

# Cos Notch Up \$2.3-Billion India-China Commercial Deals

These deals, coming in the run-up to trade talks, will help improve bilateral relations and give a fillip to products such as tea, castor oil, coffee

**Dipanjan Roy Chaudhury**  
@timesgroup.com

**New Delhi:** Indian and Chinese companies signed commercial deals worth nearly \$2.36 billion (₹15,389 crore) on Saturday, ahead of a proposed meeting between commerce minister Suresh Prabhu and his Chinese counterpart Zhong Shan that would

seek to stabilise bilateral relations amid talk of a global trade war. Escalating trade tensions between China and the US may have prompted the former to improve ties with

India, said experts.

While India-China trade grew to \$84.44 billion in 2017, trade deficit rose to \$51.75 billion, registering an 8.5% on-year rise.

Prabhu and Zhong will explore ways to reduce a burgeoning trade deficit, according to people aware of the development.

The commerce minister level meeting is part of a series of confidence building measures aimed at stabilising ties, as Prime Minister Narendra Modi is scheduled to visit China in June for the Shanghai Cooperation Organisation (SCO) summit and bilateral meet.

The commercial deals inked by Indian and Chinese companies will give a fillip to trade in black tea, castor oil, peppermint oil, coco fibre, green coffee bean and other products.

Representatives of 30 Chinese companies are visiting India, said one of the persons, who did not wish to be identified.

Besides discussing and exploring ways to expand bilateral commerce and making it more balanced, Prabhu and Zhong are also likely to discuss the recent US trade moves, which have

targeted both India and China.

US President Donald Trump has signed a presidential memorandum that could impose tariffs on up to \$60 billion of imports from China to the US.

China, in its first response to the offensive launched by the US, announced plans for reciprocal tariffs on \$3 billion of imports from the US to China.

Besides, the US dragged China to the World Trade Organization (WTO) over allegedly discriminatory technology licensing requirements in the communist country. Earlier this month, the US also challenged India's export subsidies scheme at the WTO.

And last month, Trump expressed his displeasure over high import duty imposed by India on high-end motorcycles such as the ones made by Harley-Davidson and other US companies.

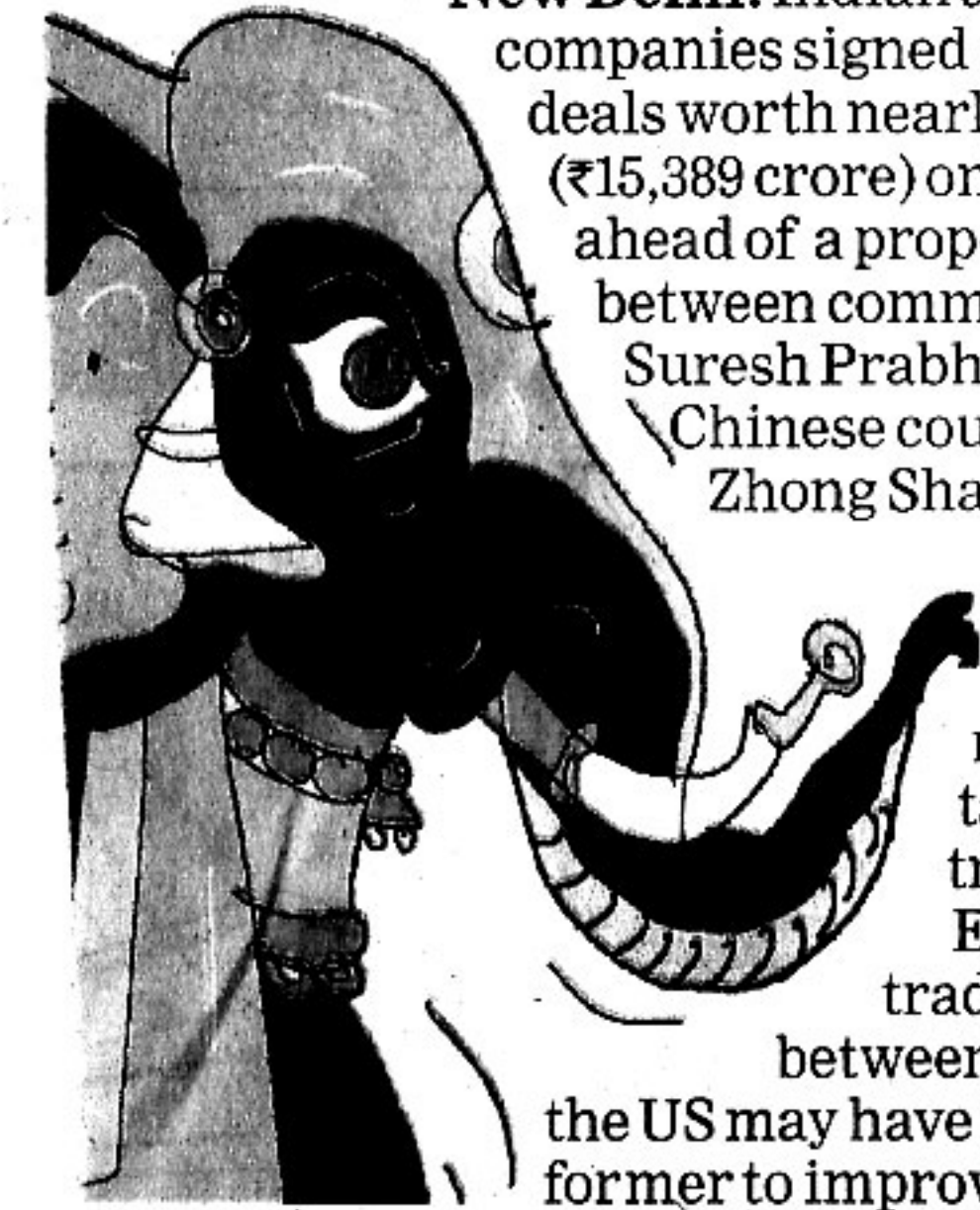
Apart from discussing bilateral issues, Prabhu and Zhong might also discuss issues related to global trade, said another person.

