



AZADI KA AMRIT MAHOTSAV STATES' POLICY CONCLAVE 2022

Make in India, Make for the World

Mapping 75 potential export products in States



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PHD Chamber's viewpoint



Shri Saket Dalmia
President

The geo-political developments have created a volatile and ambiguous economic and business environment, globally. Economies worldwide are facing headwinds because of increasing cost of living and downgraded outlook of economic growth. It has been observed that some sectors and states have performed very well despite the supply chain disruption and contributing significantly to exports growth trajectory of India. Sectors such as gems and jewelry, petroleum and oil products, pharmaceuticals and medical devices, bio-technology, capital goods are emerged as the potential export sectors. States such as Gujarat, Maharashtra, Andhra Pradesh and Tamil Nadu are the major exports contributing states. An increasing number of Indian states have made sincere attempts towards creating an enabling framework that would facilitate and promote exports. This happened particularly after India made notable progress in terms of expansion of exports as well as the geographic outreach after the economic reforms.



Shri Sanjeev Agrawal
Senior Vice President
&
Chair, State
Development Council

Trade is considered as an important driver of economic growth and prosperity. Covid 19 Pandemic had put some severe implications for India especially during the difficult time of pandemic COVID-19 when both production and consumption took a back seat due to associated supply chain disruptions. At this stage, India should think big and be ready with a state wise strategy to further enhance the exports growth trajectory by improved quality production, capacity building bring in economies of scale and improve price competitiveness to make Indian export products more relevant and appealing to the global buyers. As India seeks to improve its share of global trade, states become relevant stakeholders by forming the manufacturing backbone of the country. The export competitiveness of states could also improve their wealth and standard of living, thereby minimising regional disparity.



Shri Hemant Jain
Vice President

Over the past decades, both export & import flows have moved in tandem with GDP for almost all countries in the world. It has been observed that there are close linkages between world exports, imports and total trade with world GDP. As world economic recovery is on the way, demand is expected to re-emerge and Indian states can be a source of supply to meet the demand. An analytical study was desired to know about the potential export products of the states. The present study states that Gujarat, Maharashtra, Tamil Nadu, Odisha, Madhya Pradesh, Andhra Pradesh, West Bengal and Uttar Pradesh are the promising exports hubs and can be helpful to make India a USD 5 trillion economy.



Shri Saurabh Sanyal
Secretary General

The study on Achieving a Higher Exports Trajectory: 75 Potential Products and Major Exporting States have undertaken an analysis to understand the linkages between exports and States. The analysis stated that there are close linkages GVA of States and exports, higher the GVA higher will be the exports. Furthermore, India's foreign demand is expected to rise further as the global economy resumes its previous trajectory slowly. At this juncture, the Government should focus on promoting ease of doing business at states and district level and further reduce the cost of doing business in the country including the costs of capital, costs of compliances, costs of logistics, costs of land and availability of land and costs of labour.



Dr. S P Sharma
Chief Economist
Deputy Secretary General

The report provides a view into state-level exports, specifically in 75 identified products, and reveals that Indian states are fair in terms of their ability to export, as well as providing a road ahead to achieve the target of USD 750 billion in the coming times. It further suggests creating an enabling framework for the manufacturers, removing bottlenecks, and incentivizing the states for producing more products. It will also helpful to identify and encourage indigenous and specialized products from the states and improve the market accessibility of the chosen products. Identification of potential products from the states will not only diversify India's exports basket but also increase supply chain and make Indian products more competitive at the global level.

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Executive Summary

There have been numerous exogenous shocks in the past and present that have had an impact on India's trade profile. The most recent examples are the coronavirus pandemic of 2020-2021 and the Russia-Ukraine crisis of 2022. According to the UNCTAD report on trade and investment 2021, the COVID-19 pandemic was responsible for a 9% decline in international trade in 2020, with goods trade declining by 6% during the same period.

India's ambition to have a USD 5 trillion economy by 2025 is inextricably linked to an export-oriented strategy. India's export target for goods and services is USD 2 trillion by 2030. Given that global value chains account for the majority of global output, a focused change in policy toward integration with key global supply chains could result in increased efficiency and growth for India.

Trade potential at the state level within countries may not differ from that at the country-level national and international factors affects all the states equally. But the supply side parameters may give rise to differences in competitiveness of regions with respect to potential export products. The state specific demand and supply side factors such as infrastructure bottleneck, stringent labour laws, state level compliances and availability of resources among others are also important to enhance overall trade potential of the country.

This study is a continuation of an earlier study in which PHDCCI identified 75 potential export products and markets to boost and increase India's merchandise exports to USD 750 billion by 2027. The USA, Canada, Germany, France, UK, Japan, UAE, China, Mexico, Australia, among others were the major suggested focused markets to achieve the goods export target of USD 750 billion by 2027.

In the present study of the total 75 products, Karnataka holds potential in 21 products, Maharashtra (20 products), Tamil Nadu (17 products), Gujarat (15 products) and Andhra Pradesh (12 products) and are collectively contributing more than 65% share in India's total exports.

To meet the domestic demand and increase exports, the priority sector of each state is different but the requirements to achieve the desired exports targets are not very different in terms of policy framework. However at the regional level their requirements are different in the diversified context. In order to fulfil this, each state will engage in trade with different countries or other states within India.

Gujarat and Maharashtra are the leading exporting states in the country. In 2020-21, these two states collectively contributed around 47 percent of total exports of India followed by Tamil Nadu (8.34%), Karnataka (6.14%), Uttar Pradesh (4.99%) and Andhra Pradesh (4.57%) among others.

Exports growth of the Leading exports states was tremendous, Gujarat (110%) led the top 15 states in terms of export growth in 2020–21 compared to the previous year, followed by Karnataka (72%), Odisha (68%), West Bengal (56%), and Rajasthan (46%). While Delhi (9%), Andhra Pradesh (15%), Madhya Pradesh (21%), Maharashtra (26%) and Telangana (27%) also experienced significant growth performance in same period. The overall states exports growth rate considered to be 45% during the same period.

The major contributing states in all the potential exports products are Maharashtra, Gujarat, Tamil Nadu, Karnataka, Madhya Pradesh, Uttar Pradesh, West Bengal, Andhra Pradesh and Bihar. The coordinated and synergistic effort by the Central Government and State Governments to promote trade and exports would enhance manufacturing activities, promote goods and services exports, support MSMEs and local artisans/craftsmen, broaden coverage of e-commerce linkages with states, promote GI products, improve logistics and agricultural sectors, and support employment opportunities at the district level, resulting in wide-ranging economic benefits, including investment.

India's exports would need to be boosted through several policy mechanisms, including the improvement of Ease-of-Doing-Business (EoDB), promoting size and scale as well as adapting to global standards. This growth strategy has been sought to be implemented through the Hon'ble Prime Minister's vision of converting each district into an export hub. The necessary policy changes would need strong engagement with the states and union territories to identify export opportunities and develop their institutional structures.

I. Introduction

Trade has been one of the major drivers of economic development and is essential for economic integration. Economies that are more open to international trade tend to expand quicker, innovate more, increase productivity and provide more income and opportunity for their inhabitants. Households gain from global trade because products and services are available at competitive prices. Furthermore, connecting with the global economy through trade and Global Value Chains aids economic growth and socio-economic development at local and worldwide scales. Over the centuries, countries have traded with one another and coexisted through enabling the free movement of goods and services. India's overseas trade has gradually increased over the years, and numerous foreign trade agreements have improved India's trade with partner nations.

There have been numerous exogenous shocks in the past and present that have had an impact on India's trade profile. The most recent examples are the coronavirus pandemic of 2019 and the Russia-Ukraine crisis. According to the UNCTAD report on trade and investment 2021, the COVID-19 pandemic was responsible for a 9% decline in international trade in 2020, with goods trade declining by 6% during the same period. Countries are attempting to cope with the pandemic by seeking trade partners in a number of ways. Businesses are shifting their manufacturing base from one country to another in search of greater ease of doing business and lower costs. Recovering from the crisis has had global policy implications, prompting a rethinking of how trade is conducted.

