

An Analysis of Indian Foreign Trade in Present Era

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ABSTRACT

Foreign trade plays a vital role in the Indian economy. As the country need to import diverse products so foreign trade is extremely important to country. India exports vast number of products and also imports an equal amount of other products. Although India has steadily opened up its economy, its tariffs continue to be high when compared with other countries, and its investment norms are still restrictive. This leads some to see India as a 'rapid globalizer' while others still see it as a 'highly protectionist' economy. Nonetheless, in recent years, the government's stand on trade and investment policy has displayed a marked shift from protecting 'producers' to benefiting 'consumers'. India is now aggressively pushing for a more liberal global trade regime, especially in services. This paper is an attempt to analyse the major changes in volume, composition and direction of Indian Foreign Trade.

Keywords--- Foreign Trade, Composition, Direction and Volume of Trade

reform period, despite changes the Indian share in world trade had remained quite in adequate. However during reform period particularly after 1990's, much progress was witnessed by Indian Foreign trade. The trends in Indian foreign trade can be observed from the given discussion of the trends in value of foreign trade, composition and direction.

II. TRENDS IN INDIA'S FOREIGN TRADE

The trends in India's foreign trade are discussed on the basis of the following parameters:

1. Changes in Value of Foreign Trade
2. Changes in the Composition of Foreign Trade
3. Changes in the Direction of Foreign Trade

In trends of India's foreign trade, these parameters are discussed in detail. The detail is supported by the relevant data.

I. INTRODUCTION

Indian Foreign Trade has very long history. Before Independence, Indian economy was typical of a colonial and agricultural economy. Trade relations were mainly confined to Britain and other Commonwealth countries. Exports consisted chiefly of raw materials and plantation crops while imports composed of light consumer goods and other manufactures. Over the last 71 years, India's foreign trade has undergone a complete change both in regard to the composition as well as the direction of trade. India's exports before independence, comprised primarily of three commodities, namely tea, jute and cotton textiles. At the time India became independent these constituted about half of the total exports from the country. Some of the other items exported were primarily products like maganeses ore, mica, shellac, rawhides and skins. Only about .4% of the exports consisted of engineering goods. So far as direction of trade was concerned U.K. and U.S.A. accounted for about 40% of the exports. The share of other countries was rather small. Trade with East European countries was negligible.

After independence Indian foreign trade had changed drastically in all its dimensions- Value, Composition and Direction .Till 1990-91 i.e. during pre

III. CHANGES IN VALUE OF TRADE SINCE INDEPENDENCE

Growing value of exports: The total value of India's international trade has gone up from US \$ 1269 million in 1950-51 to nearly US \$8486 million in 1980-81 and to US \$ 303,526million in 2017-18. But much of this increase was concentrated in last 20 years. One reason why India's export were almost stagnant during the first 15 years of planning was the predominance of traditional goods such as tea, jute and cotton manufactures, the foreign demand for which was generally inelastic. Besides, the rise in prices in India and the high cost of our export goods did not allow these goods to be competitive in the international markets. After devaluation of rupee in 1966, Indian export goods got a price advantage. Moreover, the government entered into a series of bilateral agreements with fiscal and cash incentives to boost exports. Finally, it set up a number of export promotion councils and agencies to promote export. These factors explained the very rapid growth of export in 1970's. This trend is shown in Table 1

In 1980-81, exports as percentage of GDP were only 5.5%, in 1990-91 this ratio increased to 5.8% and in 2016-17 it is 19.2% and total trade (export and import) is

39.8%. This is as per the data given in economic survey 2016-17.

Larger growth of India's imports: As per the Table1 import showed a continually increasing trend. In 1950-51, Imports were US \$ million 1273, in 1980-81 it was increase to US\$ 15869 million , and in recent year 2017-18 it increased to US\$ 465,581 million. However, Imports which were 10.2 % of GDP in 1980-81, declined to

8.8%in 1990-91 but rose further to 16.9%in 2004-05 and to 27.1% in 2008-09 but again it declined to 20.6% in 2016-17 which is a good sign for an economy.

Widening Trade Deficit: Table 1 shows that in 1950-51 Trade deficit was US\$ 4 million in 1980-81 it was increased to US\$ million 7383. In 1990-91 it was decreased to US \$ 5932 million, it was further decreased to US\$ 1546 million. In 2017-18 it was US \$ 162,054 million.

