

India, Taiwan Can Be Reliable Supply Chain Partners In New World Trade Order: Official

[Follow](#)

Both countries can be reliable trade partners at a time when the global supply chain faced a series of shocks due to Covid-19, the Russia-Ukraine war and the prolonged lockdown in China, says the official

Photo Credit : chainstoreage.com



14 August, 2023
by BW Online Bureau

[Print this article](#)[Font size](#) - 16 +

India can be a trusted supply chain partner of Taiwan, which leads in hi-technology manufacturing in the Asian region, said Edison Hsu, Director, Taipei World Trade Center Liaison Office in Mumbai.

In a meeting organised for an inbound Taiwan Trade Mission at WTC Mumbai, Hsu said that the time has come for India and Taiwan to reimagine their economic relationship. Both countries can be reliable trade partners at a time when the global supply chain faced a series of shocks right from the pandemic to the Russia-Ukraine war and the prolonged lockdown in China.

"I invite Indian companies to participate in the Taiwan Expo, which is scheduled from 5 to 7 October 2023 in Mumbai. More than 50 Taiwanese firms will be actively exploring new supply chain partners from India at the Expo and this opens a promising window to strengthen bilateral commercial relationships," Hsu remarked.

The members of the delegation represent strategic sectors such as electronic components, medical devices, electric vehicle batteries and energy storage systems, which are the focus sectors of India's production-linked incentives (PLI) schemes.

At a time when India is aspiring to gain a foothold in semiconductor manufacturing, Taiwan can be a potential partner for India in this area. The delegation members also represent industrial machinery, CCTV and surveillance, locks, surface treatment technology, smart home devices and other high-tech products.

Vijay Kalantri, Chairman, WTC Mumbai suggested that Taiwanese companies to consider India and especially Maharashtra as a promising investment destination as it has abundant skilled workers.

Kalantri assured the delegation that WTC Mumbai will provide all possible support to connect them with the local government and business community in Maharashtra, which is the leading industrial state of India.

ITC Q1 PAT at Rs 4,903 crore vs ET NOW poll of Rs 4,769 crore, board approves demerger of hotel biz

India and Taiwan to boost supply chain partnership in new world trade order



Mr. Edison Hsu, Director, Taipei World Trade Center Liaison Office in Mumbai (second from left) addressing the interactive meeting. (From left to right): Dr Vijay Kalantri, Chairman, World Trade Center Mumbai, Ms. Rupa Naik, Executive Director, World Trade Center Mumbai and Mr. Christian Li, Senior Specialist, TAITRA at Taiwan Trade Mission to India.

Mumbai: [India](#) can be a trusted supply chain partner of Taiwan, which leads in hi-tech manufacturing in the Asian region, remarked Edison Hsu, Director, [Taipei World Trade Center Liaison Office](#) in Mumbai at an interactive meeting organized for an in-bound [Taiwan Trade Mission](#) at [WTC Mumbai](#).

Notably, India ranks as Taiwan's 14th largest export destination and 18th largest source of imports. Bilateral trade between the two countries totaled US\$8.45 billion in 2022, representing an increase of 9.8% over the previous year. In 2022, India's exports to [Taiwan](#) amounted to US\$3.14 billion, consisting of mineral fuels, aluminum, iron, steel, organic chemicals, plastics, and articles thereof, while Taiwan's exports to India amounted to US\$5.31 billion, consisting mainly of primarily of plastics, electronic integrated circuits, organic chemicals, electrical machinery, iron, and steel.

“The time has come for India and Taiwan to reimagine their economic relationship. Both the countries can be reliable trade partners at a time when the global supply chain faced a series of shocks right from pandemic to Russia-Ukraine war and the prolonged lockdown in China. I invite Indian companies to participate at the Taiwan Expo, which is scheduled from October 5 to 7, 2023 at Mumbai. More than 50 Taiwanese firms will be actively exploring new supply chain partners from India at the Expo and this opens a promising window to strengthen bilateral commercial relationship,” said Hsu.

The incoming Taiwan Trade Mission was hosted jointly by World Trade Center Mumbai and All India Association of Industries (AIAI).

The event was also addressed by Christian Li, Senior Specialist, Taiwan External Trade Development Council (TAITRA), Taiwan. The interactive meeting was followed by B2B networking session between the Taiwanese business delegates and their Indian counterparts. The members of the delegation represent strategic sectors such as electronic components, medical devices, electric vehicle batteries and energy storage systems, which are the focus sectors of India’s Production Linked Incentives (PLI) schemes.

At a time when India is aspiring to gain foothold in semiconductor manufacturing, Taiwan can be a potential partner for India in this area. The delegation members also represent industrial machineries, CCTV & surveillance, locks, surface treatment technology, smart home devices and other high-tech products.

Vijay Kalantri, Chairman, [WTC](#) Mumbai, said in a statement, “Today, bilateral trade has touched USD 10 billion mark and Taiwan is the 31st largest trade partner of India, with potential to be the 10th largest in the next few years. I am sure this meeting will lead to fruitful outcome in the form of increase in trade, technology exchange, joint-venture and investment between both the sides. Taiwanese firms can consider Maharashtra as the gateway to their entry into the Indian market as it is the most progressive state. Both the countries have huge scope for collaboration in semiconductor, printed circuit boards, white goods, medical devices and so on.”