Last year, Chinese media had criticised India for imposing anti-dumping duties on more than 93 Chinese products such as chemicals, machinery

items, steel and other metals, fibres and yarn, rubber and plastic, electronics and consumer goods.

Anti-dumping duties aim to create a level playing field for Indian manufacturers who are unable to match the lower prices offered by their Chinese rivals.

India is one of the largest manufacturers of generic drugs, but it has not been able to export generic drugs to China, its largest trading partner, because of China's protectionist policies. Indian pharmaceutical companies have urged the commerce ministry to take up the matter with China.



## STOCK SCAN

■ Indag Rubber is a tread manufacturing company. The company is engaged in the manufacturing of the Precured Tread Rubber, Bonding Repair and Extrusion Gum, and Rubber Cement, which are used for retreading of tires. The company's manufacturing plant is located at Nalagarh (Himachal Pradesh) with a capacity of approximately 13,800 metric tons for tread rubber, over 1,800 metric tons for rubber strip gums and approximately 1,800 kiloliters for universal spray cement. As industrial activity picks up, more demand for commercial vehicles for movement of goods will improve retreading business of Tires. Reduction in influx/dumping of Chinese tyres in India after demonetisation and imposition of Anti-Dumping Duty has improved the prospects of the company. Buy on declines for target price of ₹250.

■ Precision Wires India is engaged in production and sale of winding wires made of copper of all types. The company manufactures winding wires, which are used in the manufacture of both rotating and static electrical equipment. Its plants are located in the Union Territory of Dadra and Nagar Haveli, Gujarat and Maharashtra. Though there are number of players in the industry including many in SSI sector, due to quality of products and long standing relationship with OEM customers, the company continues to remain industry-leader. Use present correction to buy for target price of ₹425.

■ Newly listed PSU Bharat Dynamics designs and manufactures under water guided weapon systems. Strong order book and good visibility of earnings make the stock good buy in present weakness for long term gains.