Table 1- Recent trends in India's foreign Trade (in US \$million)

Year to	Exports	Imports	Trade Balance	Rate of Change	
				Exports	Imports
1950-51	1269	1273	-4	24.9	-1.5
1970-71	2031	2162	-1301	8.8	3.5
1980-81	8486	15869	-7383	6.8	40.2
1990-91	18143	24075	-5932	9.2	13.5
1991-92	17865	19411	-1546	-1.5	-19.4
1995-96	31797	36678	-4881	20.8	28.0
1996-97	33470	39133	-5663	5.3	6.7
1997-98	35006	41484	-6478	4.6	6.0
1998-99	33218	42389	-9171	-5.1	2.2
1999-00	36822	49671	-12849	10.8	17.2
2000-01	44560	50536	-5976	21.0	1.7
2001-02	43827	51413	-7586	-1.6	1.7
2002-03	52719	61412	-8693	20.3	19.4
2003-04	63843	78150	-14307	21.1	27.3
2004-05	83535	111516	-27982	30.8	42.7
2005-06	103092	149167	-46076	23.4	33.8
2006-07	126361	185749	-59388	22.6	24.5
2007-08	162904	251439	-88535	28.9	35.4
2008-09	168704	287759	-119055	3.6	14.4
2015-16	262,290	381,006	-118,716	55.5	32.4
2016-17	276,547	382,740	-106,193	5.4	.45
2017-18	303,526	465,581	-162,054	9.7	21.64

(Source- DGSIS&S and Ministry of Commerce & Industry)

IV. CHANGES IN COMPOSITION OF FOREIGN TRADE

Composition of Trade means the commodities and products which are included in the exports from India to other countries and Imports from other countries in India. Indian foreign trade registered a number of structural changes during the panning period. The percentage of non traditional goods in total exports has continuously increased the exports of chemical and engineering goods have shown a high growth rate. During past few years hand made goods including gems and jewellery have become one of the important export commodities. India is making exports of few traditional items including tea, coffee, rice, pulses, spices, tobacco, jute, iron ore etc.

Besides the imports of petroleum products, capital goods, carbon chemical and compounds, medical and pharmaceuticals products are also imported in Indian Economy.

Pulse, gems and stones are also important on large scale but after there processing these are exported from the country. Other imports include edible oils, fertilizers non ferrous metals, paper and paper boards, pulp and waste paper etc. Before 2014-15 there were different categories of export and import like primary products, manufactured goods, Bulk Import, Non bulk import. But now it has been changed. Now a days 31 major categories are included in export and import(as per RBI bulletin) but for convenience purpose we made 19 categories for exports and 23 categories for imports.(Table 2)

Table 2- Composition of major Exports (US \$ million)

Composition of Indian Exports comprises of following principal commodities.

S.NO.	Commodity	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1.	Tea & coffee	1732.1	1597.6	1495.8	1503.9	1574.1	1805.9
2	Other Agricultural Products	13971	15738.7	15473	13006.5	13310.4	15877.3
3	Tobacco	924.1	1011.4	958.6	982	958.7	934.2
4	Oil Meals, seeds	4406.9	4088.1	3059.6	1799.9	2160.6	2264.2
5	Marine Products	3464.1	5016.6	5510.5	4767.5	5903.1	7387.7
6	Meat, dairy & poultry products	3804.3	5292.9	5385	4575.5	4368.8	4610.1
7	Iron Ore,Mica, Coal & Other Ores, Minerals	5466.5	5574.9	4418.8	3847.5	5111.7	5246.1
8	Leather & leather product	4771.9	5572.8	6030.5	5407.8	5165.6	5288.9
9	Ceramic products & glassware	1156.1	1292.2	1644.4	1712.1	1856.6	2131.4
10	Gems & Jewellery	42988.2	41388.3	41266.1	39284.3	43412.8	41544.4
11	Drugs & Pharmaceuticals	14421	14949.5	15431.5	16909.5	16785	17282.4
12	Organic & Inorganic Chemicals	11478.8	12286	12473.6	11731.3	12336.1	15938.2
13	Engineering& electronic Goods	67434.5	71745.7	79335.6	67909	73179	85100.2
14	Cotton Yarn, Handloom Products etc. Man-made Yarn/Fabs./	14135.7	16199.6	16049.6	14741.1	14419.3	15084.1
15	RMG of all Textiles	12948.7	14990.5	16833.3	16964.4	17368.2	16706.7
16	Jute Mfg. including Floor Covering, carpets, handicrafts	2449.6	3029.2	3035.8	3383.5	3726.8	3587.4
17	Petroleum Products	60865.1	63179.4	56794.1	30582.6	31545.3	37456.6
18	Plastic & Linoleum	14421	6147.0	5746.0	5764.2	5796.5	6850.9
19	Other Commodities	11478.8	25315.3	19410.2	17418.8	16873.7	18279.4
	Total Exports	300400.6	314415.7	310352.0	262291.1	275852.4	303376.2

(Source: RBI Bulletin, 2018)

On the basis of Table 2 following observations can be made.

