

\$1 trillion exports: These 6 sectors to help India become export powerhouse by FY28

India is expected to scale up its manufacturing exports to \$1 trillion by FY28, and much of this growth will come from Chemical, Pharma, Industrial Machinery, Electrical & electronics, Automotive, and Textile & apparel sectors

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August 20, 2022 11:08:34 am



Manufacturing is emerging as an integral pillar in India's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables

India's export growth has been propelled by six megatrends that got fast-tracked during the pandemic (2020, 2021), driving overall export attractiveness for multiple sectors in India. Going forward, chemicals, pharmaceuticals, electronics, automotive, industrial machinery, and textiles (among others) are expected to propel India's manufacturing exports to \$1 trillion by FY28, according to Bain & Company. India's exports have seen tremendous growth over the last two years, with a compound annual growth rate (CAGR) of 15%, rebounding from 5-10% in the pre-pandemic years.

India's manufacturing [exports](#) reached an unprecedented \$418 billion in FY 2021-22, an overall on-year growth of more than 40% compared to the \$290 billion from the previous year. The sharp rise in exports last year has been on the back of a significant increase in share of manufacturing in the country's exports.

According to the report, India is on the cusp of structural shifts, especially in the manufacturing sector. Despite having the sixth-largest economy in the world, contributing to 3.1% of the GDP, India's export contribution to global trade is still only 1.6%. However, that is going to change, buoyed by the government's robust policy thrust, initiatives like production-linked incentives (PLIs) to encourage local manufacturing, and fresh investments that are pouring into the country's core industrial sectors.