The Indian government's ambition to have a USD 5 trillion economy by 2025 is inextricably linked to an export-oriented strategy. Given that global value chains account for the majority of global output, a focused change in policy toward integration with key global supply chains could result in increased efficiency and growth for India. In today's globalised world, India's effective export strategy may hold the key to achieving the required higher growth and propelling the country forward.

India aspires to increase its part of global trade, and states become important stakeholders by developing the country's manufacturing sector. India's export business has enormous potential to become a viable alternative supplier to some of the world's largest economies. To fully realise this potential, India's states and union territories must become active participants in the country's export activities. This would be accomplished by identifying potential products from states and union territories.

This study is a continuation of an earlier study in which PHDCCI identified 75 potential export products and markets to boost and increase India's merchandise exports to USD 750 billion by 2027. The USA, Canada, Germany, France, UK, Japan, UAE, China, Mexico, Australia, among others were the major suggested focused markets to achieve the goods export target of USD 750 billion by 2027.

Further, the study identified 75 potential products from 9 most promising sectors. These sectors include Agriculture; Mineral and Fuels; Chemical and Allied Products; Textile & Footwear; Metal and Non Metals; Machinery and Mechanical Appliances; Transport/Automobiles; Optical Photographic & Cinematographic and; Toys, Games and Sports, among others.

At this juncture, it is critical to examine the states with promising products that can serve as a catalyst for increasing exports. As one-size-fit-all policy will not work for all states owing to their different inherent strengths and competitive advantages. Improving the competitiveness of exports cannot be wholly driven from the top level.

This report provides a view into state-level exports, specifically in 75 identified products, and reveals that Indian states are fair in terms of their ability to export, as well as providing a road ahead to achieve the target of USD 750 billion in the coming times. It further suggests creating an enabling framework for the manufacturers, removing bottlenecks, and incentivizing the states for producing more products. It will also be helpful to identify and encourage indigenous and specialized products from the states and improve the market accessibility of the chosen products. Identification of potential products from the states will not only diversify India's exports basket but also increase supply chain and make Indian products more competitive at the global level.

II. Analysis India's Trade Outlook

Over the years, foreign trade has played an important role in the Indian economy. Exports have continued to be the major focus of India's foreign trade policy and India is considered as one of the most attractive market for foreign trade with a large base of export and import centric industries. This can be attributed to various factors such as a large and expanding consumer base, availability of skilled & semi-skilled managerial and technical manpower, availability of capital, improved infrastructure, among others.

Similarly, the trade potential of a country depends on a number of parameters. Wherein, demand side parameters include income of the trading partners, exchange rate movements, price movements in domestic as well as foreign countries among others. On the other hand, supply side factors affect cost of production wherein, cost of inputs, managerial efficiency, incentives provided by government are the critical elements of supply side factors. Apart from this some qualitative factors like macro policy, trade arrangements, tariff and non-tariff etc. also affects trade potential of a country.

Trade potential at the regional level within countries may not differ from that at the country-level as far as demand side parameters are concerned since national and international factors affects all the regions equally. But the supply side parameters may give rise to differences in competitiveness of regions with respect to potential export products. Depending on the availability of resources and skills cost of producing the same product may differ across regions. Export potential would depend on the complementarities between the supply side and the demand side factors.

Likewise, the state specific demand and supply side factors such as infrastructure bottleneck, stringent labour laws, state level compliances and availability of resources among others are also important to enhance overall trade potential of the country. For example, Punjab is the low cost producer of agriculture and sports goods but the Karnataka

has the comparative advantage in automobiles and IT sector goods. Therefore, the states with identified potential products can be helpful during the time of trade negotiations.

Table 1. India's Trade and GDP ratio profile during the period 2001-2021

Year	India Exports (USD Billion)	India Imports (USD Billion)	Total trade (USD Billion)	India's GDP at current prices (USD Billion)	India's exports to GDP ratio (%)	India's imports to GDP ratio (%)	Total trade to GDP ratio (%)
2001	44	51	95	485	9%	10%	19%
2002	50	57	108	515	10%	11%	21%
2003	59	72	132	608	10%	12%	22%
2004	76	99	175	704	11%	14%	25%
2005	153	201	354	820	19%	25%	43%
2006	191	253	444	940	20%	27%	47%
2007	232	310	542	1217	19%	25%	45%
2008	288	404	692	1199	24%	34%	58%
2009	270	347	617	1342	20%	26%	46%
2010	337	465	802	1676	20%	28%	48%
2011	440	588	1028	1823	24%	32%	56%
2012	435	619	1054	1828	24%	34%	58%
2013	486	593	1079	1857	26%	32%	58%
2014	475	588	1062	2039	23%	29%	52%
2015	420	514	935	2104	20%	24%	44%
2016	423	490	913	2295	18%	21%	40%
2017	481	598	1080	2653	18%	23%	41%
2018	529	685	1214	2713	19%	25%	45%
2019	538	658	1196	2875	19%	23%	42%
2020	481	522	1003	2709	18%	19%	37%
2021	629	709	1338	3177	20%	22%	42%

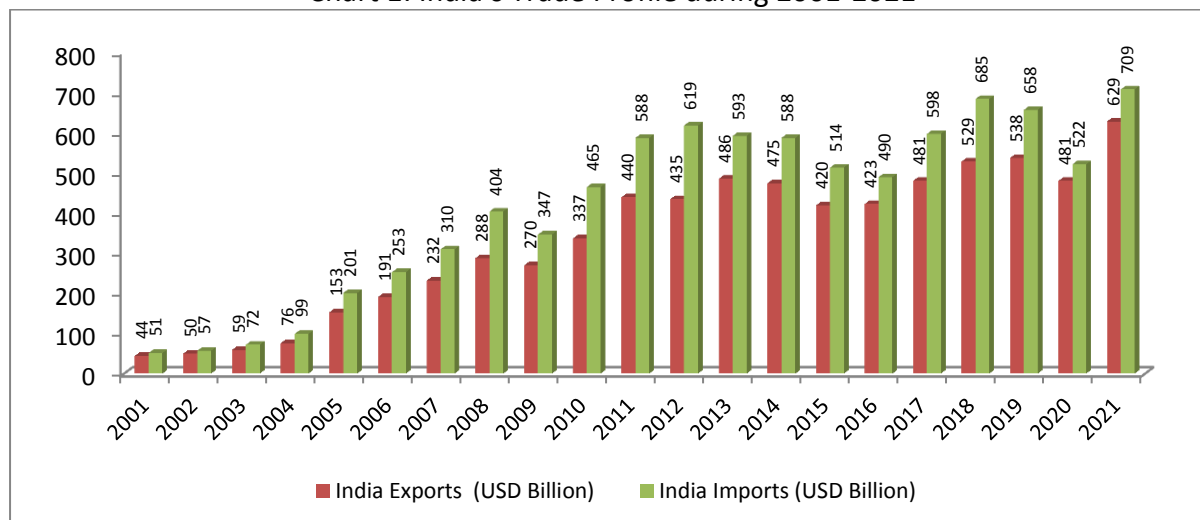
Source: PHD Research Bureau, PHDCCI, compiled from Trade map and World Bank database. NOTE: Figures for the year 2001-2004 pertain to goods only.

India's exports of goods and services have expanded dramatically over the years, from USD 44 billion in 2001 to USD 629 billion in 2021. India's imports, on the other hand, have surged from USD 51 billion in 2001 to USD 709 billion in 2021. As a result, India's overall trade in goods and services expanded from USD 95 billion to USD 1338 billion over the same time period.

It is evident that India's merchandise exports were fluctuated around USD 260-330 billion since the last 8-9 years, with the highest exports being USD 330 billion in 2018-19. The Govt. of India has decided to give a quantum boost to exports and set a target of USD 400 bn for FY 2021-22 under the initiative of 'local goes global'. Considering the target India's overall exports (Merchandise and Services) touched an all-time high of USD 669.65 Billion in April-March 2021-22, jumped by 34.50% over the same period last year.

In addition, India's GDP at current prices has risen from USD 485 billion in 2001 to USD 3177 billion in 2021. As a result, India's exports to GDP ratio have climbed from 9% in 2001 to 20% in 2020, while imports to GDP ratio has increased from 10% to 22% during the same period. India's trade-to-GDP ratio has also increase from 19% in 2001 to 42% in 2021.

