

## **INDIA'S TRADE GROWTH: A COMPREHENSIVE ANALYSIS OF IMPORT AND EXPORT**

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### **ABSTRACT**

India's economic system has undergone significant changes in recent years reflecting globalization and changes in national policies. This paper provides a comprehensive analysis of India's economic growth, focusing on imports and exports. The study explores the key drivers of economic expansion, including trade liberalization, trade agreements, and technological advancement. It also explores the impact of international trade and geopolitical events on business models. It assesses the role of policy measures such as the Goods and Services Tax (GST), the Make in India initiative, and various free trade agreements in generating economic benefits. The paper also assesses the trade balance and its impact on India's economic stability and growth. The paper concludes with recommendations for improving the market, including diversifying entrepreneurs, investing in infrastructure, and strengthening the domestic economy. The review provides insights to policymakers, businesses, and academics who want to understand and harness India's economic potential in the global economy.

**KEYWORDS:** Import, Export, Trade Growth, Goods and Services Tax (GST),

### **INTRODUCTION**

India's economic landscape has undergone significant changes in recent years and industry has played a significant role in shaping this path. Being one of the largest economies in the world, India's economic activity not only influences national economic policy but also employment opportunities in the international market. This article examines various developments in the Indian economy and examines trade and export patterns to provide a comprehensive analysis of its impact on the country's economy. Domestic economic changes, global changes and changing global needs are driving this together. Liberalization of trade policies, strengthening of infrastructure and international cooperation have contributed to this growth. This article explores how these trends are shaping India's entrepreneurship by highlighting key trends, challenges and opportunities. The impact of changes in international trade and domestic policy changes on India's trade balance will also be assessed. Through a detailed study of these issues, this article aims to provide a better understanding of the current status and future prospects of the Indian economy.

India's economic growth, particularly its growing economy, can be affected by many factors, including trade, policy changes, and international trade. Here is a summary of terms frequently mentioned in articles on India's import growth: Update: Discuss how India's economic growth has changed in recent years. This may include annual growth, major truck drivers, and comparisons with previous periods. This includes the impact of the trade balance, foreign exchange, and the domestic market. Changes in consumer preferences and market developments will affect this. The value of the Indian rupee against major currencies affects

the cost of transportation. Depreciation in the rupee may increase the price of imported goods. Policies to support the domestic construction sector may reduce business confidence. Economic and Industrial Impact Industry Growth: Analyze which industries have the highest growth, such as electrical, machinery or materials. competition affects their growth and sustainability. Proposed changes in economic policy or policies that regulate the growth of imports and their impact on the Indian economy. If you need more detailed information or advertising, please let me know and I can help you find a specific site or write specific instructions. The growth of India's export market has always been a major factor in its economic growth. Here is a brief summary of the recent trends and factors influencing this growth:

### **LATEST TRENDS**

**Export Growth Rate:** India's export growth has varied due to a number of international and domestic factors. For example, in recent years, India's exports have experienced periods of strong growth and decline due to the impact of the global economy, trade rules and household goods, textiles and engineering goods. The increasing international demand for these products has fuelled the growth in exports. Major export destinations include the United States, the European Union, China and the Middle East. Trade agreements and collaborations with these regions play a significant role in export growth. Economic tensions, currency fluctuations and geopolitical events continue to affect economic growth. Measures like 'Make in India' to encourage manufacturing and exports. **Technological advancements:** Adoption of new technologies and digital platforms have helped Indian exporters better access the global market.

**Competitive landscape:** Intense competition from other emerging markets requires Indian exporters to continue improving quality and cost efficiency. It will impact India's exports. However, issues such as uncertainty and trade tensions in international trade need to be managed effectively. New information from government sources.

India seeks to boost two-way trade, we discuss the import and export procedures, including updates under the Foreign Trade Policy 2023. A key goal for authorities is trade facilitation to streamline trade compliance and customs procedures part of the broader India@2047 blueprint, which aims to elevate India's global trade share to 10 percent by 2047. Businesses planning to set up a trading company, or start importing or exporting from India, must understand the stages and stakeholders involved in the process, as well as the regulatory framework and documentation required. In India, imports and exports are regulated by the Foreign Trade (Development and Regulation) Act, 1992, which empowers the federal government to make provisions for the development and regulation of foreign trade. The current provisions relating to exports and imports in India are available under the Foreign Trade Policy, 2023.