1. Agriculture and Allied Products- which includes coffee, tea, rice, wheat, raw cotton, tobacco, cashew, spices, oil meal, marine products, sugar and mollases. In 2003-04 Agriculture and allied products export was US \$ 28302.5 million which increased to US \$ 32879.4 million in 2017-18.

2. Ores and Minerals- includes iron ore, and all processed minerals which also increased from US\$ 5466.5 million in 2012-13 to US\$ 5246.1 million in 2017-18.

3. Leather & Manufactures- One of the traditional items of Indian Export is raw hides and skins. India earned about US\$ 4771.9 million in 2012-13 . It touched US \$ 6030.5 million in 2014-15 and decrease to US \$ 5288.9 million in 2017-18.

4. Ceramic Products & Glassware- This category also showed increasing trend year to year. In 2012-13 this was

US\$ 1156.1 million which increased to US \$2131.4 million in 2017-18.

5. Gems & Jewellery- The export of Gems & Jewellery during 2012-13 was US\$ 42988.2 million and in 2017-18 it was declined to US\$ 41544.4 million.

6. Chemicals & Related Products- This category includes basic chemicals, pharmaceuticals, cosmetics, plastic, linoleum, rubber, glass, paints, enamels, residual chemicals and allied products. This category also showed increasing trend year to year. In 2012-13 drugs and pharmaceuticals, organic & inorganic chemicals and plastic & linoleum were US\$ 14421 million, US\$ 11478.8 million and US\$ 5598.8 million which increased to US \$17282.4, US\$ 15938.2 million and US\$ 6850.9 million in 2017-18 respectively.

7. Engineering and Electronic Goods- Engineering goods includes manufacture of metals machinery, instruments,

transport equipments, iron & steel and all electronic goods. In 2012-13 this was US\$ 67434.5 million which increased to US \$ 85100.2 million in 2017-18.

8. Textiles & Textile Products- It includes cotton yarn, natural silk yarn, manmade yarn, woolen yarn fabrics made up. In 2012-13 this was US\$ 27084.4 million which increased to US \$ 31790.8 million in 2017-18.

9. Jute Mfg. including Floor Covering, carpets, handicrafts- The export of this category during 2012-13 was US\$ 2449.6 million and in 2017-18 it was US\$ 3587.4 million.

10. Petroleum Products - This section shows continuously decreasing trend after 2013-14. In 2012-13 this was US\$ 60865.1 million which decreased to US \$37456.6 million in 2017-18.

Table 3: Sector wise share and growth rate of exports

S.No.	Rank	Share (Percent)			Growth (Percent)		
		2015-16	2016-17	2017-18(Apr-Nov)P	2015-16	2016-17	2017-18(Apr-Nov)P
1.	Engineering Goods	23.1	24.4	25.9	-17.0	11.1	22.4
2	Gems & Jewellery	15.0	15.7	14.4	-4.8	10.5	-3.8
3	Chemicals, Drugs & Pharmaceuticals	14.7	14.2	14.5	.6	1.6	11.9
4	Textiles & Allied Products	13.7	13.0	11.8	-3.2	-0.5	3.8
5	Petroleum crude & Products	11.7	11.4	11.8	-46.2	3.1	17.6
6	Agricultural & Allied Products	9.9	9.5	9.7	-17.6	0.3	15.0
7	Electronic Goods	2.2	2.1	2.0	-5.3	0.0	4.5
8	Marine Products	1.8	2.1	2.7	-13.5	23.8	29.5
9	Ores and Minerals	0.8	1.2	1.0	-16.4	61.6	12.9
10.	Leather & leather product	2.1	1.9	1.9	-10.3	-4.4	0.9
	Total Exports including Others	100	100	100	-15.5	5.2	11.2

(Source: Economic Survey 2017-18)