Chart 1: India's Trade Profile during 2001-2021



Source: PHD Research Bureau, PHDCCI, compiled from Trade map and World Bank database. NOTE: Figures for the year 2001-2004 pertains to goods only.

The world trading system has witnessed an increasing number of integration initiatives in recent years on the back of comparative advantages. India has been actively engaging in regional and bilateral trade negotiations with a view to diversify and expand the markets for exports as well as ensuring access to the needed raw materials, intermediates and capital goods for stimulating value added domestic manufacturing. FTAs do not just reduce and eliminate tariffs and quotas, they also address behind-the-border barriers that impede the flow of goods and services between parties, encourage investment, enhance cooperation and address other issues such as intellectual property, e-commerce and government procurement. In the view of increasing exports, India has already concluded 15 Trade Agreements mostly with the developing countries and is in the negotiating process with 20 other nations. Preferential access to a number of countries having varying trade interests and becoming a complex issues.

India was considered as a bright spot in the global economic system and a major growth driver of the world economy, however, during the last few years, India's economy has been passing through a phase of structural slowdown due to Covid19 pandemic and geopolitical developments at world level. Going ahead, India's credibility in the global economic system is stronger than ever and it is expected that India will remain fastest moving economy in the next very few years supported by the slew of robust economic reforms undertaken by the Government and RBI.

III. Contribution of top 15 Products in 75 Potential exports Products of India

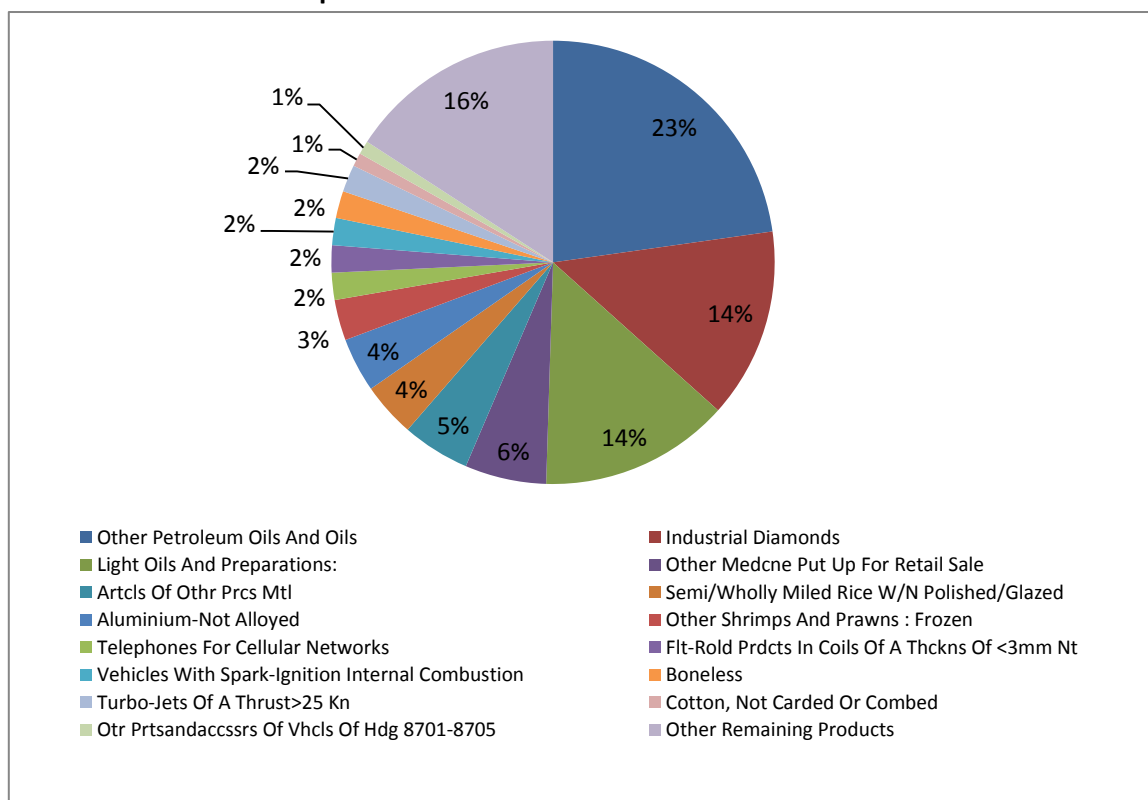
As highlighted in the preceding section the study has identified 75 potential products from 9 most promising Sectors and 32 Chapters. The sectors include Agriculture; Mineral and Fuels; Chemical and Allied Products; Textile & Footwear; Metal and Non Metals; Machinery and

Mechanical Appliances; Transport/Automobiles; Optical Photographic & Cinematographic and; Toys, Games and Sports.

Currently, these 75 potential products contribute around USD 127 billion, which is around 46% of the total exports from India. At the global level, these 75 products have significant presence in the total global exports, whereas India's share of these 75 products currently is only 3.6% in the total world exports of these products.

The top 15 products out of 75 potential products account for approximately 84 percent of total of 75 product exports. The major products are petroleum oils, industrial diamonds, light oils and preparations, other medicines, arts, and other precious metals. This demonstrates our exporters' incredible adaptability in seizing new opportunities in sectors such as oil meals, drugs and pharmaceuticals, petroleum products, and precious metals. This lays the foundation for our export sector to take off, due to significant improvements in EoDB, the creation of a plug-and-play investment / manufacturing environment across various industrial corridors, and the launch of the very substantive PLI schemes across 14 sectors.

Chart 4: Contribution of Top 15 Products in 75 Potential Products



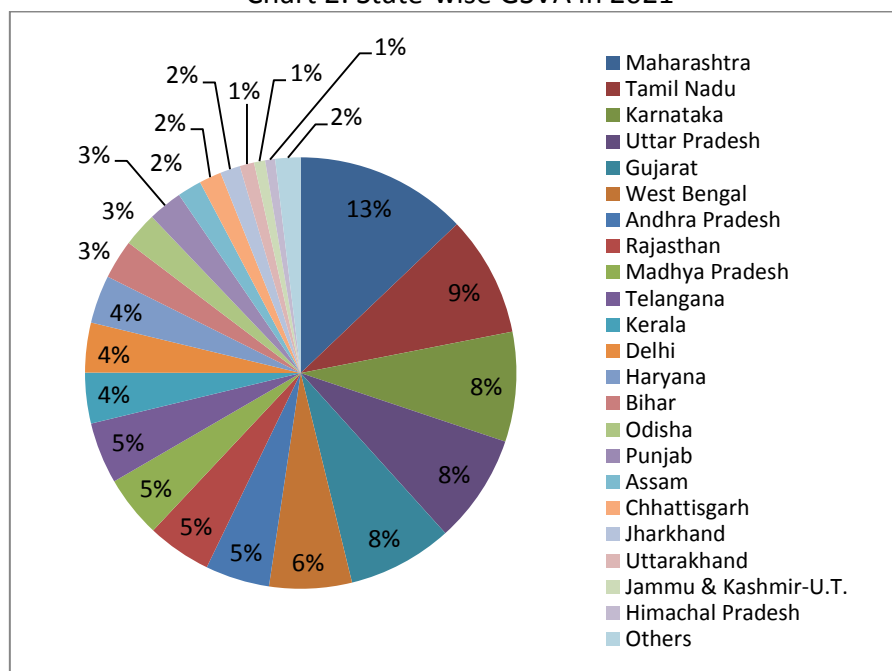
Source: PHD Research Bureau, PHDCCI, compiled from Ministry of Commerce and Industry, Government of India.

IV. States Exports Profile of India

In the post-Liberalization world, it is impossible to sustain as a fast-developing economy without a strong push for domestic exports and India has significantly reaped massive economic benefits by turning to exports in the last 25-30 years. However, it is noted that recent economic slowdown due to COVID 19 has adversely impacted the progress of Indian merchandise exports but thereafter India's exports bounced back and reached all-time high. India needs to create a sustainable path for maintaining a steady outflow of goods to various economic destinations across the globe. While most countries are adopting inward looking policy, India should seize this opportunity to expand its domestic manufacturing capacity in order to fulfil future global demands.

