

### **India's trade deficit grows in electrical and home appliance sector**

India's imports of electrical and home appliances have grown 7.2% in the last nine years since 2011-12, higher than growth in exports of 5.1% in these items. Therefore, trade deficit in electrical and home appliances sector has grown from USD 1.5 billion in 2011-12 to USD 2.8 billion in 2019-20 or at a compounded annual growth of 7.9%.

Specifically, imports of lithium ion, which is a crucial raw material for manufacturing lithium ion batteries has grown from nil in 2011-12 to USD 1.2 billion by 2019-20. Demand for lithium ion has grown in India with the emergence of electric vehicle industry in India. Government of India is pushing electric vehicles as an eco-friendly mode of transportation compared to conventional diesel and petrol vehicles. Lithium ion accounts for 33% of India's imports of electrical and home appliances as of 2019-20. India imports lithium ion from China, Hong Kong, Vietnam, Japan and South Korea, of which China and Hong Kong together supply 82% of import demand.

Among other categories, imports of electric lamps & fittings, plugs & sockets, parts for household laundry equipments, electric water heaters, electric sound or signaling apparatus have grown sharply since 2011-12. Out of 91 items under electrical and home appliances category, 23 products have shown more than 5% annual growth in India's imports since 2011-12. The following table provides the list of these 23 products.



Electrical and home appliances whose imports have grown sharply (figures in USD million)								
HS Code	Product Description	2011-12			2019-20			
		Exports	Imports	Trade balance	Exports	Imports	Trade balance	
85076000	LITHIUM-ION	0	0	0	9.68	1246.22	-1236.54	
	OTHER ELECTRIC LAMPS AND LIGHTING							
94054090	FITTINGS	22.21	73.48	-51.27	38.25	306.57	-268.32	
84145990	OTHERS	6.39	91.41	-85.02	27.13	142.74	-115.61	
	PRTS OF HOUSEHOLD TYPE LAUNDRY							
84509010	EQUIPMENTS	0.59	36.47	-35.88	17.7	105.78	-88.08	
	OTHER ELECTRIC SOUND/VISUAL SIGNLNG							
85318000	APPARATUS	1.46	21.47	-20.01	12.4	49.69	-37.29	
	ELCTRC INSTANTANEOUS OR STORAGE WATER							
85161000	HEATERS & IMMERSION HEATERS	1.7	17.53	-15.83	9.02	46.44	-37.42	
85311090	OTHR ALARM	5.37	17.28	-11.91	19.87	44.34	-24.47	
85163200	OTHER HAIR-DRESSING APPARATUS	0.24	2.93	-2.69	0.26	21.68	-21.42	
	MCHNS EACH OF A DRY LINEN CAPCTY>10 KG							
84502000		0.43	2.4	-1.97	2.96	20.01	-17.05	
85168000	ELECTRIC HEATING RESISTORS	10.8	10.16	0.64	25.43	20.01	5.42	
85086000	INDUSTRIAL VACUUM CLEANERS	0.39	7.5	-7.11	0.23	16.76	-16.53	
85163100	ELECTRO-THERMIC HAIR DRYERS	0	5.29	-5.29	1.1	15.06	-13.96	
85311020	FIRE ALARM	0.7	3.33	-2.63	5.37	11.48	-6.11	
	VACCUM CLEANERS OF A POWER NOT							
85081100	EXCEEDING 1,500 W	0.01	2.19	-2.18	1.79	9.77	-7.98	
85164000	ELECTRIC SMOOTHING IRONS	0.44	1.86	-1.42	2.53	7.4	-4.87	
85394100	ARC LAMPS	1.44	0.3	1.14	0.02	7.1	-7.08	
84145120	CEILING FANS	32.56	2.46	30.1	50.31	5.15	45.16	
85163300	HAND-DRYING APPARATUS	0.01	1.11	-1.1	0.14	3.45	-3.31	
85167910	ELECTRO THERMIC FLUID HEATER	0.77	0.86	-0.09	0.19	2.74	-2.55	
85311010	BURGLAR ALARM	2.38	0.99	1.39	1.48	2.05	-0.57	
85066000	AIR ZINC	0	0.36	-0.36	0	1.03	-1.03	
85392910	BULBS WTH RETAIL SALE PRICE RS.20/BULB	15.5	0.08	15.42	7.46	0.21	7.25	
85131030	MINERS SAFETY LAMPS,ELECTRIC	0	0.01	-0.01	0	0.07	-0.07	
	<b>Total</b>	<b>103.39</b>	<b>299.47</b>	<b>-196.08</b>	<b>0</b>	<b>233.32</b>	<b>2085.75</b>	<b>-1852.43</b>