# कब बदले जाएं कार के टायर

टायरों के लम्बे वक्त तक चलने के लिए अलाइनमेंट, व्हील बैलेंसिंग तथा रोटेटिंग अनिवार्य है परंतु एक वक्त आता है जब इन्हें बदलना आवश्यक हो जाता है। इन संकेतों पर नजर रख कर जान सकते हैं कि क्या आपकी कार के टायरों को बदलने का वक्त हो गया है।

कारों के टायर का ध्यान रखना उतना ही जरूरी है जितना कि उसके इंजन का। व्हील बैलेंसिंग, अलाइनमेंट तथा रोटेशन करते रहने से टायर जल्दी खराब नहीं होते हैं परंतु एक वक्त के बाद इन्हें बदलना ही पड़ता है।

**जब व्हील अलाइनमेंट तथा बैलेंसिंग का असर न हो**

व्हील अलाइनमेंट तथा व्हील बैलेंसिंग करवाने के बावजूद भी अगर आपकी कार सीधी नहीं चल पा रही है तो यह इस बात का संकेत हो सकता है कि टायरों को बदलने का वक्त आ गया है। हालांकि, कार सीधी न चलने का एक कारण खराब एक्सल भी हो सकता है। पता करने के लिए भरोसेमंद मैकेनिक अथवा एजेंसी से कार की जांच करवाएं।

**थ्रैड की गहराई**

जांच करें कि टायरों पर थ्रैड की गहराई कितनी रह गई है। इन दिनों टायरों पर इसकी जांच करने के लिए इंडीकेटर बने होते हैं। इसका पता एक रुपए के सिक्के से भी लगाया जा

सकता है। टायरों की सतह पर बने पैटर्न में बनी गहराइयों में सिक्के को रख कर थ्रैड की गहराई पता की जा सकती है। यदि गहराई कम हो तो इसका अर्थ है कि टायर बदलवाने का वक्त है।

**टायर ग्रिप**

टायर की ग्रिप पर थ्रैड के पैटर्न, रबड़ कम्पाऊंड, टायर प्रेशर तथा व्हील अलाइनमेंट व स्टीयरिंग लिंकेज का



असर होता है। दूसरे शब्दों में कहें तो टायरों की सड़क पर अच्छी पकड़ के लिए कार का अच्छी हालत में रहना जरूरी है। कार में सब कुछ ठीक हो तो टायरों की पकड़ कमजोर महसूस होते ही उन्हें बदलवा लें।

**इन बातों का रखें ध्यान**

★ उपरोक्त संकेतों के अलावा इस बात का भी ध्यान रखें कि आपकी कार ने कितने किलोमीटर का सफर

कर लिया है। इससे भी टायरों को बदलने की जरूरत का पता चल जाता है। अधिकतर टायर अच्छी हालत में यानी अच्छी मैटीनैस तथा उबड़-खाबड़ जगहों पर ज्यादा न चले हों तो 40 से 50 हजार किलोमीटर अथवा 5 साल तक ही चलते हैं।

★ जब भी कार के टायर बदलवाएं तो चारों नए टायर लें और पुराने टायरों में से सबसे अच्छे वाले को स्पेयर के

रूप में सम्भाल लें। अधिक तथा लम्बी दूरी तक ड्राइव करते हैं तो स्पेयर के रूप में दो टायर रखना अच्छा होगा।

★ टायरों में सामान्य हवा की बजाय नाइट्रोजन भरवाने से भी राइड क्वालिटी में सुधार के साथ टायरों को कम नुक्सान पहुंचता है।

★ सस्ते विदेशी विकल्पों के बजाय टायर किसी अच्छे ब्रांड के ही लें। चाहे वे कुछ महंगे ही क्यों न हों।

आखिर कार में सफर करने वालों की सुरक्षा के लिए अच्छे टायरों का होना आवश्यक है।

**वक्त पर टायर न बदलवाने के नुक्सान**

★ खराब टायरों को वक्त पर न बदलवाने के कई नुक्सान हो सकते हैं। घिसे हुए टायर बार-बार पंक्चर होते हैं।

★ घिसे हुए टायर ब्रेक लगने पर कार के रुकने की क्षमता को भी कम करते हैं। ब्रेक लगने पर अच्छे टायरों की तुलना में घिसे टायर 70 प्रतिशत अधिक दूरी तक दूर जाकर रुकते हैं।

★ गीली अथवा ऊंची-नीची जगह पर भी घिसे टायर खतरनाक हो सकते हैं। टायरों पर से थ्रैड घिस जाने पर वे ऐसी सतहों पर पकड़ नहीं बना पाते हैं जिससे कार अचानक संतुलन खो सकती है और गम्भीर दुर्घटना की सम्भावना बन जाती है।