In this context a policy measure at the national level will not be sufficient for a nation as large and geographically diverse as India because the state of preparation to strengthen exports needs to be understood at the state level. To boost exports at the regional level, it is important to understand state's distinctive strengths and extremely valuable resources.

Chart 2: State-wise GSVA in 2021



Source: PHD Research Bureau, PHDCCI, compiled from Ministry of Commerce and Industry, Government of India.

India's major exports contributors featured in 6 states. Gujarat, Maharashtra, Tamil Nadu, Karnataka, Andhra Pradesh, and Uttar Pradesh contribute nearly 70 per cent of India's overall exports. While the success of these six states is noteworthy, other state must likewise prioritise exports. India's overseas trade requires a broad-based increase in exports. A small number of states accounting for a substantial proportion of overall exports do not augur well for India's export development.

Table 2. State wise Exports profile of India

Values in Rupees Crore

S No.	States	Sum of 2019-20	Sum of % Share in 2019-20	Sum of 2020-21	Sum of % Share in 2020-21	Sum of % Change in 2020-21 over 2019-20	Sum of 2020-21 (Apr-Mar)	Sum of 2021-22 (Apr-Mar)	Sum of % Share in 2021-22(Apr-Mar)	Sum of % Change in 2021-22 (Apr-Mar) over 2020-21 (Apr-Mar)
1	Gujarat	449990.50	20.27	448299.50	20.76	-0.38	448299.50	945796.40	30.06	110.97
2	Maharashtra	459637.80	20.71	431532.90	19.99	-6.11	431532.90	545083.70	17.33	26.31
3	Tamil Nadu	212661.00	9.58	193294.70	8.95	-9.11	193294.70	262322.60	8.34	35.71
4	Karnataka	117901.80	5.31	112075.80	5.19	-4.94	112075.80	193064.10	6.14	72.26
5	Uttar Pradesh	120356.30	5.42	121139.90	5.61	0.65	121139.90	156897.20	4.99	29.52
6	Andhra Pradesh	104828.80	4.72	124744.50	5.78	19.00	124744.50	143843.20	4.57	15.31
7	Odisha	47242.28	2.13	75718.33	3.51	60.28	75718.33	127232.50	4.04	68.03
8	Haryana	85385.66	3.85	85731.17	3.97	0.40	85731.17	115972.60	3.69	35.27
9	West Bengal	67244.41	3.03	66247.59	3.07	-1.48	66247.59	103599.80	3.29	56.38
10	Telangana	52170.42	2.35	64539.42	2.99	23.71	64539.42	81971.35	2.61	27.01
11	Rajasthan	47034.87	2.12	49230.73	2.28	4.67	49230.73	71999.72	2.29	46.25
12	Delhi	73462.44	3.31	56183.93	2.60	-23.52	56183.93	61611.81	1.96	9.66
13	Madhya Pradesh	37692.69	1.70	47959.40	2.22	27.24	47959.40	58407.10	1.86	21.78
14	Punjab	39781.57	1.79	39230.54	1.82	-1.39	39230.54	52903.43	1.68	34.85
15	Kerala	71865.07	3.24	29152.17	1.35	-59.43	29152.17	34158.08	1.09	17.17
16	Unspecified	131979.40	5.95	95794.98	4.44	-27.42	95794.98	38022.33	1.21	-60.31
17	Dadra & Nagar Haveli	15429.47	0.70	19547.03	0.91	26.69	19547.03	28594.74	0.91	46.29
18	Chattisgarh	9067.92	0.41	17199.98	0.80	89.68	17199.98	25241.13	0.80	46.75

19	Jharkhand	8290.70	0.37	12067.56	0.56	45.56	12067.56	18247.07	0.58	51.21
20	Goa	14162.98	0.64	17093.55	0.79	20.69	17093.55	18129.68	0.58	6.06
21	Bihar	11764.09	0.53	11190.72	0.52	-4.87	11190.72	17219.63	0.55	53.87
22	Himachal Pradesh	9882.09	0.45	12313.52	0.57	24.60	12313.52	16009.44	0.51	30.02
23	Uttaranchal	16085.26	0.72	15914.95	0.74	-1.06	15914.95	14413.78	0.46	-9.43
24	Daman & Diu	7863.39	0.35	4600.33	0.21	-41.50	4600.33	5486.57	0.17	19.26
25	Pondicherry	2595.76	0.12	3117.64	0.14	20.11	3117.64	3666.79	0.12	17.61
26	Assam	3099.47	0.14	3075.54	0.14	-0.77	3075.54	3357.69	0.11	9.17
27	Jammu & Kashmir	1331.30	0.06	1180.19	0.05	-11.35	1180.19	1835.43	0.06	55.52
28	Chandigarh	542.11	0.02	558.90	0.03	3.10	558.90	736.89	0.02	31.85
29	Sikkim	70.05	0.00	69.56	0.00	-0.69	69.56	140.91	0.00	102.56
30	Tripura	12.57	0.00	83.01	0.00	560.40	83.01	89.80	0.00	8.19
31	Meghalaya	332.38	0.01	79.71	0.00	-76.02	79.71	64.36	0.00	-19.26
32	Mizoram	4.09	0.00	5.03	0.00	22.93	5.03	28.53	0.00	467.30
33	Arunachal Pradesh	10.98	0.00	3.68	0.00	-66.43	3.68	12.63	0.00	242.74
34	Manipur	6.63	0.00	7.00	0.00	5.53	7.00	6.94	0.00	-0.82
35	Nagaland	40.39	0.00	44.67	0.00	10.61	44.67	8.46	0.00	-81.06
36	Andaman & Nicobar	9.18	0.00	13.95	0.00	51.91	13.95	8.52	0.00	-38.94
37	Lakshadweep	18.19	0.00	1.20	0.00	-93.42	1.20	1.20	0.00	0.57
38	Ladakh			0.01			0.01	0.22	0.00	
India's Total Export		2219854.00	100.00	2159043.00	100.00	-2.74	2159043.00	3146186.00	100.00	45.72

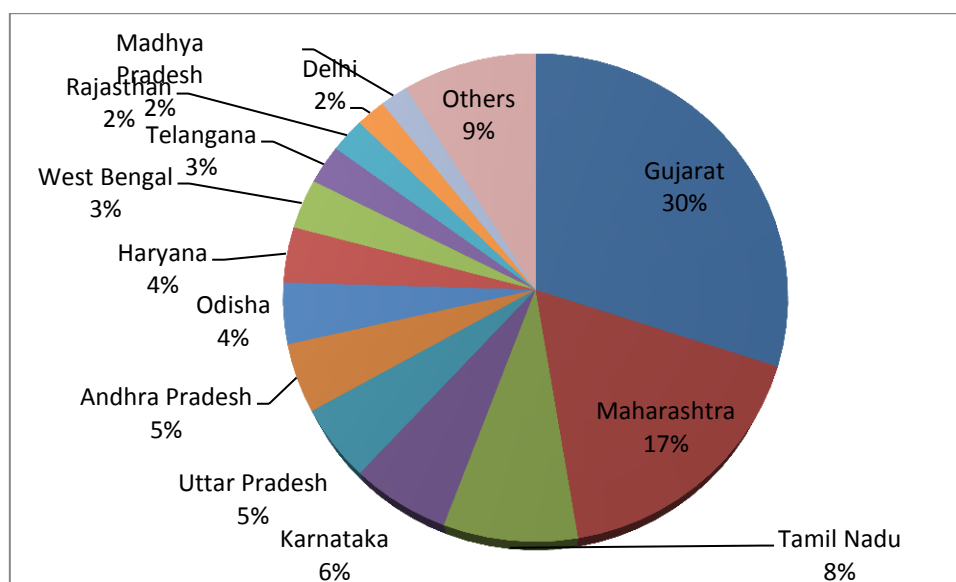
Source: PHD Research Bureau, PHDCCI, compiled from Ministry of Commerce and Industry, Government of India.