Source: Ministry of Commerce & Industry, Government of India

## Exports

With regards to exports, India has posted strong growth in 40 electrical and home appliance products. Some of them are ceiling fans, electric lamps & lighting fittings, plugs & sockets, electric heating resistors, hanging lamps, alarm devices, signaling or traffic control equipments etc. India's exports of these 40 items more than doubled since 2011-12 to USD 765 million by 2019-20. The following table provides India's exports, imports of these 40 items since 2011-12.



Electrical and home appliances whose Exports have grown (figures in USD million)								
HS Code	Product Description	2011-12			2019-20			
		Exports	Imports	Trade balance	Exports	Imports	Trade balance	
84145120	CEILING FANS	32.56	2.46	30.1	50.31	5.15	45.16	
	OTHER ELECTRIC LAMPS AND LIGHTING							
94054090	FITTINGS	22.21	73.48	-51.27	38.25	306.57	-268.32	
85366990	PLUGS & SOCKETS OF OTHER MATERIALS	24.94	180.5	-155.56	32.44	244.47	-212.03	
85168000	ELECTRIC HEATING RESISTORS	10.8	10.16	0.64	25.43	20.01	5.42	
94051010	HANGNG LMPS COMPLETE FITNGS	12.46	4.61	7.85	24.75	4.89	19.86	
85311090	OTHR ALARM	5.37	17.28	-11.91	19.87	44.34	-24.47	
	PARTS OF SIGNALING/TRAFFIC CONTROL							
85319000	EQPMNT	14.66	78.6	-63.94	19.59	65.47	-45.88	
84145930	INDUSTRIAL FANS BLOWERS & THE LIKE	10.28	43.44	-33.16	19.3	27.12	-7.82	
	PRTS OF HOUSEHOLD TYPE LAUNDRY							
84509010	EQUIPMENTS	0.59	36.47	-35.88	17.7	105.78	-88.08	
	FULY AUTMC MCHNS OF DRY LINN CPCTY<=10							
84501100	KG	1.2	84.13	-82.93	14.24	82.06	-67.82	
	OTHER ELECTRIC SOUND/VISUAL SIGNLNG							
85318000	APPARATUS	1.46	21.47	-20.01	12.4	49.69	-37.29	
85131010	TORCHES	0.44	17.12	-16.68	9.88	26.11	-16.23	
	ELCTRC INSTANTANEOUS OR STORAGE WATER							
85161000	HEATERS & IMMERSION HEATERS	1.7	17.53	-15.83	9.02	46.44	-37.42	
	PRIMARY CELLS & PRIMARY BATTERIES OF							
	MANGANESE DIOXIDE OF AN EXTRNL VOLUME							
85061000	<= 300CC	2.85	11.31	-8.46	7.76	1.81	5.95	
	OTHR OVNS;COOKERS,COOKING PLATES							
85166000	BOILING RINGS,GRILLERS & ROASTERS	4.37	108.88	-104.51	6.21	78.04	-71.83	
85393190	OTHR FLUORESCENT,HOT CATHODE	4.01	7.54	-3.53	6.16	2.43	3.73	
	OTHR MCHNS,WTH BUILT-IN CNTRFGL DRIER OF							
84501200	A DRY LINEN CAPACITY NOT EXCDNG 10 KG	0.93	6.16	-5.23	6.13	2.88	3.25	
94051020	WALL LAMPS	1.97	3.05	-1.08	5.67	3.71	1.96	
	OTHER PARTS OF HOUSEHOLD LAUNDRY TYPE							
84509090	MCHN	1.01	1.67	-0.66	5.59	1.07	4.52	
85311020	FIRE ALARM	0.7	3.33	-2.63	5.37	11.48	-6.11	
84145920	BLOWERS,PORTABLE	1.89	3.76	-1.87	4.93	3.98	0.95	
	INDICATOR PANELS INCRPRTNG LQD CRYSTAL							
85312000	DEVICES(LCD)/LIGHT EMITTING DIODES(LED)	2.15	32.08	-29.93	4.88	34.75	-29.87	
	ELECTRICAL/ELECTRONIC DEVICES FOR							
85167920	REPELLING INSECTS (E.G.MOSQUITOES ETC)	2.93	9.15	-6.22	4.76	13.85	-9.09	
	PARS OF PRIMARY CELLS & PRIMARY BATTERIES							
85069000		2.96	6.94	-3.98	3.95	2.16	1.79	
85167990	OTHERS	1.12	41.66	-40.54	3.62	33.71	-30.09	
94054010	SEARCHLIGHTS AND SPORTLIGHTS	1.55	6.15	-4.6	3.48	2.14	1.34	
	MCHNS EACH OF A DRY LINEN CAPCTY>10 KG							
84502000		0.43	2.4	-1.97	2.96	20.01	-17.05	
85164000	ELECTRIC SMOOTHING IRONS	0.44	1.86	-1.42	2.53	7.4	-4.87	
84149030	REGULATORS & PARTS OF ELECTRIC FANS	1.2	3.43	-2.23	2.29	4.88	-2.59	
85081100	VACCUM CLEANER	0.01	2.19	-2.18	1.79	9.77	-7.98	
85394900	OTHR ULTRA VIOLET OR INFRA-RED LAMPS	0.38	24.01	-23.63	1.71	17.41	-15.7	
85167100	COFFEE/TEA MAKERS	0.36	8.35	-7.99	1.17	9.13	-7.96	
	LGHNTNG SETS OF A KIND USD FR CHRISTMS TREE							
94053000		0.17	19.13	-18.96	1.07	14.25	-13.18	
84145110	TABLE FANS	0.45	19.75	-19.3	0.74	19.36	-18.62	
	OTHR MCHNS OF A DRY LINN CPCTY<=10 KG							
84501900		0.4	38.59	-38.19	0.65	16.15	-15.5	
85167200	TOASTERS	0.11	10.93	-10.82	0.37	12.99	-12.62	
84211200	CLOTH DRYERS	0.08	0.21	-0.13	0.17	0.16	0.01	
85163300	HAND-DRYING APPARATUS	0.01	1.11	-1.1	0.14	3.45	-3.31	
	PRIMARY CELLS & PRIMARY BATTERIES OF							
	SILVER OXIDE OF AN EXTRNL VOLUME<=300CC							
85064000		0.01	3.75	-3.74	0.12	0.25	-0.13	
85392920	BULB,FOR TORCHES	0.01	0.65	-0.64	0.02	0.04	-0.02	
	<b>Total</b>	<b>336.01</b>	<b>1536.16</b>	<b>-1200.15</b>	<b>0</b>	<b>765.44</b>	<b>1897.75</b>	<b>-1132.31</b>

