

India's exporters' \$500 million dues stuck in Russia

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NEW DELHI: India's exporters have payments of around \$400-500 million pending in Russia and are engaged in discussions with the government to work out a mechanism to receive the dues, following sanctions imposed by the West.

With pharma and the farm sector kept out of the SWIFT curbs, exporters of these are optimistic about receiving their payments, but the others are yet to figure out a way around the restrictions. The government has held a few rounds of consultations and some tweaks in the current regime may be required for businesses to get their dues from Russian buyers, sources told TOI.

WANT EASING OF RULES

➤ Some tweaks in current regime may be required for businesses to get dues from Russian buyers

➤ A rupee-rouble mechanism is not seen as a viable proposition



now, given sanctions imposed against Russia

➤ An option is to route payments via a third nation, but exporters want certain relaxations in rules

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With shipping lines such as Maersk, the largest in containers, suspending deliveries to and from Russia, sending fresh consignments is going to be a problem for exporters. Shipping lines had stopped accepting orders soon after the war broke out. But the current worry of exporters is more about shipments that have already been sent, for which some options have been discussed.

While importers in Russia can transmit the money in roubles, there are problems receiving it. Besides, exporters will need relaxation in norms and export benefits may not be available, which will make the consignments unviable.

Another option discussed is for companies with large operations, including in other countries to route the payments via a third nation. Again, the payment can be received in India without any issue, but exporters have demanded certain relaxations.