It is well documented that exports are the one of the factors that drives economic growth. It has been observed that transitions from traditional import substitution to more export-oriented and outward-looking policies typically follows periods of high and sustained economic growth, with export growth rates reaching to a higher level over extended periods of time. Identifying export potential at the state-level in India is a difficult proposition.

To meet the domestic demand and increase exports, the priority sector of each state is different but the requirements to achieve the desired exports targets are not very different in terms of policy framework. However at the regional level their requirements are different in the diversified context. In order to fulfil this, each state will engage in trade with different countries or other states within India.

Table 2 shows that Gujarat and Maharashtra are the leading exporter of the country. In 2020-21, these two states collectively contributed around 47 percent of total exports of India followed by Tamil Nadu (8.34%), Karnataka (6.14%), Uttar Pradesh (4.99%) and Andhra Pradesh (4.57%) among others. Gujarat (110%) led the top 15 states in terms of export growth in 2020–21 compared to the previous year, followed by Karnataka (72%), Odisha (68%), West Bengal (56%), and Rajasthan (46%). While Delhi (9%), Andhra Pradesh (15%), Madhya Pradesh (21%), Maharashtra (26%) and Telangana (27%) also experienced significant growth performance in same period. The overall states exports growth rate considered to be 45% during the same period.

Chart 3: State wise exports (%) in 2021



Source: PHD Research Bureau, PHDCCI, compiled from Ministry of Commerce and Industry, Government of India.

Beyond the national aspirations for growth by sector, the picture may look very different in individual states. State economies have followed varying patterns of growth since 2005, with different sectors emerging as champions. Regardless of which sector led, the states



Achieving a Higher Exports Trajectory

that achieved high productivity growth outperformed the rest from 2013 to 2020 in both GDP and employment growth.

To address the above issues, India has turned to its states to establish “export hubs”. These hubs will be responsible for meeting global requirements while improving safety compliance and quality goods to expand their global market share. In order to achieve such a mammoth feat, Indian states and union territories must be evaluated to assess their preparedness to meet long-term demand for domestic exports.

As India seeks to improve its share of global trade, states become relevant stakeholders by forming the manufacturing backbone of the country. The export competitiveness of states could also improve their wealth and standard of living, thereby minimising regional disparity. An increasing number of Indian states have made sincere attempts towards creating an enabling framework that would facilitate and promote exports. This happened particularly after India made notable progress in terms of expansion of exports as well as the geographic outreach after the economic reforms. Hence, some of their best practices could be replicated by the states which have not been able to boost their export ecosystem yet. While some states have done exceptionally well, there needs to be a more focused analysis of how other states could develop their export markets.

The one-size-fit-all policy will not work for all states owing to their different inherent strengths and competitive advantages. Improving the competitiveness of exports cannot be wholly driven from the top level. It requires active participation from the state level authorities and identification of export focus areas based on the state’s core growth drivers. Hon’ble Prime Minister had stressed on the need to boost exports at a disaggregated level. As each state of India can be made into an export hub, considering that locally made products hold huge potential.

Going ahead, there has been a concerted effort from the Central Government to encourage the subnational actors to ‘think locally and act globally’. This has also been reflected in Honourable Prime Minister Modi’s statement on “Vocal for Local” to develop India to become a key player in the global supply chain. Of course, it is important to take into account that the states across India are not only at different stages of development, but they also differ in terms of their geographical reach as well as production capacities.

Considering this, the Indian states need to be assessed on various parameters required for an export-led growth strategy, in order to account the variations in performance. This will enable them to harness their export potential, productivity and improve their manufacturing base so that the overall economy of the country can benefit from the same. In this background, this study is an attempt to initiate competition among states such that they carry out measures to improve their export markets in the long-term. The mapping of



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Indian exports products with the states would allow the states to track their performances over time and would enable them to track their export drivers over time. A states-level analysis would provide a comprehensive outline of India's strengths and weaknesses regarding export preparedness, which would be extremely helpful in formulating efficient nation-wide policies and strategies.

V. Contribution of States in top 75 Potential Export Products

It is worth mentioned that despite geopolitical developments in the World, India is growing at the faster rate and constantly improving its position. The credibility and demand for Indian products in the world is evident from the recent export growth trajectory of India wherein India's exports became all-time high. Further, India is home to several agricultural and non-agricultural (including manufacturing) products that are state- specific and district of the state have products that are unique and provide livelihoods and generate income. The consistent increase in the agricultural and manufacturing production shows the tremendous potential that India holds towards transforming into an export based super economy.

In the total 75 products, Karnataka holds potential in 21 products, Maharashtra (20 products), Tamil Nadu (17 products), Gujarat (15 products), Andhra Pradesh (12 products), Uttar Pradesh (11 products), Haryana (11 products), Madhya Pradesh (10 products) and Rajasthan (09 products) and are collectively contributing more than 75% share in India's total exports.

The recent Covid-19 pandemic and geopolitical developments have caused significant changes in the global trade scenario. The exports of goods and services have suffered as major economies around the world completely ceased operations. Global economic activity has been impacted by the pandemic and protracted trade wars' effects on manufacturing in the Asian region. The Indian export sector has the potential to develop into a competitive alternative supplier to several significant economies. To accomplish this, it is crucial to improve the states' manufacturing capacities in a way that not only increases output but also fosters the creation of more innovative production methods.

India would be able to compete with its Asian rivals more effectively if it had stronger domestic capabilities, especially with Vietnam, Bangladesh, and Taiwan, which have been more successful in attracting investors with their cost-competitiveness strategies. Since the majority of the final products produced domestically have low value added, India is also making efforts to advance along the value chain to compete internationally with its rivals. This can be enhanced by providing capacity building and handholding of the states by promoting them to increase exports. This will help to connect more viably into the global value chains and increase the exports growth trajectory of India.



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The appended table highlights the major export potential products and the contribution of states in each product category in the year 2020. The major contributing states in all the potential exports products are Maharashtra, Gujarat, Tamil Nadu, Karnataka, Madhya Pradesh, Uttar Pradesh, West Bengal, Andhra Pradesh and Bihar. The coordinated and synergistic effort by the Central Government and State Governments to promote trade and exports would enhance manufacturing activities, promote goods and services exports, support MSMEs and local artisans/craftsmen, broaden coverage of e-commerce linkages with states, promote GI products, improve logistics and agricultural sectors, and support employment opportunities at the district level, resulting in wide-ranging economic benefits, including investment.

VI. Table 3. Mapping of 75 Products in the States

Agriculture (Total Products= 9, Share in Total exports of India= 6.97% %)					
S.no	HS 2Digit	Major Chapter	HS 6 Digit	Product Description	Major Contributing States
1	2	MEAT AND EDIBLE MEAT OFFAL.	20230	Frozen, boneless meat of bovine animals	Uttar Pradesh (56.7%), Maharashtra (24.2%), Bihar (6.4%), Punjab (5.0%)
2	3	FISH AND CRUSTACEANS, MOLLUSCS AND OTHER AQUATIC INVERTEBRATES.	30617	Frozen shrimps and prawns, even smoked, whether in shell or not, incl. shrimps and prawns in ...	Maharashtra (57.8%), West Bengal (33.1%)
3	9	COFFEE, TEA, MATE AND SPICES.	90111	Coffee (excluding roasted and decaffeinated)	Karnataka (47.3%), Kerala (27.9%), Uttarakhand (11.7%)
4	10	CEREALS.	100590	Maize (excluding seed for sowing)	Bihar (38.8%), West Bengal (25.6%), Karnataka (11.1%), Maharashtra (8.3%)
5			100630	Semi-milled or wholly milled rice, whether or not polished or glazed	Haryana (29.3%), Gujarat (12.6%), Andhra Pradesh (10.6%), West Bengal (8.2%)
6	17	SUGARS AND SUGAR CONFECTIONERY.	170114	Raw cane sugar, in solid form, not containing added flavouring or colouring matter (excluding ...	Maharashtra (73.6%), Uttar Pradesh (14.1%), Karnataka (10.3%)
7	21	MISCELLANEOUS EDIBLE PREPARATIONS.	210690	Food preparations, n.e.s.	Madhya Pradesh (52.0%), Punjab (14.6%), Rajasthan (13.5%)
8	23	RESIDUES AND WASTE FROM THE FOOD INDUSTRIES; PREPARED ANIMAL FODER	230400	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting	Madhya Pradesh (70.1%), Maharashtra (25.4%), Rajasthan (4.1%)



