

Exports rise 30.7% in April to over \$40 billion

Trade deficit widens to \$20.11 b as imports surge 30.97% to \$60.3 b

OUR BUREAU

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Goods exports continued on the high growth track in April increasing 30.7 per cent (year-on-year) to \$40.19 billion driven by items such as petroleum products, electronics, cereals, processed food and leather products, per foreign trade data released by the Commerce & Industry Ministry.

Trade deficit during the month, however, widened to \$20.11 billion, an increase of 31.5 per cent, as goods imports shot up 30.97 per cent to \$60.30 billion. This was largely due to a sharp escalation in imports of petroleum products, coal, fertilisers and



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chemicals. Gold imports, on the other hand, fell sharply during the month compared to the same month last year.

Services sector grows

Services exports posted a growth of 53 per cent in April to \$27.60 billion, according to an estimation made by the Ministry that will be revised based on the RBI's subsequent

release of services sector data for the month.

"Starting the fiscal with such an impressive performance will further add to the motivation of the exporting community for much higher growth during the financial year," said FIEO President A Sakthivel. The benefits of the newly-signed FTAs and the PLI scheme will further help ex-

porters in building on the milestones achieved during the previous fiscal, he added.

FTA pacts on cards

India has just signed FTAs with the UAE and Australia and is negotiating similar pacts with the EU and the UK.

"The high trade deficit is largely contributed by spike in oil prices, which alone has contributed additional \$10 billion to the trade deficit. The growth in services exports in April is remarkable, which will help the reduction in overall trade deficit," said Pralathan Iyer, Chief General Manager, India Exim Bank.

In 2021-22, exports touched a record high of \$419.65 billion (growing over 40 per cent over the previous fiscal), as the world bounced back from the Covid-19 induced slowdown. Imports rose to \$611.89 billion, resulting in a trade deficit of \$192.24 billion.