### **IMPORT PROCEDURES**

Typically, the procedure for import and export activities involves ensuring licensing and compliance before the shipping of goods, arranging for transport and warehousing after the unloading of goods, getting customs clearance and paying taxes before the release of goods.

### **EXPORTS:**

Major sectors that are driving growth or decline (like pharmaceuticals, textiles, engineering goods).

## IMPORTS:

Major import categories (like crude oil, machinery, pharmaceuticals). Analyze Export Performance: Analyze the reasons behind the growth or decline of a particular market, including international demand and domestic production. Trade Balance: Analyze the impact of changes in the trade balance on the economy as a whole. Policy Impact Discuss the impact of trade policies, agreements and international relations on India's economic growth. Identify potential areas to focus on to improve the trade balance. Future Outlook Provides forecasts and positive outlook for the next few years, including current global economic conditions and domestic economic conditions.

## INDIA'S TRADE: IMPORT AND EXPORT

**Note:** The data provided is based on available information and may vary slightly. For the most accurate and up-to-date figures, please refer to official government sources like the Ministry of Commerce and Industry, or reputable economic research organizations.

**Table 1**

Year	Total Exports (USD billion)	Total Imports (USD billion)	Trade Balance (USD billion)
2019-20	330.8	414.2	-83.4
2020-21	274.4	387.2	-112.8
2021-22	418.1	610.3	-192.2
2022-23	462.4	652.0	-189.6
2023-24 (Estimate)	480.0	670.0	-190.0

<https://www.commerce.gov.in/trade-statistics/>

### Key Observations:

- **Trade Deficit:** India has consistently maintained a trade deficit, meaning it imports more goods and services than it exports.
- **Growth in Exports:** India's exports have been steadily increasing over the years, reflecting its growing economic strength and competitiveness in the global market.
- **Imports Exceed Exports:** Despite the growth in exports, imports have grown at a faster pace, leading to a persistent trade deficit.
- **Factors Affecting Trade Balance:** Several factors influence India's trade balance, including global economic conditions, commodity prices, government policies, and the competitiveness of Indian industries.

### India's Trade Imports

cover a wide range of items, reflecting the country's diverse needs and economic activities. Some of the major categories include:

1. **Crude Oil and Petroleum Products:** India is heavily dependent on imports for its energy needs.
2. **Gold and Precious Stones:** Used in jewellery and investment.
3. **Electronics and Electrical Equipment:** Includes items like mobile phones, computers, and components.

4. **Machinery and Equipment:** For industrial and manufacturing processes.
5. **Chemicals and Pharmaceuticals:** Raw materials and finished products for various industries.
6. **Organic Chemicals:** Used in manufacturing and pharmaceuticals.
7. **Iron and Steel:** Required for construction and infrastructure projects.
8. **Automobiles and Auto Components:** Both finished vehicles and parts.
9. **Agricultural Products:** Includes items like pulses, edible oils, and other essential commodities.
10. **Textiles and Apparel:** Fabrics and clothing materials.

These imports are essential for meeting domestic demand and supporting various sectors of the Indian economy.

### India's Trade Export

items are diverse and include a range of products across different sectors. Some of the key export items from India are:

1. **Petroleum Products:** This includes refined petroleum products and other related items.
2. **Textiles and Garments:** India is a major exporter of textiles, including cotton, silk, and garments.
3. **Jewelry and Gems:** India exports a significant amount of gold, diamonds, and other precious stones.
4. **Pharmaceuticals:** India is known for its pharmaceutical products, including generic medicines and active pharmaceutical ingredients (APIs).
5. **Engineering Goods:** This category includes machinery, electrical equipment, and automotive parts.
6. **Chemicals:** Various chemicals, including organic and inorganic chemicals, are exported.
7. **Agricultural Products:** This includes spices, tea, coffee, and grains like rice and wheat.
8. **Leather Products:** India exports leather goods such as shoes, bags, and accessories.
9. **Information Technology (IT) Services:** While not a physical product, IT services are a significant export sector for India, including software and consulting services.