As is shown in table3, Export growth in 2016-17 was broad based with positive growth in major items except for the fall in leather & leather products by 4.4 per cent, textiles by .5 percent and marginal fall in electronic goods and drugs & pharmaceuticals. Among the six major export sectors, there was good growth in engineering goods and gems & jewellery sectors; low growth in petroleum crude & products and chemicals and related products; marginal positive growth in agricultural and allied products; and marginal negative growth in textiles & allied products. Other export sectors with high growth were Marine products and minerals. Export growth in 2016-17 was fairly broad based with positive growth in major categories except

textiles & allied products, and leather & leather manufactures. In 2017-18 (April - November) among the major sectors, there was good export growth in engineering goods and Petroleum crude and products; moderate growth in chemicals & related products, and textiles & allied products; but negative growth in gems and jewellery.

V. COMPOSITION OF IMPORTS

Table4 reveals that there has been a persistently rising trend of Imports which is the result of both internal and external factors.

Table 4 Composition of Major Imports (in US \$million)

S.NO.	Commodity	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1.	Cotton Raw, Vegetable oil, Pulses,& Fruits & Vegetables	15418.4	13280.7	15582.1	16641.7	17867.1	17617.7
2	Pulp and Waste paper	745.9	767.5	944	955.7	975.1	1154.6
3	Textile yarn Fabric, made-up articles	1437.3	1503.6	1691.5	1715.1	1502.5	1837.4
4	Fertilisers, Crude & manufactured	8755.5	6263.9	7398.7	8071.5	5024	5376.3
5	Sulphur & Unroasted Iron Pyrites	319.5	183.1	286.4	217.1	131.2	165.9
6	Metaliferrous ores & other minerals	9152.2	8455.2	9299.4	7298.6	6194.2	9092.7
7	Coal, Coke & Briquettes, etc.	16995.9	16403.5	17802.6	13667.6	15759.9	22901.2
8	Petroleum, Crude & products	164040.6	164770.3	138325.5	82944.5	86963.8	108658.6
9	Wood & Wood products	5081.5	5127.3	5471	5048.1	4891.8	6027.7
10	Leather & leather products	739.3	823.3	1005.1	968.1	935.3	1009.2
11	Organic & Inorganic Chemicals	16784.1	17446.8	18593	16586.4	16598.4	20631.5
12	Dyeing/tanning/colouring mtrls.	2170	2419.1	2447.8	2247.5	2282.7	2887.5
13	Artificial resins, plastic materials, etc.	9988.5	10464.5	12070.3	11794.6	11964	14488.1
14	Chemical material & products, Newsprint	5663.4	5765.8	6145.3	5957.2	6225	7440.1
15	Pearls, precious & Semi-precious stones	22689.6	23988.4	22598.2	20069.9	23808.6	34278.9
16	Iron & Steel, Non-ferrous metals	26731.8	21563.8	27047.4	24703.6	21551.8	27429.2
17	Machine tools, Machinery, electrical & non-electric,						
18	Transport equipment	21286.9	19297.5	18345.4	18227.8	22687.7	22732.9
19	Project goods, Professional instrument, Optical goods, etc.	10309.8	8152.5	7345.9	6382.8	5931.6	6832.2
20	Electronic goods	32892.7	32384.7	36857.1	40021.9	41930.4	51541
21	Medcnl. & Pharmaceutical products	5461	5245.8	5432.8	5440	4995	5480.7
22	Gold, Silver	55795.4	33244.7	38930.7	35513.4	29357.2	36871
23	Other Commodities	23790.4	22473.7	23297	24340.8	25299.2	23345.5
	Total Imports	490736.6	450213.6	448033.4	381007.8	384357	465578.3

(Source: RBI Bulletin, 2018)

As per Table 3- after 2013-14 Cotton Raw, Vegetable oil, Pulses,& Fruits & Vegetables shows increasing trend. In 2013-14 it was US\$ 13280.7 million and in 2017-18 it was US\$17617.7 million. Except Fertilizers, Crude & manufactured, Sulphur & Unroasted Iron Pyrites, Petroleum, Crude & products, Project goods,

Professional instrument, Optical goods, etc. and gold & silver all categories shows increasing trend in import. Marginal negative growth in Metal ferrous ores & other minerals. A significant positive increase in Coal, Coke & Briquettes, etc. Leather & leather products, Organic & Inorganic Chemicals is shown by table 3.

