

India's overall exports hit record \$776.7 bn in FY24

The marginal y-o-y increase in the sector was driven by strong services exports

Rajeev Jayaswal

rajeev.jayaswal@htlive.com

NEW DELHI: India's overall exports reached a record \$776.68 billion in the financial year ended March 31, despite global headwinds, according to provisional data released by the commerce ministry on Monday. The increase, while marginal over the previous year's \$776.40 billion, a record at the time, was driven by strong services exports, which compensated for a 3.11% contraction in merchandise exports.

Merchandise exports fell to \$437.06 billion in FY24, while services exports grew by 4.4% to a record \$339.62 billion. The country's overall trade deficit improved by 35.77% from \$121.62 billion in FY23 to \$78.12 billion in FY24.

"We have beaten all the odds as we have surpassed the overall (exports) figures of 2022-23," said commerce secretary Sunil Barthwal, attributing the posi-



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tive growth to the government's strategy of exploring new markets and expanding its export basket. Barthwal contended that the overall exports growth was positive on a high base and noted that the other major achievement in the fiscal year was the sharp reduction in trade deficit due to policy focus on import substitution and curbing non-essential imports.

He added that exports are completely dependent on demand from global markets that were depressed because of adverse geopolitical developments, alluding to the conflicts in Ukraine and Gaza.

The government's strategy to explore new markets and expand its export basket with new products helped in maintaining last year's (2022-23) momentum, he said. According to him Indian exporters are better prepared in 2024-25, but there are new challenges to cope with too. Commenting on the recent escalation of the Israel-Iran conflict, he said: "We are monitoring the situation and will take appropriate action."

In March, merchandise exports fell marginally by 0.67% to \$41.68 billion, while imports fell sharply by 5.98% to \$57.28 billion.

According to the provisional data released on Monday, India's merchandise exports in 2023-24 fell by 3.11% to \$437.06 billion as against \$451.07 billion in 2022-23. Merchandise imports in 2023-24 too fell, by 5.41% to \$677.24 billion as against \$715.97 billion in 2022-23.

In services, India saw expansion in exports and contraction of imports. Services exports in 2023-24 were estimated at \$339.62 billion, 4.39% up from \$325.33 billion achieved in 2022-23. Services imports were estimated at \$177.56 billion in FY24 as compared to \$182.05 billion in FY23, a contraction of 2.46%.

Federation of Indian Export Organisations (FIEO) president Ashwani Kumar praised the resilience and dedication of the exports sector despite global challenges, picking out electronic goods, drugs and pharmaceuticals, engineering goods, iron ore, cotton yarn, and handloom products as major growth drivers. It "goes to show not only the firm resolve of our resilient, gritty and vibrant exports sector of the economy but also of the overall exporting community."