

# Five of India's top 10 destinations for exports witness contraction in March

Among top 10 import origins, only two – Russia and South Korea – see growth

SHREYA NANDI

New Delhi, 14 April

A slowdown in demand for Indian goods from five of its top 10 markets — the United States (US), the United Arab Emirates (UAE), Bangladesh, Germany and Hong Kong — resulted in a sharp contraction in exports, at nearly 14 per cent, in March, the latest data released by the commerce and industry ministry showed. This came against the backdrop of geopolitical tensions and fears of recession in several developed economies.

India's top 10 export destinations accounted for 52 per cent of the value of goods shipped in March.

Outbound shipments to the US —

## TRADE METRICS

India's top 10 merchandise export destinations in March

Source: Department of Commerce

Rank	Country	Exports (\$ bn)	YoY chg (in %)
1	US	7.32	-5.43 ▼
2	UAE	2.70	-12.62 ▼
3	Netherlands	2.63	42.16 ▲
4	China	1.68	15.86 ▲
5	UK	1.21	17.48 ▲
6	Bangladesh	1.11	-27.92 ▼
7	Singapore	1.02	10.87 ▲
8	Saudi Arabia	1.02	18.6 ▲
9	Germany	0.78	-24.27 ▼
10	Hong Kong	0.68	-28.42 ▼

Total exports in March: \$38.38 bn

YoY chg: -13.89%

India's largest export market for a decade — dropped 5.4 per cent year-on-year to \$7.32 billion in March. The second-largest export market, the UAE, which also signed a free-trade agreement with India last year, witnessed a

12.6 per cent decline to \$2.70 billion. Exports to Bangladesh, Germany, and Hong Kong fell 28 per cent, 24.3 per cent, and 28.4 per cent, respectively, according to the data.

Turn to Page 6 ▶

# Das...

“Our focus of supervision is on early identification of any build-up of vulnerabilities and not to wait for a crisis to build up, find out and identify early signals, and then nudge the bank to take necessary actions to mitigate any build-up of vulnerability in their working or in their finances,” he said.

Sitharaman in her media interaction said the finance ministers and governors in the FMCBG meeting recognised the urgency to address debt vulnerabilities, including strengthening multilateral coordination towards addressing increasing debt distress in low-income and vulnerable middle-income countries. “Discussion of climate finance is moving in a positive direction, not just the current flow but also the quantum required for meeting climate challenges,” she added.

She also said that there is greater acceptance among G20 members about the regulations on crypto assets to be globally coordinated. “Crypto assets which do not have sovereign backing can create macroeconomic instability,” she added.

# Exports...

Of the top 10 markets, the coun-

# INWARD SHIPMENTS

India's top 10 merchandise import origins in March 2023

Rank	Country	Imports (\$ bn)	YoY chg (in %)
1	China	7.79	-14.77 ▼
2	Russia	4.77	258.65 ▲
3	UAE	4.35	-5.83 ▼
4	US	4.19	-12.16 ▼
5	Saudi Arabia	3.42	-27.39 ▼
6	Iraq	2.88	-36.28 ▼
7	Indonesia	2.07	-5.05 ▼
8	Singapore	2.03	-14.35 ▼
9	South Korea	1.97	23.12 ▲
10	Australia	1.53	-3.16 ▼

**Total imports in March**  
\$58.11 bn

**YoY chg**  
-7.89%

Source: Department of Commerce

tries that witnessed growth were the Netherlands (42.2 per cent), Saudi Arabia (18.6 per cent), the UK (17.5 per cent), China (15.86), and Singapore (10.9 per cent). The growth in the value of exports to China could be attributed to the reopening of its economy after months of slowdown in economic activity due to its zero-Covid policy. The ministry data showed that India's merchandise exports fell 13.9 per cent year-on-year to \$38.38 billion in March, as global headwinds such as geopolitical tensions, high inflation, and monetary policy tightening continued to affect external demand. This was the sharpest contraction since May 2020. On a cumu-

lative basis, three of the top 10 export partners — China, Bangladesh, and Hong Kong — saw a contraction of 27.9 per cent, 27.7 per cent, and 9.9 per cent respectively in the financial year 2022-23. During FY23, exports grew only 6 per cent YoY to \$447.46 billion, as compared to a robust 44 per cent jump in FY22. The US and the UAE continued to remain India's top two export destinations in FY23. The Netherlands grew at the fastest pace to become the third-largest export market, replacing China. This was mainly due to the export of refined petroleum products to the European nation.

More on business-standard.com