Table4: Sector wise share and growth rate of imports

S.No.	Rank	Share (Percent)			Growth (Percent)		
		2015-16	2016-17	2017-18(Apr-Nov)P	2015-16	2016-17	2017-18(Apr-Nov)P
1.	Petroleum Oil & Lubricants	21.8	22.6	22.0	-40.0	4.8	21.9
2	Capital Goods incl. Machinery, Base Metals , Transport Equipments	21.1	20.9	19.2	-2.5	0.1	11.3
3	Gems & Jewellery incl. gold ,silver & precious stones	14.8	14.0	16.8	-9.4	-4.9	53.6
4	Chemicals, Fertilizers	13.3	12.4	12.7	-4.2	-5.8	16.3
5	Electronic Goods	10.5	10.9	11.4	8.6	4.8	29.7
6	Agricultural & Allied Products	5.7	6.3	5.6	7.7	11.4	11.4
7	Ores and Minerals incl. coal, coke & Biquettes etc.	5.4	5.6	6.6	-23.2	4.6	55.6
	Total Imports including Others	100	100	100	-15.5	5.2	11.2

(Source: Economic Survey 2017-18)

As per Table 4- Sector-wise, import of Petroleum, Oil and Lubricants (POL) increased by 4.8 per cent in 2016-17 and 24.2 per cent in 2017-18 (April-December), mainly due to an increase in international crude oil price (Indian Basket) from US\$ 46.2 /bbl in 2015-16 to US\$ 47.6 /bbl in 2016-17 and to US\$ 53.6 /bbl in 2017-18 (April-December). Among the other important import items, low or negative growth was registered in most of them in 2016-17, except electronic goods; ores & minerals and agriculture and allied products. Capital goods imports grew marginally, though the transport equipments sub-category registered high growth . In 2017-18 (April-

November) all major sectors registered positive growth with the capital goods imports, which are needed for industrial activity, registering a 11.3 per cent growth.

VI. CHANGES IN DIRECTION OF FOREIGN TRADE

The direction of trade means the countries with which we have trade relationship .It show our trade relationship with the countries to whom we export and from whom we import our requirement.

Table5-Direction of Indian Trade- Exports

S.NO.	Group/Country	2013-14	2014-15	2015-16	2016-17	2017-18
I	OECD Countries	108773.8	109337.0	100837.8	104487.9	119622.4
A	EU	51742.1	49511.7	44590.7	47308.8	53603.7
B	North America	41180.4	44644.7	42354.4	44216.4	50384.8
C.	Asia & Oceania	9391.3	8489.8	8233.9	7113.2	9099.4
D	Other OECD Countries	6460	6690.9	5658.8	5849.5	6534.5
II	OPEC	55708.8	56392.3	46272.8	45200	44302.5
III	Eastern Europe	3510.8	3415.4	2415.7	2820.4	3058.7
IV	Developing Countries	134723.2	136884.9	110039.4	120658.3	133732
A	Asia	95332.3	93856.8	76940.1	88573.7	99848.5
A1	SAARC	17504.5	20493.5	18594.2	19222.1	22926.3
A2	Other Asian Developing Countries	77827.8	73363.2	58346	69351.6	76922.2
B	Africa	26666.6	28380.4	21683.5	20251.9	21472.5
C	Latin America	12724.3	14647.7	11415.7	11832.7	12411
V	Others	154.4	162.5	242.4	215.6	229.3

VI	Unspecified	11544.6	4159.9	2482.9	2470.1	2431.3
	Total Exports	314415.7	310352	262291.1	275852.4	303376.2

(Source: RBI Bulletin, 2018)

As per Table 5, Destination wise, during 2017-18, among the region developing countries and OECD countries were the major markets for India's exports with each group accounting for 39.3% share. Total exports to OECD countries was US\$ 108773.8 million in 2012-13 which was increased to US\$ 109622.4 million. Another major contributor OPEC with 19.4% share in India's exports. Total exports to OPEC countries were US\$

44302.5 million. Country wise, the US continued to be the single largest destination of India. However it share decline to 12% from 13% during previous year. Direction of India's export during 2017-18 indicated that the export growth to EU, OPEC, Eastern Europe and North American Countries increased, while export to Latin America, Asia & Oceanic and Asian & African developing countries showed a decline.

