeting of key WTO members scheduled to be hosted by Australia on the sidelines of the OECD meet in Paris on May 2, sources have said. "The meeting is likely to focus on the way forward after the WTO 13th Ministerial Conference in Abu Dhabi in February 2024. Since MC13 failed to produce significant results, participants may discuss how best to handle difficult issues.

<https://www.thehindubusinessline.com/economy/india-to-participate-in-wto-mini-ministerial-in-paris/article68125733.ece>

### **India, Chinese Taipei ask WTO to delay ruling on ICT import duties dispute**

India and Chinese Taipei have asked the WTO's dispute settlement body not to adopt any ruling against New Delhi's import duties on certain information and technology products till July 26 as both sides are engaged in resolving the matter, an official said. The issue came up during a meeting of the dispute settlement body (DSB) in Geneva on April 26. In the meeting, the two countries asked DSB to delay consideration of a dispute panel's reports until July 26, 2024 in order to help facilitate resolution of the disputes, the Geneva-based official said, adding that the body agreed to that.

[https://www.business-standard.com/world-news/india-chinese-taipei-ask-wto-to-delay-ruling-on-ict-import-duties-dispute-124042700299\\_1.html](https://www.business-standard.com/world-news/india-chinese-taipei-ask-wto-to-delay-ruling-on-ict-import-duties-dispute-124042700299_1.html)

### **India calls for norms to fix default maximum pesticides residue limit**

India has made a strong pitch at the World Trade Organization (WTO) for the formulation of guidelines to determine default maximum residue limits (MRL) in the absence of international standards. The traces pesticides leave in treated products are called residues and MRL is the highest level of a pesticide residue that is legally tolerated in food or feed. In a submission to the WTO last week, India said that stringent MRLs can be trade-restrictive and act as non-tariff barriers to international trade,

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-calls-for-norms-to-fix-default-maximum-pesticides-residue-limit/articleshow/109632969.cms>

## Other Key Coverage

### **Export credit access may become easier amid geopolitical tensions**

The government is looking at ways to improve the competitiveness of exports amid mounting geopolitical tensions and has begun examining the export credit landscape. The commerce and industry ministry has sought details on exporters' financial needs, challenges faced in accessing export credit and the ways to improve it. India gives pre- and post-shipment export credit to enable exporters to access financial resources that are crucial for facilitating international trade.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/export-credit-access-may-become-easier-amid-geopolitical-tensions/articleshow/109703703.cms>

### **Govt evaluating usefulness of interest equalisation scheme in promoting exports**

The government is scrutinising the interest equalisation scheme for exporters to analyse its usefulness in promoting exports so far, including from the MSME sector, to decide if it should be continued beyond June 30 2024, sources have said. "The DGFT office is holding consultations with various export bodies and banks to have more clarity on those benefitting from the scheme and find out if it actually played a role in promoting exports," an official told businessline.

<https://www.thehindubusinessline.com/economy/govt-evaluating-usefulness-of-interest-equalisation-scheme-in-promoting-exports/article68117100.ece>

### **Developing e-com hubs to boost exports may figure in ministry's 100-day agenda of new govt: Official**

Developing e-commerce hubs in the country to further promote India's exports through online medium are expected to figure in the commerce ministry's 100-day agenda roadmap for the new government, an official said. The commerce ministry's arm DGFT is already working with the RBI and concerned ministries, including the finance ministry, on several steps to promote exports through e-commerce medium as huge export opportunities are there in the sector.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/developing-e-com-hubs-to-boost-exports-may-figure-in-ministrys-100-day-agenda-of-new-govt-official/articleshow/109750690.cms>

**Bad news for exports: Houthis may strike more ships beyond Red Sea**

In what could prove to be bad news for Indian exporters, Yemen's Iranian-backed Houthis are extending their attacks on merchant shipping hundreds of miles out into the wider Indian Ocean, with international maritime experts reportedly warning of a new round of threats from Yemen after the Houthis conducted a drone strike against a container vessel well beyond the Red Sea last week.

[https://www.business-standard.com/external-affairs-defence-security/news/houthis-may-strike-more-ships-beyond-red-sea-bad-news-for-exports-124050200626\\_1.html](https://www.business-standard.com/external-affairs-defence-security/news/houthis-may-strike-more-ships-beyond-red-sea-bad-news-for-exports-124050200626_1.html)

**Notifications by DGFT**

**Corrigendum to Public Notice No.01/2024 dated 9th April, 2024 on modification of SION E-124 for export item Refined Sunflower Oil (Edible Grade)**

<https://content.dgft.gov.in/Website/dgftprod/d9a555ec-4dbb-4f88-aa9e-91b37f24768e/eng.pdf>