

The Netherlands is India's 3rd top export destination

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NEW DELHI: The Netherlands has surpassed China and Bangladesh to become India's third top mercantile export destination after US and the United Arab Emirates mainly because of rising exports of refined petroleum products to the European country.

According to official data, India's exports to the Netherlands in the first five months of this fiscal year (April-August) was \$7.5 billion compared to \$6.82 billion to China and \$5.77 billion to Bangladesh.

Even in the current calendar year (January-August), India exported goods worth \$11.95 billion to the Netherlands, ahead of its exports to China (\$10.96 billion) and Bangladesh (\$10.90 billion). In the previous fiscal year the Netherlands was the fifth top mercantile export destination for India after China and Bangladesh.

Petroleum products are the key exports from India to the Netherlands, signifying the

European nation is getting more supply of fuel from India after western nations have imposed sanctions against trade with Russia, an official aware of the development said requesting anonymity.

"Russian crude, getting refined in India, may be finding a way to energy-hungry Europe," said another official who did not want to be named. Data show a 75.8% jump in India's exports of petroleum products during April-August, to \$41.10 billion compared to \$23.38 billion in the same period last year. According to commerce ministry data released on 3 October, India's exports of petroleum products in April-September was \$49.9 billion, over 74% up from \$28.6 billion in the corresponding period previous year.

India's mercantile exports to the Netherlands in April-August jumped 105.74% (year-on-year) to \$7.50 billion. Out of the total exports, petroleum products constitute the top item worth \$3.67 billion, followed by aluminium products (\$0.46 bil-



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lion), telecom instruments (\$0.37 billion), organic chemicals (\$0.27 billion), drugs formulations (\$0.21 billion), iron and steel (\$0.17 billion), and readymade garments (\$0.16 billion).

The commerce ministry did not respond to an email query on this matter.

Ajay Sahai, director general and chief executive of the Federation of Indian Export Organi-

sations (FIEO) said India's exports to the Netherlands grew "primarily because of a huge increase in petroleum exports" besides aluminium, electrical & electronics and pharmaceuticals. "We exported petroleum worth \$3.6 billion which was 48% of our total exports with a growth of over 225%. This increase shows the shift in imports from Russia to India, a trend which may push our

exports to Europe despite recessionary trends there."

The second official quoted above said India's exports to China and Bangladesh slumped in this period. "While Chinese slowdown has taken a toll on India's export to the country, Bangladesh is affected by foreign exchange problems. However, there are some talks between New Delhi and Dhaka to use local currencies for trade," he said.

China is, however, India's top import destination (\$43.98 billion in April-August) followed by the UAE (\$23.05 billion) and the US (\$22.46 billion), he added.

Sahai said the slowdown in exports to Bangladesh during April-August is because the country is facing huge forex constraints. "There is about a \$500 million drop in our cotton exports during this period as Bangladesh's apparel exports dropped significantly. The drop in our cereal exports, which is not much, is on account of export restrictions on wheat and rice," he said.