

# Exports rise 40% to touch \$418 bn in FY22, surpass govt target by 5%

The value of goods exported from India witnessed 40 per cent growth during the financial year 2021-22, hitting a record \$417.8 billion and surpassing the target set by the government by 5 per cent, according to the commerce and industry ministry.

During the month of March, exports touched \$40.38 billion, as compared to \$34 billion during the same period a year earlier. The growth was driven by higher demand for items in the petroleum, gems and jewellery, engineering products.

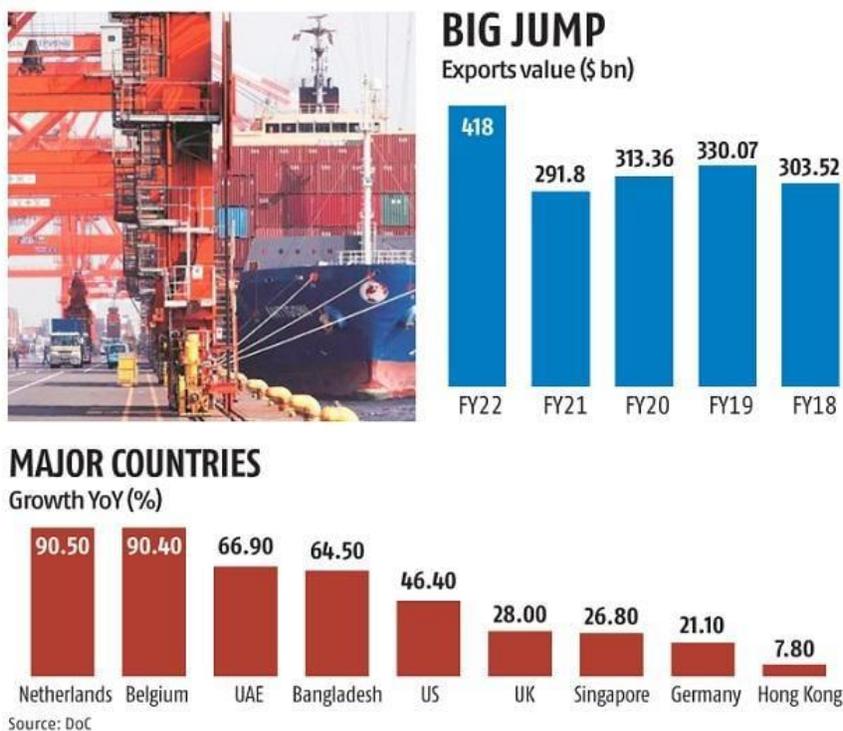
“India has exported \$418 billion, for the first time in its history. This is more than the set target. Exceed \$40 billion in exports in March alone which is the history of highest export in a single month,” commerce and industry minister Piyush Goyal told reporters on Sunday.

“We have been able to achieve such wonderful results without any specific subsidies and grants and that is the way to go... You can handhold up to a level, but ultimately we have to stand on our own feet, we have to engage with the world from a position of strength, with self confidence, with the basis of our confidence and high quality and that is reflected in our achievement today,” Goyal said.



While the government is yet to release the import data for the month of March, it is expected that inbound shipments will also touch record high. Imports grew 51 per cent on year to \$589 billion during 1 April 2021- 21 March 2022, resulting in widening of the trade deficit to \$189 billion. Considering these numbers, India's total trade, in a first, is set to exceed \$1 trillion.

Director General of Foreign Trade (DGFT) Santosh Sarangi told reporters that India's export basket is not confined to intermediate goods or raw materials, but is gradually moving towards manufactured goods. "Our engineering and electronics goods export indicates this," Sarangi said.



While electronics goods are one of the top items in India's import basket, after gold, Sarangi said that electronic goods witnessed a 40 per cent jump in FY22, as it got a massive push from the production-linked incentive scheme (PLI).

Export of non-petroleum goods grew by close to a third at \$352.76 billion.

Sarangi further said that India has seen a significant jump in exports to developed markets as well such as the United States, Netherlands, Singapore, Hong Kong, United Kingdom, Belgium, Germany. On the contrary, till now substantial amounts of goods were exported to neighbouring countries, predominantly to the Association of Southeast Asian Nations (ASEAN).

The minister had earlier said that in order to achieve the export target, a detailed strategy was in place, including specific country-wise, product-wise and export promotion council-wise target, monitoring and course correction.

Engineering goods exports topped \$111 billion in FY22 and is expected to sustain the growth momentum in the current fiscal too despite challenges emerging out of global geo-political tensions, EEPC India Chairman Mr Mahesh Desai said.

“The volatility in commodity prices, supply chain disruptions and a possible change in world political order would certainly have its impact on trade and economy. Some of the leading rating agencies have in the past few weeks lowered India's GDP forecast. So, clearly the impact would be felt but it should not be severe,” Mr Desai said.