

Dev. countries - boosting exports. C.E. challenges for India's export in recent past.

India ranked 18<sup>th</sup> country in exports based on value. In order to obtain the status of developed country boosting of exports is crucial to India.

### Boosting exports

India has become the go to option for foreign investors which brings foreign direct investment which in turn boosts exports.

India's push on the Production linked Incentive scheme is reaping success.

The mobile export grew from \$11 Billion to \$15 Billion between 2023-24.

Yet, there are numerous challenges that remain.

## Challenges

① Exchange rate The rupee has fallen by 27% to ₹83/dollar in the last ten years. Though it is good for exports. Certain sectors such as diamonds and petroleum which are major exporters are taken a hit.

② Supply chain - The global shipping routes are attacked by terrorists in the recent past. This has increased the logistics cost and time as the vessels have to pass through Cape of Good Hope.

③ Quality - The question of quality has led to the embargo of Indian spices in Hong Kong and Singapore.

No global standards for maximum Residual limit is the key reason for such objections.

④ Green barriers The European Union's CBAM - Carbon Border Adjustment mechanism seeks to impose 20-35% of tax on goods such as steel, cement, fertilizers. This can hamper our exports as taxations can oppositely reduce carbon emissions.

⑤ Safe practices  
- The cough syrup made in India has been under scanner due to death of children. No strict adherence to Good manufacturing practices is the reason.

Exports contribute 23% of GDP. In order to reach developed status we need to grow 10% on annual basis. New treaties and trade agreements with regulatory changes can cut the cake.