

Imports from only Russia and Hong Kong rose in Apr-Sept

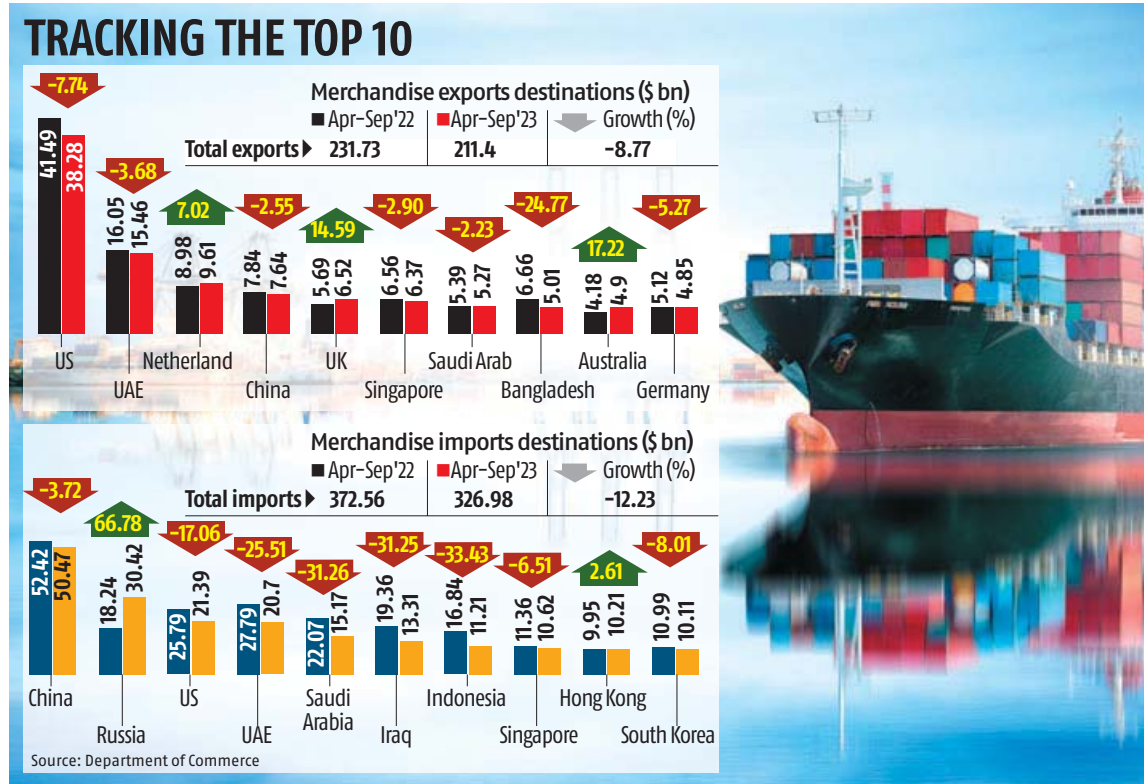
SHREYA NANDI

New Delhi, 16 October

Among India's top 10 import partners, only Russia and Hong Kong saw growth in inbound shipments during the first months of the current financial year (2023-24). This occurred at a time when the country's overall imports declined by 12.2 per cent, owing to tepid demand and falling commodity prices.

Data compiled by the commerce department reveals that imports from Russia grew two-thirds to \$30.4 billion during April-September. Russia became India's second-largest import partner, after China. Although disaggregated country-wise trade data was not available until September, the trend for the first five months indicated consistent growth, primarily due to crude oil imports from Russia. In the case of Hong Kong, the rise was 2.6 per cent, totalling \$10.2 billion. This growth was primarily driven by imports of electrical machinery during the first five months of the current financial year.

Among India's top 10 import partners, a contraction in inbound shipments was observed in the case of China (minus 3.71 per cent), the US (minus 17.06 per cent), the UAE (minus 25.51 per cent), Iraq (minus 31.25 per cent), Indonesia (minus 33.43 per cent), Singapore (minus 6.51 per cent), and South Korea (minus 8.03 per cent). They account for over 59 per cent of merchan-



dise imports. The overall imports have been contracting for nine months in a row. In HI, the contraction has been due to tepid local demand and a fall in global commodity prices.

Non-gold imports, which serve as a proxy for domestic demand, have

remained weak, declining by 10 per cent compared to a 35.7 per cent increase last year, as reported by Bank of Baroda economist Aditi Gupta.

In the case of the top 10 export markets, only the UK (14.6 per cent), the Netherlands (7.02 per cent), and

Australia (17.22 per cent) saw growth during the first six months of FY24. This was driven by demand for items such as petroleum products, apparel, and machinery. India's overall merchandise exports witnessed an 8.8 per cent contraction.