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9	52	COTTON.	520100	Cotton, neither carded nor combed	Gujarat (34.4%), Maharashtra (24.3%), Madhya Pradesh (14.7), Telangana (12.5%)
Mineral Products (Total Products= 6, % Share in Total exports of India= 5.06					
10	26	ORES, SLAG AND ASH.	260111	Non-agglomerated iron ores and concentrates (excluding roasted iron pyrites)	Odisha (85.9%), Goa (6.7%)
11			260112	Agglomerated iron ores and concentrates (excluding roasted iron pyrites)	Odisha (45.2%), Karnataka (21.6%), West Bengal (18.9%)
12	27	MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES.	271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel,	Gujarat (86%), Tamil Nadu (2.7%), Karnataka (2.5%)
13			271012	Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "incl.	Gujarat (86.4%), Tamil Nadu (2.7%), Karnataka (2.5%), Maharashtra (2.5%), Odisha (2.5%)
14			270799	Oils and other products of the distillation of high temperature coal tars; similar products	Gujarat (98.2%)
Chemical and Allied Industry Products (Total Products= 16, % Share in Total exports of India=3.68%					
15	29	ORGANIC CHEMICALS	293499	Nucleic acids and their salts, whether or not chemically defined; heterocyclic compounds (excluding	Telangana (83.1%), Andhra Pradesh (12.1%), Madhya Pradesh (4.2%)
16			293359	Heterocyclic compounds with nitrogen hetero-atom[s] only, containing a pyrimidine ring, whether	Andhra Pradesh (79.8%), Telangana (18.4%)
17			293399	Heterocyclic compounds with nitrogen hetero-atom[s] only (excluding those containing an unfused)	Telangana (49.6%), Andhra Pradesh (38.1%), Karnataka (7.9%)
18			293339	Heterocyclic compounds with nitrogen hetero-atom[s] only, containing an unfused pyridine	Telangana (46.6%), Andhra Pradesh (34.1%), Karnataka (11.9%)

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				ring, ...	
19			290243	P-Xylene	Gujarat (70.5%), Karnataka (29.5%)
20	30	PHARMACEUTICAL PRODUCTS	300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, ...	Telangana (26.4%), Gujarat (19.6%), Madhya Pradesh (10.7%), Himachal Pradesh (9.2%), Andhra Pradesh (7.9%), Maharashtra (7.6%), Goa (7.2%)
21			300220	Vaccines for human medicine	Maharashtra (93.1%), Telangana (5.5%), Tamil Nadu (1.1%)
22			300420	Medicaments containing antibiotics, put up in measured doses "incl. those in the form of transdermal ...	Rajasthan (31.0%), Himachal Pradesh (30.4%), Madhya Pradesh (19.8%), Punjab (8.4%)
23	38	MISCELLANEOUS CHEMICAL PRODUCTS.	380893	Herbicides, anti-sprouting products and plant-growth regulators (excluding goods of subheading	Gujarat (68.8%), Andhra Pradesh (17.3%), Maharashtra (9.1%)
24	39	PLASTIC AND ARTICLES THEREOF.	392690	Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s (excluding ...	Gujarat (50.4%), Rajasthan (25.9%), Tamil Nadu (2.3%)
25			390120	Polyethylene with a specific gravity of ≥ 0.94 , in primary forms	West Bengal (89.1%), Uttar Pradesh (10.3%)
26			390210	Polypropylene, in primary forms	Gujarat (99.1%)
27			390110	Polyethylene with a specific gravity of < 0.94 , in primary forms	Uttar Pradesh (79.2%)
28			392190	Plates, sheets, film, foil and strip, of plastics, reinforced, laminated, supported or similarly ...	Punjab (53.6%), Maharashtra (36.3%), Himachal Pradesh (8.7%)
29	40	RUBBER AND ARTICLES THEREOF.	401120	New pneumatic tyres, of rubber, of a kind used for buses and lorries (excluding tyres with ...	Tamil Nadu (32.3%), Karnataka (20.1%), Gujarat (14.1%), Uttarakhand (9.2%)
30	42	ARTICLES OF LEATHER, SADDLERY AND HARNESS; TRAVEL GOODS, HANDBAGS AND SIMILAR CONT. ARTICLES OF ANIMAL	420221	Handbags, whether or not with shoulder straps, incl. those without handles, with outer surface ...	Uttar Pradesh (75.2%), Rajasthan (1.6%)



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		GUT(OTHR THN SILK- WRM)GUT			
Textile and Foot ware (Total Products= 4, % Share in Total exports of India=2.36					
31	61	ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, KNITTED OR CORCHETED	610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	Tamil Nadu (77.3%), Haryana (9.7%), Karnataka 6.3%)
32	62	ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, NOT KNITTED OR CROCHETED	620342	Mens or boys trousers, bib and brace overalls, breeches and shorts, of cotton (excluding	Karnataka (94.6%), Tamil Nadu (5.3%),
33	63	OTHER MADE UP TEXTILE ARTICLES; SETS; WORN CLOTHING AND WORN TEXTILE ARTICLES; RAGS	630790	Made-up articles of textile materials, incl. dress patterns, n.e.s.	Tamil Nadu (95.4%), Kerala (4.6%)
34	64	FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES	640391	Footwear with outer soles of rubber, plastics or composition leather, with uppers of leather, ...	Uttar Pradesh (61.1%), Tamil Nadu (38.9%)
Metals and Non- Metals (Total Products= 9, % Share in Total exports of India= 9.83%					
35	71	NATURAL OR CULTURED PEARLS,PRECIOUS OR SEMIPRECIOUS STONES,PRE.METALS,CLAD WITH PRE.METAL AND ARTCLS THEREOF;IMIT.JEWELRY;COIN	711319	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not ...	Maharashtra (54.8%), West Bengal (13.8%), Tamil Nadu(7.2%), Gujarat(7.1%)
36			710239	Diamonds, worked, but not mounted or set (excluding industrial diamonds)	Maharashtra (58.6%), Gujarat (41.32%)
37			710231	Non-industrial diamonds unworked or simply sawn, cleaved or bruted (excluding industrial diamonds)	Maharashtra (61.4%), Gujarat (38.6%)
38	72	IRON AND STEEL	720839	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, in coils, simply ...	Odisha (41.3%), Jharkhand (20.4%), Karnataka (19.3%), Gujarat(15.3%)
39	73	ARTICLES OF IRON OR STEEL	732690	Articles of iron or steel, n.e.s. (excluding cast articles or articles of iron or steel wire)	Uttar Pradesh (94.6%), Karnataka (2.4%)
40			730890	Structures and parts of structures, of iron or steel, n.e.s. (excluding bridges and bridge-sections, ...	Punjab (47.3%), West Bengal (20.6%), Haryana (15.7%), Gujarat (11.6%)
41	76	ALUMINIUM AND ARTICLES THEREOF.	760110	Aluminium, not alloyed, unwrought	Odisha (40.3%), Jharkhand (21.4%), Karnataka (12.3%), Gujarat(15.3%)
42			760120	Unwrought aluminium alloys	Odisha (84.4%), Andhra Pradesh (5.1%)