Source: Ministry of Commerce & Industry, Government of India

## Export Potential

Although exports of 40 electrical and home appliance goods have grown remarkably since 2011-12, India does not figure in top 15 world exporters in any of these goods, except for two goods. The two goods are: table or ceiling fans and electric sound or visual signaling apparatus. India's share in world exports of these two goods ranges from 0.6%-1.2%, which reflects untapped export opportunity in these two goods. World export of these two goods is USD 9.6 billion, of which India's exports is less than USD 300 million. The following table shows world exports, major exporters and importers of these two product categories.

Product categories where India has untapped export potential					
HS Code	Product Description	World exports (USD billion)	India's share in world exports	Major exporters	Major importers
841451	Table, floor, wall, window, ceiling or roof fans	5.22	1.20%	China, Malaysia, Taiwan, USA, Germany, Philippines	USA, Japan, South Korea, Germany, China
853190	Parts of electric sound or visual signalling apparatus	4.4	0.60%	China, USA, Netherlands, Hong Kong, Mexico, Spain	USA, Hong Kong, Netherlands, Mexico, Germany
	<b>Total</b>	<b>9.6</b>			

Source: ITC, Geneva

## Notifications

### PIB

Board of Trade meeting on December 2, 2020

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1677318>

India becoming pharmacy of the world

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1677148>

KVIC's Honey Mission earns income for migrant workers

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1677143>

### CBIC

Extension of Anti-Dumping duty on import of Methylene chloride from China



<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd42-2020.pdf>