He suggested Taiwanese companies to consider India and especially Maharashtra as a promising investment destination as it has abundant skilled workers. He pointed out that AIAI has been working closely with TAITRA to promote bilateral trade through exhibitions and trade missions as early as 1987-88 and AIAI was one of the first Indian associations to envision a strong business partnership with Taiwan, when Indian industry was not convinced about the scope for bilateral economic collaboration.

Rupa Naik, Executive Director-WTC Mumbai, said, “WTC Mumbai is the first WTC in India established in 1970 to fulfil the vision of Bharat Ratna Sir Dr. M Visvesvaraya who dreamt of a world-class trade promotion organisation in the commercial capital of India. Today, the Center offers multi-dimensional trade support services through its world-class trade facilities, trade education programs, research and trade promotion initiatives.”

India's services exports see 12% growth at \$27.17 billion in July

The trade deficit narrowed to \$20.67 billion in July from \$25.45 billion a year ago but widened from \$18.76 billion in June



Illustration: Ajay Mohanty

Shreya Nandi | New Delhi

4 min read Last Updated : Aug 14 2023 | 10:23 PM IST

The value of goods exported from India fell to a nine-month low at \$32.25 billion in July, witnessing a 15.9 per cent contraction as external demand continued to remain sluggish due to factors including a slowdown and high inflation in developed economies.

Exports witnessed the sharpest contraction in three years, although the sharp decline in July can also be attributed, to some extent, to a high base.

Imports also contracted by 17 per cent to \$52.92 billion in July. However, on a sequential basis, the decline was 0.3 per cent, as shown by data shared by the Department of Commerce on Monday.

The decrease in the value of goods imported into the country also reflects the cooling of commodity prices as well as the government's policies to substitute inbound shipments.

The trade deficit narrowed to \$20.67 billion in July from \$25.45 billion a year ago but widened from \$18.76 billion in June.

On the brighter side, services exports witnessed 12 per cent growth at \$27.17 billion in July. Services imports grew at a relatively slower pace, at 5.6 per cent, reaching \$14.85 billion, resulting in a surplus of \$12.32 billion.

The Department of Commerce, however, clarified that the services trade data for July is an “estimation” and will be revised based on the subsequent release by the Reserve Bank of India (RBI).

The latest data for the services sector released by the RBI is for June 2023.

Commerce Secretary Sunil Barthwal told reporters that most countries are showing very negative export growth, which, when compared to the fall in India’s exports, is “not much”.

He exuded confidence that despite the global headwinds, an uptick in exports will still occur compared to last year when export growth was robust. The decline in imports can also be accounted for by the way the production-linked incentive scheme is being implemented in the country, he added.

Non-petroleum and non-gems and jewellery exports, also known as core exports, contracted by 5.7 per cent in July, reaching \$25.35 billion. Non-petroleum, non-gems and jewellery imports contracted by 7.5 per cent, amounting to \$35.65 billion.

Aditi Nayar, chief economist at ICRA, said that the merchandise trade deficit printed in line with expectations in July 2023, with the year-on-year decline in commodity prices compressing both exports and imports, as well as the trade deficit.

“On a positive note, non-oil exports remained steady, even as lower oil exports dampened the overall shipments in July 2023 relative to the previous month. Based on the available trends, we expect the current account deficit to widen to \$11–13 billion in the first quarter of 2023–24 (FY24) and further to \$15–17 billion in second quarter of FY24,” Nayar said, adding that the monthly trade deficit is likely to remain above the \$20 billion mark in the next couple of months.

India's merchandise exports witnessed contraction in 19 of the 30 sectors in July. Key export items that dipped in July include petroleum products (minus 43.66 per cent), gems and jewellery (minus 29.72 per cent), engineering goods (minus 6.62 per cent), readymade garments (minus 17.37 per cent), organic and inorganic chemicals (minus 3.01 per cent).

Among the key sectors that experienced positive growth were electronic goods (13.09 per cent) and cotton yarn (6.62 per cent).

“Enabling policies facilitating greater investment in electronics, mobile manufacturing, etc., have resulted in visible growth in the electronics sector,” an official statement from the Department of Commerce said.

Merchandise imports contracted in 16 of the 30 items, including coal (minus 47.2 per cent), crude petroleum (minus 36.65 per cent), and precious stones (minus 38.37 per cent). On the other hand, after witnessing contraction for around a year, gold imports grew by 47.73 per cent, reaching \$3.5 billion.

“India's merchandise exports have been falling in double digits consecutively for the last four months due to the slowdown in the global economy, aligning with the declining trend in exports of prominent developing countries such as China. More specifically, the decline in our merchandise exports is more broad-based, as 70 per cent of our export basket (in value terms) has declined in July 2023, led by petroleum products, engineering goods, chemicals, gems and jewellery, and readymade garments,” according to a statement released by the World Trade Centre, Mumbai.