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43			761699	Articles of aluminium, n.e.s.	Karnataka (32.3%), Andhra Pradesh (27.2%) Gujarat(10.3%)
Machinery and Mechanical appliances (Total Products= 19, Share in Total exports of India=1.33%)					
44	84	NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF.	848180	Appliances for pipes, boiler shells, tanks, vats or the like (excluding pressure-reducing valves, ...	Tamil Nadu (74.3%), Karnataka (4.8%)
45			841112	Turbojets of a thrust > 25 kN	Maharashtra (43.7%), Karnataka (39.4%), Telangana (11.9%), Uttar Pradesh (8.3%)
46			847989	Machines and mechanical appliances, n.e.s.	Madhya Pradesh (59.9%), Meghalaya (19.5%), Assam (19.2)
47			840999	Parts suitable for use solely or principally with compression-ignition internal combustion ...	Madhya Pradesh (50.6%) Maharashtra (37.4%), Karnataka (8.2%)
48			840991	Parts suitable for use solely or principally with spark-ignition internal combustion piston ...	Punjab (52.2%), Tamil Nadu (41.7%)
49			843149	Parts of machinery of heading 8426, 8429 and 8430, n.e.s.	Jharkhand (92.7%)
50			841480	Air pumps, air or other gas compressors and ventilating or recycling hoods incorporating a ...	Madhya Pradesh (99.1%)
51			848190	Parts of valves and similar articles for pipes, boiler shells, tanks, vats or the like, n.e.s.	Tamil Nadu (89.1%), Kerala (8.5%)
52			848340	Gears and gearing for machinery (excluding toothed wheels, chain sprockets and other transmission ...	Tamil Nadu (81.6%), Maharashtra (14.5%), Gujarat (2.9%)
53			841391	Parts of pumps for liquids, n.e.s.	Karnataka (98.6%), Uttar Pradesh (1.2%)
54			841490	Parts of : air or vacuum pumps, air or other gas compressors, fans and ventilating or recycling ...	Andhra Pradesh (42.7%), Tamil Nadu (28.1%), Madhya Pradesh (26.2%)
55	85	ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION	851712	Telephones for cellular networks "mobile telephones" or for other wireless networks	Uttar Pradesh (61.3%), Karnataka (23.8%)

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56		IMAGE AND SOUND RECORDERS AND REPRODUCERS,AND PARTS	851762	Machines for the reception, conversion and transmission or regeneration of voice, images or ...	Tamil Nadu (94.4%), Uttar Pradesh (5.6%)
57			851770	Parts of telephone sets, telephones for cellular networks or for other wireless networks and ...	Karnataka (75.4%), Goa (24.2%)
58			850440	Static converters	Karnataka (93.6%), Andhra Pradesh (5.6%)
59			853710	Boards, cabinets and similar combinations of apparatus for electric control or the distribution ...	Karnataka (78.4%), Bihar (12.6%)
60			853890	Parts suitable for use solely or principally with the apparatus of heading 8535, 8536 or 8537, ...	Uttar Pradesh (43.4%), Rajasthan (32.4%), Haryana (24.6%)
61			854449	Electric conductors, for a voltage <= 1.000 V, insulated, not fitted with connectors, n.e.s.	Gujarat (65.0%), Rajasthan (17.5%), Haryana (5.2%)
62			850300	Parts suitable for use solely or principally with electric motors and generators, electric ...	Tamil Nadu (74.5%), Haryana (13.1%), Andhra Pradesh (11.7%)
Transportation /Automobiles (Total Products= 9, % Share in Total exports of India=1.56%					
63	87	VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING STOCK, AND PARTS AND ACCESSORIES THEREOF.	870323	Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	Maharashtra (42.8%), Tamil Nadu (30.1%), Andhra Pradesh (27.4%)
64			870322	Motor cars and other motor vehicles principally designed for the transport of persons, incl. ...	Tamil Nadu (40.3%), Gujarat (5.2%), Haryana (16.9%), Andhra Pradesh (8.7%)
65			870899	Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, ...	Tamil Nadu (34.4%), Maharashtra (25.8%), Haryana (15.2%), Punjab (10.0%)
66			870840	Gear boxes and parts thereof, for tractors, motor vehicles for the transport of ten or more ...	Tamil Nadu (24.4%), Maharashtra (21.8%), Andhra Pradesh (8.7%)
67			870321	Motor cars and other motor vehicles principally designed for the transport of	Tamil Nadu (57.1%), Maharashtra (28.4%), Haryana (14.9%)

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				persons, incl. ...	
68			870830	Brakes and servo-brakes and their parts, for tractors, motor vehicles for the transport of ...	Haryana (65.7%), Tamil Nadu (34.3%)
69			870850	Drive-axles with differential, whether or not provided with other transmission components, ...	Maharashtra (49.2%), Punjab (19.2%), Karnataka (19.1%), Haryana (11.4%)
70	88	AIRCRAFT, SPACECRAFT, AND PARTS THEREOF.	880330	Parts of aeroplanes or helicopters, n.e.s. (excluding those for gliders)	Karnataka (51.2%), Telangana (36.1%), Uttar Pradesh (7.9%)
71	89	SHIPS, BOATS AND FLOATING STRUCTURES.	890120	Tankers	Gujarat (100%)
Miscellaneous Products (Total Products= 3, % Share in Total exports of India=0.82					
72	90	OPTICAL, PHOTOGRAPHIC CINEMATOGRAPHIC MEASURING, CHECKING PRECISION, MEDICAL OR SURGICAL INST. AND APPARATUS PARTS AND ACCESSORIES THEREOF	901890	Instruments and appliances used in medical, surgical or veterinary sciences, n.e.s.	Maharashtra (58.1%), Kerala (38.9)
73			901839	Needles, catheters, cannulae and the like, used in medical, surgical, dental or veterinary ...	Haryana (87.3%), Uttarakhand (10.1%)
74	94	FURNITURE BEDDING MATTRESSES	940360	Other Wooden Furniture	Rajasthan (91.8%), Uttar Pradesh (5.8%) Haryana (2.3%)
75	95	TOYS, GAMES AND SPORTS REQUISITE	950300	Tricycles, Scooters, Pedal Cars And Similar Wheeled Toys; Dolls Carriages; Dolls; Other Toys; Reduced-Size	Karnataka (99.01%)

Source: PHD Research Bureau, PHDCCI, compiled from Ministry of Commerce and Industry, Government of India.

The appended table highlights the major export potential products and the contribution of states in each product category in the year 2020. The Agriculture sector consists of 9 products where the major products include cotton, cereals and fish and crustaceans, molluscs and other aquatic invertebrates, etc. Share of identified 9 agricultural products contributes around 8.6% in India's total exports. The major states contributing in the India's total exports are Madhya Pradesh, Maharashtra, Uttar Pradesh, Haryana and West Bengal. Similarly, Mineral and fuels sector has 6 products and contributing around 11.1% in India's total exports to the world. Whereas, Odisha, Gujarat, Tamil Nadu, Maharashtra and Karnataka are the major contributing exports.

Chemical and allied sector has 6 chapters along with 16 products, in these products the share of India's exports to world is 8.9% and major contributing states are Telangana,



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Andhra Pradesh, Gujarat and Madhya Pradesh. However, Textiles and footwear sector, there are 4 chapters along with 4 products, the major products are Footwear with outer soles of rubber, plastics or composition leather, with uppers of leather, T-shirts, singlet's and other vests of cotton, knitted or crocheted and Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton. In these products the share of India's exports to world's exports is 1%. The sector majorly consist labour intensive industries and major portion of the exports is captured by MSMEs sector and the states involved in the exports of this sector consist of Tamil Nadu, Karnataka, Uttar Pradesh and Haryana.

The metals and non-metals sector is very crucial sector for infrastructure development in India and contributing significantly in exports with more than 10% share in India's total exports. Maharashtra, Gujarat, West Bengal and Karnataka are the prominent states that are contributing significantly in exports. Furthermore, the machinery and mechanical appliances sector has 19 products with 4.9% share in India's total exports. Tamil Nadu, Madhya Pradesh, Karnataka, Jharkhand, Gujarat and Uttar Pradesh are the major contributing states in India's exports.

Indian automotive exports have shown resilience during the pandemic but have not returned to their pre-COVID-19 strength. In late 2020, government travel restrictions eased, India's harvest was good, and the festive season stimulated demand in some high-volume segments. The sector is also benefiting from new tailwinds, such as global supply-chain rebalancing, government incentives to increase exports, and technology disruptions that create white spaces. These developments will help create opportunities at all levels of the automotive value chain. The major exports contributing states are Tamil Nadu, Maharashtra, Haryana, Gujarat and Andhra Pradesh.

