

# Changing Scenario of India's Export – Navigating the Dynamic Landscapes

**Dr. Sonali Bhushan Deogirikar**

Associate Professor, K. J. Somaiya college of Arts and Commerce, Mumbai, India  
sonali.deogirikar@somaiya.edu

**Abstract:** *India is celebrating its platinum jubilee of independence. A long journey since last seventy-five years has drawn numerous sketches on India's map in terms of its economy. Our country has the highest population. The twists and turns in terms of nation's economic policies has shown phenomenal impact on India's trade. Globalization, digitalization and changing consumer demand has notable impact on India's export scenario. The interconnectivity across the world has left Indian exporters with umpteen opportunities. They are adapting to changing situations. A new world of opportunities is open to them to grow and expand their business. It also needs the strategies to cope with challenges. The Indian government has introduced several initiatives to support exporters, such as the "Make in India," "Digital India," and "Atmanirbhar Bharat" campaigns. As a result of different schemes, Indian exporters are exploring new markets beyond traditional strongholds. The researcher has tried to analyse the changing scenario of India's export in terms of promising situations, innovative schemes, better facilities from government. Detailed analysis of export position of our country in last few years has been attempted. The researcher also emphasizes on changes in export statistics due to changing technology and assistance by Government in terms of advance schemes and geographical diversification.*

**Keywords:** India's export, digitalization, E-commerce, Government policies

## I. INTRODUCTION

India's trade statistics have augmented exponentially in the recent years, with financial year 2021-22 recording the highest ever value of merchandise exports. Merchandise exports from India reached a new high at US\$417.81 billion in financial year 2021-22, marking a surge of 43.18 percent over the US\$291.18 billion recorded in financial year 2020-21. India's merchandise imports soared to US\$610.22 billion during the same period. An increase of 54.71 percent over the US\$394.44 billion registered during financial year 2020-21. A healthy growth in India's services segments has helped the country's total exports and imports of goods and services to cross the USD 800 billion mark during the first half of 2023, despite a slowdown in global demand. Exports of goods and services rose by 1.5 per cent to USD 385.4 billion during January-June 2022-23, as against USD 379.5 billion in January-June 2021-22. Imports, however, dipped by 5.9 per cent to USD 415.5 billion during the six months of 2022-23, as against USD 441.7 billion in January-June 2022.<sup>1</sup> India's major exports included petroleum products, gems and jewelry, and iron and steel. Additionally, the value of petroleum products exported from India was over 39 billion U.S. dollars. Other major exports include textiles, rice, spices, tea, coffee, and tobacco in agriculture, along with iron and steel. India exports of goods and services as percentage of GDP is 21.51% and imports of goods and services as percentage of GDP is 24.15%. Gujarat, Maharashtra, Tamil Nadu, Karnataka, Uttar Pradesh, Andhra Pradesh, Odisha, Haryana, West Bengal, and Telangana were India's top ten exporting states in absolute terms in 2021-22, accounting for more than 85% of the country's total exports.

---

<sup>1</sup>Global Trade Research Initiative (GTRI)

**Objectives of the study**

The rising statistics of India's export dwells into the reasons for this growth. The changing image of India from developing nation for years together to a fast-progressing country in last few years has changed the dynamics of the country. The alarming efforts of the government to promote exports by providing subsidies and financial assistance worked, especially in the case of micro, small and medium enterprises. The assistance received by small entrepreneurs for branding, packaging, transportation, warehousing has really proven beneficial. On this background, researcher finds it crucial to analyze the reasons for changing statistics and dynamics of India's export. The study emphasizes on factors responsible for navigation of India's export sector towards achieving new heights.

**II. RESEARCH METHODOLOGY**

This study is purely based on secondary data collected from websites of India's finance ministry and Directorate general of Foreign Trade office. The import export statistical analysis of India for last four years is considered for the study. The surge in export statistics is mainly seen in the last few years, hence the study concentrates on this number. The foreign trade policy of 2015-20 extended up to 2023 has left a remarkable impact on the country's economy.

**Factors responsible for growth of India's exports****Digitalization and E-commerce:**

The rise of e-commerce platforms has initiated global markets for Indian exporters. Small and medium-sized enterprises are now able to reach customers worldwide. There are no more traditional barriers for the entry into global markets. This trend is apparent in sectors like textiles, handicrafts, and pharmaceuticals. India is the world's largest provider of generic drugs, and in financial year 2023, the country exported pharmaceuticals worth over 25 billion U.S. dollars. Indian drugs comprised of 20 percent of the global generic drug exports. The global pandemic highlighted the importance of the pharmaceutical sector. Indian pharmaceutical companies are now expanding their export portfolios, including vaccines, generics positioning India as the Pharmacy of the World.

According to the Confederation of Indian Textile Industry, Indian textiles exports grew by 13.98% over August 2023. Textiles and apparel exports during August thus registered a growth rate of 4.33% over August 2022. The overall amount of handicraft exports between April 2022 and February 2023 was US\$ 3 billion.<sup>2</sup> The value of all Indian handicraft exports in 2021–22 amounted to \$4.35 billion, up 25.7% from the previous year.<sup>3</sup> The Union government has continued export benefits under its duty remission scheme to the fast-growing e-commerce exports. The Scheme for Remission of Duties and Taxes on Exported Products provides for refund of taxes, duties and levies that are incurred by exporters in the process of manufacturing and distribution of goods. Export credit insurance, tax incentives, and trade promotion councils play crucial roles in facilitating exports.

