

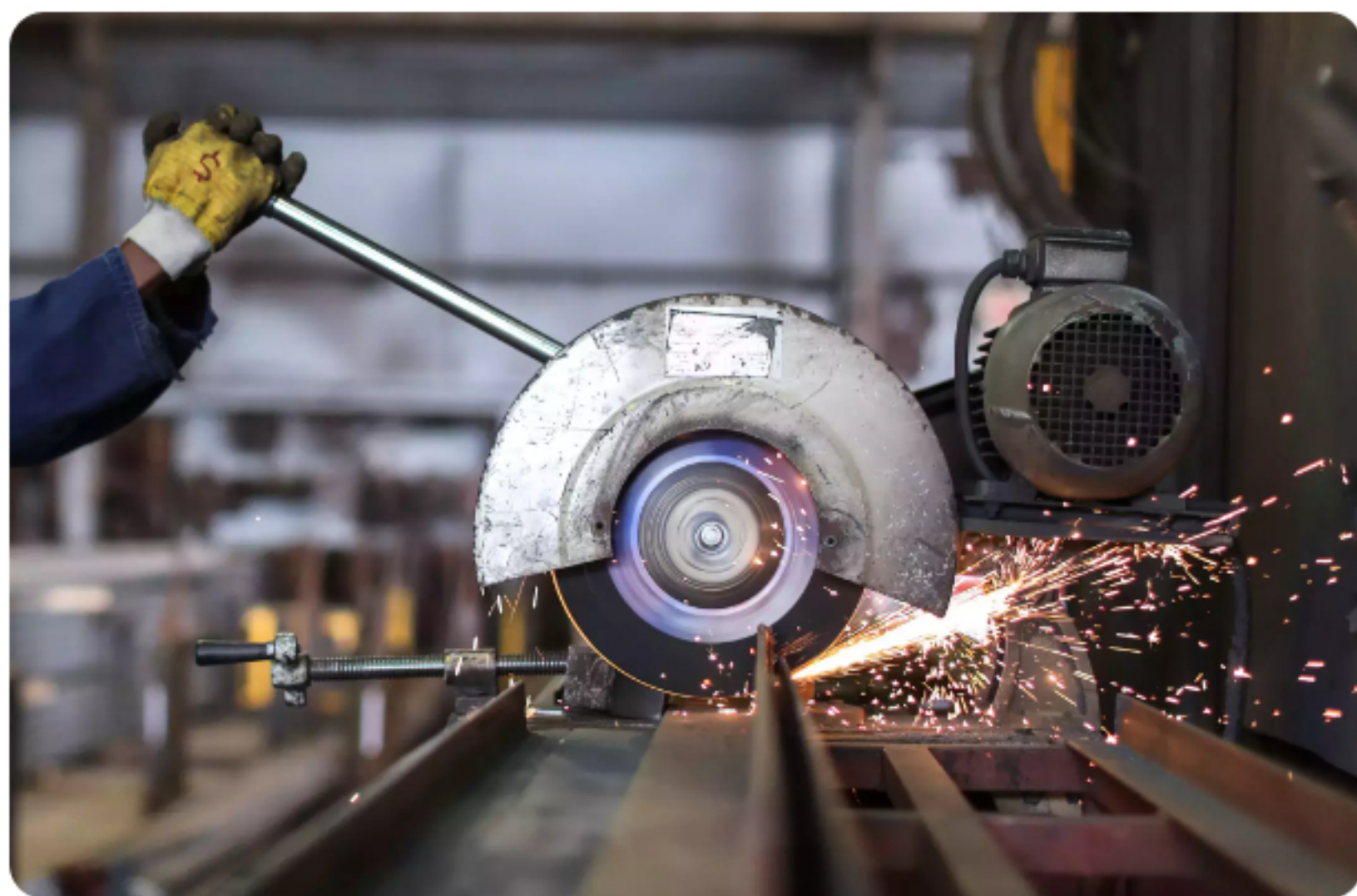
India's engineering goods exports grow 10.20% in December amid global challenges

EEPC believes that entering into more free trade agreements, especially with countries in Latin America and Africa, would provide exporters with deeper access to new and emerging markets, Engineering Export Promotion Council of India Chairman Arun Kumar Garodia said.



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"Projections indicate a potential slowdown in global growth in 2024, and factors such as high interest rates and low consumer spending are expected to continue affecting the sector this year," he said.

Despite various challenges arising out of geopolitical tension and tight financial conditions in major advanced economies, India's engineering goods exports recorded a year-on-year growth of 10.20% to USD 10.04 billion in December 2023. While this represents a strong rebound, the sector still faces uncertainties due to the prevailing global economic conditions, an EEPC official said.

"It has been a challenging period for engineering exporters. Tensions in Europe and now in West Asia have posed significant downside risks," Engineering Export Promotion Council of India Chairman Arun Kumar Garodia said.

"Projections indicate a potential slowdown in global growth in 2024, and factors such as high interest rates and low consumer spending are expected to continue affecting the sector this year," he said.

Considering these factors, EEPC maintains a cautious optimism and hopes that geo-political tension will ease, leading to an improvement in the global macroeconomic situation, Garodia said.

While overall demand remains strong, the Red Sea conflict is a significant issue, causing delays due to increased transit times and additional freight costs, he said.

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