

India's Exports to Malaysia with Growth Potential

Malaysia is one of India's largest trading partners in the ASEAN region. India established diplomatic relations with the Federation of Malaya (predecessor state of Malaysia) in 1957. Several Agreements and MoUs have been signed between the two countries, including in the field of Commerce, Avoidance of Double Taxation, Customs matters, Higher Education, Extradition, Mutual Legal Assistance in Criminal Matters, Tourism, Traditional medicine, IT and services, Cultural Exchange Programme, Public Administration and Governance, Air Service Agreement, to name a few.

India and Malaysia signed the Comprehensive Economic Cooperation Agreement (CECA) in July 2010, while both are also part of the India-ASEAN FTA. However, trade between the two nations is in favour of Malaysia with India having a trade deficit of about USD 4.4 billion with Malaysia in 2019.

Given this backdrop, we have identified the following products that have growth potential in India's exports to Malaysia. Almost all of these products witnessed double-digit growth in India's exports to Malaysia between 2015-2019, while they also exhibited positive growth in Malaysia's imports from the world during this period. These goods constitute about 27 per cent of India's exports to Malaysia and about 12 per cent of Malaysia's imports from the world in 2019.

While relations between the two countries may have strained with regard to their stance on terrorism and religious beliefs in recent times, enhancing our trade and economic cooperation can smoothen out our differences and be a medium for amicable partnership between the two nations in the years ahead.

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HS Code (6-digit)	Product Description	India's exports to Malaysia			Malaysia's imports from world	
		Value in 2019, USD Million	Annual growth in value between 2015-2019, %, p.a.	Share in India's exports, %	Value in 2019, USD Million	Annual growth in value between 2015-2019, %, p.a.
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, ...	975	52	3	10,227	9
271012	Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "incl. ...	195	11	2	7,289	9
281820	Aluminium oxide (excluding artificial corundum)	82	63	17	566	21
711319	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not ...	81	50	1	492	33
720230	Ferro-silico-manganese	64	45	10	74	40
260112	Agglomerated iron ores and concentrates (excluding roasted iron pyrites)	38	277	3	211	48



300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	38	4	0	1,218	12
720839	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, in coils, simply ...	34	47	3	609	19
880330	Parts of aeroplanes or helicopters, n.e.s. (excluding those for gliders)	31	25	3	2,187	10
850710	Lead-acid accumulators of a kind used for starting piston engine "starter batteries" (excluding ...	27	152	17	188	7
720837	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, in coils, simply ...	25	47	8	149	35
720838	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, in coils, simply ...	24	47	5	200	25
30749	Cuttle fish "Sepia officinalis, Rossia macrosoma, Sepiola spp." and squid "Ommastrephes spp., ...	18	38	3	64	3
210111	Extracts, essences and concentrates, of coffee	15	5	5	69	4
720836	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, in coils, simply ...	12	96	15	71	48
250610	Quartz (excluding quartz sands)	12	42	18	41	25
391990	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether ...	11	192	12	174	4
Total of the Above		1,682			23,830	
All products		6,140	9	2	204,988	6

Source: ITC, MVIRDC WTC Mumbai In-house Analysis

Notifications

PIB

Consumer Price Index Numbers for the Month of November 2020

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