INDIA’S EXPORTS REACH RECORD US$770 BILLION IN 2022-23

Despite adverse global economic situation, India’s exports have touched new heights in the just ended financial year registering 14% growth to reach an all-time high of US$ 770 Billion as against US$ 676 billion in 2021-22.

The Government has set an ambitious export target of US$ 2 trillion by 2030. The country is striving to become a US$ 30 trillion economy by 2047 with 25% share in exports.

Agri exports represent a growing share of the merchandise exports from India. In 2021-22, for the first time their share reached more than 11% of total merchandise exports.

Agri Exports on Rise

India’s agricultural exports have increased by 6.04% in the April-January period of 2022-23, according to a statement issued by the Union Ministry of Commerce & Industry. During this period, the agricultural exports have amounted to USD 43.37 billion over the exports of USD 40.90 billion during the corresponding period of FY 2021-22, the Ministry said in Parliament.

During the financial year 2021-22, India’s agricultural export touched the highest ever level of USD 50.21 billion. “Rise in agricultural exports improves realisations for farmers and has a positive impact on their income,” the statement read.

According to the Economic Survey 2022-23, with its solid forward linkages, the agriculture and allied activities sector significantly contributed to the country’s overall growth and development by ensuring food security. The Indian agriculture sector has been growing at an average annual growth rate of 4.6 per cent during the last six years.

In recent years, India has also rapidly emerged as the net exporter of agricultural products. In 2020-21, exports of agriculture and allied products from India grew by 18 per cent over the previous year.

Tobacco Exports Up

Tobacco is a very important commercial crop in India, providing a sustainable livelihood to millions of farmers and generating precious foreign exchange earnings for the country. In fact, tobacco is one of the major crops in India’s agri export basket.

As per the recent estimates of the Union Ministry of Commerce and Industry, tobacco and tobacco product exports reached an all-time high during 2022-23:

<table>
<thead>
<tr>
<th>Export Value</th>
<th>2021-22</th>
<th>2022-23</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Rs. Crore</td>
<td>6881.52</td>
<td>9739.06</td>
<td>41.5%</td>
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<tr>
<td>In Million US$</td>
<td>923.59</td>
<td>1213.28</td>
<td>31.4%</td>
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Tobacco has the potential to become a major export commodity for India provided the cash crop is supported by favorable regulatory and export policies.

India is the world’s second largest tobacco producer and a major exporter in the world. Flue Cured Virginia (FCV) tobacco is the only variety which is in demand globally and India exports more than half of the FCV produced in the country.

In spite of India having around 13% share of the world’s tobacco production, its value share of the global tobacco leaf exports is only about 5%. Among the large tobacco producing countries, India exports only 24% of the tobacco produced in the country, whereas other leading tobacco growers export much higher share of their domestic production.

With a wide variety of tobaccos grown in the country and the improving quality of produce, there exists a significant opportunity for the tobacco industry in India to extend and consolidate its position in the world of tobacco trade. India has a huge potential to increase its export earnings, if it aligns its tobacco production pattern with global demand.