★ मई महीने अथवा मानसून शुरू होने से ठीक पहले अपनी कार के टायरों की जांच अवश्य करें।

★ कई बार कार के दो टायर ज्यादा घिस जाते हैं जबकि अन्य दो अच्छे होते हैं और व्यक्ति केवल घिसे हुए दो टायर ही बदलवाना चाहता है। ऐसी सूरत में दो नए टायरों को हमेशा पीछे की ओर लगवाएं क्योंकि बारिश के वक्त पिछले टायरों की पकड़ मजबूत रहना ज्यादा जरूरी होता है।

# Carbon black shortage hits rubber sector

Restriction on import of the key raw material from China and Russia has led to the scarcity

RITWIK MUKHERJEE

**A**t a time when the commerce ministry is in the process of formulating a national rubber policy to address various issues concerning the sector and with the primary objective of boosting export and productivity, the Indian rubber industry, particularly the non-tire segment, is reeling under a crisis of the sort born out of an acute shortage of carbon black in the country.

Going by the All India Rubber Industries Association (AIRIA), the acute shortage of the key raw material had caused shutting of a large number of small- and medium-sized manufacturing units. The industry body of non-tire rubber products manufacturers said the restriction in import of carbon black from China, Russia and other suppliers had caused shortage in the Indian market. It has prompted small and medium-sized firms to approach unauthorised markets at very high premiums. AIRIA has urged the Centre to support small businesses as the spiraling prices of carbon black might cripple the rubber industry as a whole.

The carbon black shortage has become a serious issue and is impacting demand for rubber, including NBR. Production of tyres and other



Of the 1.32 million small rubber units in the country, around 900,000 are in Kerala alone

rubber products is being cut by the price surge of carbon black. It has also weighed on NBR demand.

India is a major importer of NBR, which is used in a wide range of products, including belts and hoses, rice milling rollers, footwear, oil seals, grommets and gaskets in the automotive industry. Besides the closure of a large number of small- and medium-sized units, the rubber industry is also functioning at 50 per cent capacity. Liquidity has been severely affected and units are finding it difficult to get payments for the supply.

There are around 1.32 million small rubber holdings in the country. Of this, around 900,000 are in Kerala alone.

The Centre has constituted a task force comprising representatives of state and central governments to suggest short-term solutions and

long-term strategies to address the issues facing the rubber industry. Analysts say major issues related to the sector include minimum support price for natural rubber, restriction on import, minimum import price, categorisation of natural rubber as an agricultural product, import of cup lumps, safeguard duty and increase in budget allocation to the Rubber Board.

**A**ll these issues should be seen in the backdrop that consumption of natural rubber has increased from 995,000 tonnes in 2015-16 to 1.045 million tonnes in 2016-17, mainly due to rise in demand from the automobile tyre sector. While the import of natural rubber declined to 427,000 tonnes in 2016-17 from 458,000 tonnes in 2015-16, export jumped to 20,920 tonnes in 2016-17 from 865

tonnes in the previous financial year.

The Rubber Board has predicted that natural rubber output in the country would touch 800,000 tonnes this year. But growers and traders estimate that production could be nearly 700,000 tonnes, up from 691,000 tonnes in 2016-17.

In case of the industrial rubber market, the global market is projected to grow from \$26.99 billion in 2017 to \$33.82 billion by 2022, at a CAGR of 4.6 per cent between 2017 and 2022, which can be attributed to the robust economic outlook for the Asia Pacific, and the increasing motor vehicle production and sales across the globe. The application segment of the industrial rubber market includes automotive, building & construction, industrial manufacturing, polymer modification,

wire & cable, electrical & electronics, bitumen modification, coating, sealant & adhesive, and medical & healthcare.

**T**he industrial rubber market is expected to witness significant growth in a number of emerging economies, such as India, Thailand, Malaysia, and Brazil, while the developed economies like the US and Japan will witness market gains below the global average, owing to sluggish growth in durable goods consumption and automotive production, experts pointed out. One of the major restraints for the industrial rubber market growth is environmental regulations and health hazards associated with the industrial rubber and its manufacturing.