These categories represent a broad overview, and specific products within these categories can vary. Here's a table showing the world's largest exporting countries by value as of the most recent data: Table 2

Rank	Country	Export Value (USD Billion)
1	China	3,738.6
2	United States	2,118.0
3	Germany	1,706.4
4	Netherlands	1,103.7
5	Japan	779.0

Rank	Country	Export Value (USD Billion)
6	South Korea	712.1
7	Hong Kong	687.1
8	Italy	618.4
9	France	581.5
10	United Kingdom	552.8

<https://www.commerce.gov.in/trade-statistics/>

The values can vary from year to year and are subject to change based on economic conditions and trade policies. Here's a table listing the world's largest import countries by value (as of the latest available data in 2023). The figures are approximate and can vary year to year:

**Table 3**

Rank	Country	Import Value (USD Billion)
1	United States	3,300
2	China	2,400
3	Germany	1,300
4	Japan	800
5	South Korea	700
6	United Kingdom	680
7	India	600
8	France	590
9	Italy	530
10	Netherlands	500

<https://www.commerce.gov.in/trade-statistics/>

These figures include a wide range of goods and can be affected by global trade policies, economic conditions, and other factors. For the most current data, it's best to refer to trade reports from sources like the World Trade Organization (WTO) or national statistics agencies.

### India last 10 Year

In the past 10–12 years, India's steel sector has expanded significantly. Production has increased by 75% since 2008, while domestic steel demand has increased by almost 80%. The capacity for producing steel has grown concurrently, and the rise has been largely organic.

In FY23, the production of crude steel and finished steel stood at 125.32 MT and 121.29 MT, respectively. In FY24, the production of crude steel and finished steel stood at 143.6 MT and 138.5 MT, respectively. In FY23, crude and finished steel production stood at 125.32 MT and 121.29 MT, respectively. In July 2023, crude steel production in India stood at 11.52 MT.

In FY24, the consumption of finished steel stood at 135.90 MT. The per-capita consumption of steel stood at 86.7 kgs in FY23. In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. The consumption of finished steel stood at 105.751 MT in FY22. In FY23, the consumption of finished steel stood at 119.17 MT. In

April-July 2022, the production of crude steel and finished steel stood at 40.95 MT and 38.55 MT, respectively. In FY23, exports and imports of finished steel stood at 6.7 MT and 6.02 MT, respectively. In FY22, India exported 11.14 MT of finished steel. In April 2024 exports of finished steel stood at 5.1 lakh metric tonnes (LMT), while imports stood at 5.9 LMT. In FY24, the exports and imports of finished steel stood at 7.49 MT and 8.32 MT, respectively.

The annual production of steel is anticipated to exceed 300 million tonnes by 2030-31. By 2030-31, crude steel production is projected to reach 255 million tonnes at 85% capacity utilisation achieving 230 million tonnes of finished steel production, assuming a 10% yield loss or a 90% conversion ratio for the conversion of raw steel to finished steel. With net exports of 24 million tonnes, consumption is expected to reach 206 million tonnes by the years 2030–2031. As a result, it is anticipated that per-person steel consumption will grow to 160 kg.

## CONCLUSION

India's economic growth in recent years reflects a dynamic and changing economy. The country's focus on strengthening exports and imports has played a significant role in improving its job profile. Balancing import and export growth: India's export market, driven by industries such as information technology, chemicals and textiles, is seen as defensive and volatile. These exports not only contribute to the country's global market but also enhance its international trade. On the other hand, imports, especially electronics and technology, support the domestic economy and support the growth of key sectors. Balanced growth in imports and exports means that the right trade route is essential for a stable and expanding economy. Policy Interventions and Trade Agreements: Government policies and international trade agreements have played a significant role in regulating trade in India. Measures such as the 'Make in India' competition and trade agreements with various countries aim to encourage exports and enhance competitiveness. These arrangements create the right environment for businesses to thrive globally while ensuring the security of key products. Economic Diversification and Resilience: India's focus on diversifying its economy has increased its economic resilience. India is expanding into new markets and industries, reducing the risks of dependence on a few products or regions. This diversification provides stability and opens up new growth opportunities in the global economy. Challenges and future prospects: Despite positive developments, challenges such as economic inequality, conflict and global economic change remain. Addressing these challenges requires continuous policy and strategic reforms. The future is bright as new technologies and changing global markets present new opportunities for expansion. By leveraging its strengths and proactively meeting challenges, India has consolidated its position as a key player in the global business arena.

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