Table 6-Direction of Indian Trade- Imports

S.NO.	Group/Country	2013-14	2014-15	2015-16	2016-17	2017-18
I	OECD Countries	116358.4	120373.2	109912.2	109264.6	126729.2
A	EU	49968.8	49241.1	43938.4	42389.3	47881.3
B	North America	25654.1	25564	26015.4	26439	31339.6
C.	Asia & Oceania	19918.3	20970	19296.6	21413.6	25610.9
D	Other OECD Countries	20817.1	24598.1	20661.8	19022.8	21897.3
II	OPEC	162716.2	137155	90165.1	92541.8	109359.2
III	Eastern Europe	7922.3	7716	7095.6	9329.3	12914.5
IV	Developing Countries	159042.9	174903.9	164860.1	165750	207173.5
A	Asia	126170.1	137505.6	132457.2	133351.8	165831.6
A1	SAARC	2473.1	2930.9	2975	2813.4	3198
A2	Other Asian Developing Countries	123697	134574.8	129482.2	130538.4	162633.6
B	Africa	15224.7	19778.5	18643	17976.4	22673
C	Latin America	17648.1	17619.7	13759.9	14421.8	18668.9
V	Others	76.6	322.5	265.3	127.8	98.3
VI	Unspecified	4097.3	7562.8	8709.6	7343.6	9303.7
	Total Imports	450213.6	448033.4	381007.8	384357	465578.3

(Source: RBI Bulletin, 2018)

Table 6 shows that Source-wise, during 2017-18, OPEC had the highest share in India's imports (33.2 per cent), followed by developing countries (32.6 per cent) and OECD countries (31.3 per cent). Total Imports from OPEC, developing countries, OECD countries were US\$ 87516 million, US\$ 85952.1 million and US\$ 82394 million respectively. Country-wise, China continued to be the single largest source of imports with a share of 10.7 per cent in total imports, followed by Saudi Arabia (7.1 per cent), the UAE (6.5 per cent), the US (6.0 per cent), Iran (4.3 per cent) and Switzerland (4.2 per cent). Direction of India's imports during 2008-09 (April-February) indicated that growth of imports from EU, North America, Asia & Oceania, OPEC, Asian & African developing countries decelerated, while imports from Latin American developing countries declined.

VII. MAJOR STRATEGIES AND TRADE POLICY REFORMS

To achieve a respectable share of 5 per cent in World exports, India's export growth rate (CAGR) has to be around 26.5 per cent for at least 5 years (2017-2021) assuming that global growth continues at the CAGR of 1.5 per cent (2010-15). For this some major strategies and trade policy reforms are needed along with specific measures.

1. Demand based export basket diversification rather than a mere supply based strategy as the ranks of items at 4 digit level in world top imports and ranks of India's exports of these items to the world show a great deal of mismatch with India exporting 96.5 per cent of items in the World's top

100 import items at 4 digit level and 83.2 per cent at 6 digit level in terms of numbers in 2015, which however constitute only 1.6 per cent of top 100 world imports in value terms.

2. Rationalizing tariffs as the realized tariffs (BCD) is very low at 2.8 per cent in 2015-16 and less than one fourth the average applied tariffs due to various exemptions. If refunds and customs duty drawbacks are deducted from gross customs revenue then the net realized tariffs (BCD) would be still less. Though different rates of tariffs are levied for various reasons, there is scope for reducing average applied tariffs by selectively reducing tariffs across many lines, while retaining higher tariffs for sensitive and important items. Consequently WTO bound tariffs could also be reduced which can help India to take a more proactive role in WTO and bilateral negotiations.
3. Streamlining Export Promotion Schemes as many duties have been subsumed under GST and if tariffs are reduced to realized or near realized levels, some export promotion schemes can be phased out. The duty drawback rates can also be revised downwards. The revenue saved could be used for export marketing efforts.
4. Developing on a war footing world class export infrastructure and logistics especially port-related
5. FDI linked and Value Added Exports particularly high-tech exports as in China and some ASEAN countries.
6. Having useful FTAs/CECA's with some major countries while actively expanding engagement with BRICS and ASEAN where India enjoys competitive advantage.
7. National Priority Sector for Exports and greater States' participation in exports by linking devolution of funds to states with export effort of states.
8. Formulating a clear-cut Agri Trade Policy

VII. CONCLUSION

Besides the major strategies, there are many cross-cutting trade policy issues and sector-specific issues like making power available at competitive rates including lower rates for non-peak hours which can be a game changer for textiles exports; and giving a big push to electronics hardware exports including a Hardware-Software combination and moving from assembling to building a robust manufacturing base with a well settled value chain.

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