**Sustainability and Ethical Sourcing**

Sustainability is a vital requirement for global consumers. Indian exporters are progressively focusing on sustainable practices such as organic farming and eco-friendly packaging. Ethical sourcing and fair-trade practices are also gaining importance heightening India's reputation as an accountable exporter. Sustainable packaging is sourced, developed, and used to minimize environmental impact. It includes using the least number of materials, minimizing energy consumption, and generating the least amount of waste. Eco-friendly biodegradable wrapping material like paper and paper boards, and containers, such as glass, can be recycled, renewed, and reused. As a result, they will contribute to maintaining the sustainability of the environment.

---

<sup>2</sup>India handicrafts exports Data, 2022-23, 2023-24

<sup>3</sup>India handicrafts exports Data, 2022-23, 2023-24

The India Packaging Market was valued at USD 50.5 billion in 2019, and it is expected to reach USD 204.81 billion by 2025. Packaging consumption in India has surged by 200 percent in the last decade, growing from 4.3 kilograms per person per annum to 8.6 kg.<sup>4</sup>

#### **Agro-Exports and Food Processing**

India's agriculture sector is beholding a swell in exports driven by a scaling requirement for organic and exotic produce. Investments in food processing infrastructure are advancing the shelf life and quality of Indian agricultural products making them competitive in international markets. The country's farm exports touched all-time highs of \$50.2 billion in 2021-22 and \$53.2 billion in 2022-23, reversing a declining trend from 2013-14 to 2020-21. In April 2023, India celebrated a record-breaking agricultural export performance, which had surpassed US\$42 billion in the preceding year. The organic food export realization was around INR 5525.18 Crore.

#### **Technology and Industry**

Automation and data analytics are transmuting manufacturing processes. Indian exporters are adopting these technologies to enhance productivity, reduce costs, and maintain quality standards, improving their competitiveness. A large part of services exports is from the Information Technology Services and Business Process Outsourcing services with US\$157b in 2021-22. IT services at \$104 billion continues to lead in terms of market share and is also likely to be the best performing segment of 2023. This segment is being driven by cloud engineering, services around data monetization and digital engineering. Rise in demand for application platforms, security software, system and service management software, and content workflow and management applications will lead to a 7.8% growth of this segment to \$7.3 billion.<sup>5</sup>

#### **Geographical Diversification and Supply Chain Resilience**

Indian exporters are discovering new markets beyond USA and Europe. Emerging economies in Africa, Southeast Asia, and Latin America offer unexploited opportunities for Indian goods and services. The disturbances caused by the pandemic stressed the importance of strong supply chains. Indian exporters are re-inspecting their supply chain strategies, expanding suppliers, and investigating alternate logistics routes to ensure nonstop operations.

Since the launch of the 'Make in India' movement in 2014, annual FDI growth has doubled from USD45 billion in 2014–2015 to USD84 billion in 2021–2022, leading to an improvement of the manufacturing sector. PLI schemes across sectors such as automobile, textile, electronics, pharmaceuticals, and food products are empowering domestic manufacturers to become globally competitive. Government initiatives, such as export promotion schemes and sector-specific Production Linked Incentive schemes, are enabling India to become a high-value commodity exporter. We have achieved a momentous growth in electronics exports due to a strong domestic manufacturing landscape. For instance, India's smartphone exports, which were nearly non-existent in 2014, have reached a record figure of USD11 billion in FY2023 due to the increasing presence of global electronics manufacturers.

### **III. CONCLUSION**

Recent reforms such as PM Gati Shakti and the National Logistics Policy have been implemented to further reduce logistics costs and increase the competitiveness of our products. India's rankings in the World Bank's Logistics Performance Index improved significantly over the years, rising from 54 in 2014 to 44 in 2018 and further advancing to 38 in 2023.

India needs to make itself more prominent in global trading outlines. The government can consider drawing strategic training from Southeast Asian countries that are capitalising on the global trading opportunity. Low labour costs, reduction in tariffs and a significant growth in trade ties have enhanced these countries export competitiveness.

---

<sup>4</sup>The Indian Institute of Packaging report, 2023

<sup>5</sup>IT and Software exports statistics, 2022-23

Absolute prominence must be given to the development of research and development. India has implemented significant structural changes to improve its export patterns. For instance, the new Foreign Trade Policy will provide a necessary boost to India's trade. Key features of this policy include internationalisation of the Indian rupee, digital transformation, enhanced collaboration, and a dynamic policy upgradation. Reforms and policy initiatives in recent years are resolving manufacturing challenges and boosting exports. India must also focus on skilling its vast youth population. India can look to enhance its labour advantage with Skill India Mission and the budgetary focus on knowledge and skill development.

Indian businesses are investing in research, development, and certifications to ensure their products and services meet global opportunity. While these trends present enormous opportunities, Indian exporters must also address challenges such as customs procedures, trade barriers, and currency variations. Indian exporters are crossing a dynamic and evolving landscape. They are well-placed to tap into new markets by accepting digitalisation, sustainability, and technology. India remains to play a pivotal role in the global economy.

#### **REFERENCES**

- [1]. Export Documentation and Procedures, Nabhi Publications, New Delhi, 2021
- [2]. International Marketing Management, R.L. Varshney, Sultan Chand, 2021
- [3]. International Marketing, Terpstra, Holt Saunders, 2017
- [4]. International Business, Concept, Environment and Strategy, Sharan V., 2016
- [5]. Export Management, D.C. Kapoor, Vikas Publishing House, 2018
- [6]. Government and Business, Sengupta N. K., Vikas Publications, 2017
- [7]. <https://www.iip-in.com/>
- [8]. <https://www.iift.ac.in/>
- [9]. <https://www.indiantradeportal.in/>
- [10]. <https://www.dgft.gov.in/>