



Rising Imports from China

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Why in News

According to the latest figures from **China's General Administration of Customs (GAC)**, **Indian imports from China**, its largest trading partner in goods, are **on a rise** after the months of June and July.

Key Points

- India's imports from China had **fallen to a record low of USD 3.2 billion** both in the months of **April and May**, coinciding with the **pandemic induced lockdowns**.
- Imports **subsequently rose to USD 4.8 billion in June** and further to **USD 5.6 billion in July**, almost back to the pre-lockdown level of USD 5.8 billion reported in March.
 - It was mainly due to **increased import of Chinese medical supplies**.
 - **Online shoppers in India seem to prefer Chinese mobile phones and electronic gadgets** despite the environment of **anti-China sentiments** in the nation.

As per the Prime Day 2020 sale data of Amazon, an **e-commerce** giant, OnePlus, Oppo, Huawei's Honor and Xiaomi were among the top-selling smartphone brands in India.

- For the seven months of 2020, **India's imports from China have reached USD 32.2 billion**. However, It is **still down by 24.7% year-on-year**, mainly because of the record slump in April and May.
- **Two-way trade between both countries is USD 43.37 billion** and it continues to be **heavily tilted in China's favour**. **Indian exports account for USD 11 billion** and are **up 6.7% year-on-year**.
- China's **exports overall rose 7.2% in July**, beating most estimates, while imports fell 1.4% year-on-year.

- China noticed a **trade surplus of USD 62.33 billion**, surpassing the estimated USD 42 billion.

The major reason behind this was the **increased export of medical supplies and work-from-home equipment**.

Initiatives to Support Local Entrepreneurs

- **Amazon Karigar Store:**

- In **2019**, on the eve of the **National Handloom Day** (**7th August**), Amazon announced the launch of the Karigar store which showcases over 55,000 products, including more than 270 arts and crafts from 20 states.
- It will give prominence to India's handicrafts heritage by enabling weavers and artisans to showcase '**Made in India**' products to customers.

- **Saheli Programme:**

- In November 2017, Amazon launched this programme with the **aim to empower and enable Indian women entrepreneurs to sell their products** across the country.
- Promotion of entrepreneurship amongst women has become the key motive of the programme.
- It was rolled out in partnership with **non-government social service entities** like **Self-Employed Women Enterprise (SEWA)** and **Impulse Social Enterprise**.

- **Amazon Launchpad:**

- It is a **marketplace within a marketplace** as it works on two levels to **create value for both Amazon shoppers and up-and-coming brands**.
- New companies get the **time and guidance** they need to fine-tune their business and **generate greater visibility** for their products while **shoppers enjoy early access to innovative products** from the latest startups.

Since startups tend to have limited time and resources, they often need additional support to drive traffic to their products and get their business off the ground.

- **Significance:**

- In the wake of the **Covid-19 pandemic** and the **growing tensions between India and China**, it is important to boost the local market and make the economy less dependent on imports.
- By boosting up the local entrepreneurs and talent, their **professions will become more profitable** enabling them to have a better life.
- The country will also profit from it by the **reduced imports and a strong sustainable domestic market**, strengthening the economy.

Source: TH