The major contributing states in all the potential exports products are Maharashtra, Gujarat, Tamil Nadu, Karnataka, Madhya Pradesh, Uttar Pradesh, West Bengal, Andhra Pradesh and Bihar. The coordinated and synergistic effort by the Central Government and State Governments to promote trade and exports would enhance manufacturing activities, promote goods and services exports, support MSMEs and local artisans/craftsmen, broaden coverage of e-commerce linkages with states, promote GI products, improve logistics and agricultural sectors, and support employment opportunities at the district level, resulting in wide-ranging economic benefits, including investment.

VII. Government Initiatives to Increase States exports growth

India is widely regarded as one of the world's most important economic players. Its trade policies, government reforms, and inherent financial strength have all contributed to its status as one of the world's most sought-after foreign investment destinations. The key initiatives aimed to boost both goods and services exports by systematically addressing domestic and global trade constraints by lowering transaction costs; implementing WTO-



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compliant policies will help the economy reach the USD 5 trillion mark by 2025. Government is encouraging and promoting Indian exports in international markets and initiate suitable interventions from time to time. The key schemes/interventions taken are:

Government Initiatives to Increase Exports

- Market Access Initiative (MAI) Scheme provides assistance to Export Promotion Organizations/Trade Promotion Organizations/National Level Institutions/ Research Institutions/Universities/Laboratories, Exporters etc., for enhancement of exports through accessing new markets or through increasing the share in the existing markets.
- 'Transport and Marketing Assistance (TMA) for Specified Agriculture Products' provides assistance for the international component of freight, to mitigate the freight disadvantage for the export of agriculture products, and marketing of agricultural products, is under implementation.
- Assistance to the exporters of agricultural products is also available under the Export Promotion Schemes of Agricultural & Processed Food Products Export Development Authority (APEDA), Marine Products Export Development Authority (MPEDA), Tobacco Board, Tea Board, Coffee Board, Rubber Board and Spices Board.
- 'Districts as Export Hubs Initiative' for products and services with export potential have been identified in all districts of the country.
- Trade Infrastructure for Export Scheme (TIES) provides assistance to Central and State Government agencies for creation of appropriate infrastructure for growth of exports.
- Remission of Duties and Taxes on Exported Products (RoDTEP) provides remission of Central, State and Local duties/taxes/levies which are incurred in the process of manufacture and distribution of exported products, but are currently not being refunded under any other duty remission scheme.
- Common Digital Platform for Certificate of Origin to facilitate trade and increase FTA utilization by exporters.
- 12 Champion Services Sectors have been identified for promoting and diversifying services exports by pursuing specific action plans.
- Active role of EPCs, Commodity Boards and Indian missions abroad towards promoting India's trade, tourism, technology and investment goals has been enhanced.
- To promote agricultural exports A Farmer Connect Portals has been set up for providing a platform for farmers, Farmer-Producer Organizations (FPOs) and cooperatives to interact with exporters, Buyer-Seller Meets (BSMs) have been organized in the clusters to provide export-market linkages.
- The Government has also introduced a Central Sector Scheme –Transport and Marketing Assistance for Specified Agriculture Products' –for providing assistance for the international component of freight to mitigate the freight disadvantage for the export of agriculture products.



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- RoSCTL Scheme which stands for “Scheme for Rebate of State and Central Taxes and Levies on Export of Garments and Made-ups” introduced to rebate all embedded State and Central Taxes and Levies on garments and made-ups to enhance export competitiveness of these sectors.

Source: PHD Research Bureau, PHD Chamber of Commerce and Industry

VIII. Suggestions and Way Forward

- The ODOP initiative has significant potential given its aim to achieve a district’s true potential by utilising economies of scale, product specialisation through identification and promotion through marketing, MSME growth and creation of employment opportunities. Furthermore, ODOP is raising awareness of the importance of GI. The training provided to entrepreneurs are helping them conduct operations efficiently, resulting in several success stories, especially among MSMEs.
- India’s exports would need to be boosted through several policy mechanisms, including the improvement of Ease-of-Doing-Business (EoDB), promoting size and scale as well as adapting to global standards. This export strategy has been sought to be implemented through the Hon’ble Prime Minister’s vision of converting each district into an export hub. The necessary policy changes would need strong engagement with the states and union territories to identify export opportunities and develop their institutional structures.
- Identifying and incentivising products for manufacturing according to their strengths, addressing infrastructural issues in districts that contribute to their exports, easing up regulatory issues regarding land, labour, water, and electricity, and maintaining peace and harmony within their States will help in achieving higher exports growth trajectory.
- The role of the States is very significant for promotion of exports in India. So, at this juncture, there is a need to synchronise various dynamic policies undertaken by central government and the states.
- Improving the export competitiveness of States can also lessen regional disparities through export-led growth and resultant improvement in standard of living. As the Foreign Trade Policy is due, it is important that the policymakers give due attention to the growth of exports at the State level. While the importance of the State towards export growth is quite often highlighted, much more is required to be done by the Centre towards supporting the cause. Firstly, providing incentives at the State level would be helpful, to select industries which have grown in the last 20 years but have confined their growth to some pockets. To support such developments, the State government needs to extend innovative incentives to such key industries so that other States also grow in parallel. The State government must also create a



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cooperative labour environment and provide adequate power to attract such industries. Another possible step could be identifying products by the States which could be classified under geographical indicators (GI) and thereafter branded in the international market after they meet the globally acceptable standards.



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Achieving a Higher Exports Trajectory

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PHD Research Bureau

PHD Research Bureau; the research arm of the PHD Chamber of Commerce and Industry was constituted in 2010 with the objective to review the economic situation and policy developments at sub-national, national and international levels and comment on them in order to update the members from time to time, to present suitable memoranda to the government as and when required, to prepare State Profiles and to conduct thematic research studies on various socio-economic and business developments.

The Research Bureau has been instrumental in forecasting various lead economic indicators national and sub-national. Many of its research reports have been widely covered by media and leading newspapers. The Research Bureau has undertaken various policy studies for Government of India and State Governments.

Research Activities	Comments on Economic Developments	Newsletters	Consultancy
Research Studies	Global Economic Developments	Economic Affairs Newsletter (EAC)	Trade and Investment Facilitation Services (TIFS)
State Profiles	India's Economic Developments	Global Economic Monitor (GEM)	
Impact Assessments	States' Economic Developments	Trade & Investment Facilitation Services (TIFS) Newsletter	
Thematic Research Reports	International Developments	State Development Monitor (SDM)	
Releases on Economic Developments	Financial Markets		
	Foreign exchange market		
	Developments in International Trade		



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Studies Undertaken by PHD Research Bureau

A: Thematic research reports

1. Comparative study on power situation in Northern and Central states of India (September 2011)
2. Economic Analysis of State (October 2011)
3. Growth Prospects of the Indian Economy, Vision 2021 (December 2011)
4. Budget 2012-13: Move Towards Consolidation (March 2012)
5. Emerging Trends in Exchange Rate Volatility (Apr 2012)
6. The Indian Direct Selling Industry Annual Survey 2010-11 (May 2012)
7. Global Economic Challenges: Implications for India (May 2012)
8. India Agronomics: An Agriculture Economy Update (August 2012)
9. Reforms to Push Growth on High Road (September 2012)
10. The Indian Direct Selling Industry Annual Survey 2011-12: Beating Slowdown (March 2013)
11. Budget 2013-14: Moving on reforms (March 2013)
12. India- Africa Promise Diverse Opportunities (November 2013)
13. India- Africa Promise Diverse Opportunities: Suggestions Report (November 2013)
14. Annual survey of Indian Direct Selling Industry-2012-13 (December 2013)
15. Imperatives for Double Digit Growth (December 2013)
16. Women Safety in Delhi: Issues and Challenges to Employment (March 2014)
17. Emerging Contours in the MSME sector of Uttarakhand (April 2014)
18. Roadmap for New Government (May 2014)
19. Youth Economics (May 2014)
20. Economy on the Eve of Union Budget 2014-15 (July 2014)
21. Budget 2014-15: Promise of Progress (July 2014)
22. Agronomics 2014: Impact on economic growth and inflation (August 2014)
23. 100 Days of new Government (September 2014)
24. Make in India: Bolstering Manufacturing Sector (October 2014)
25. The Indian Direct Selling Industry Annual Survey 2013-14 (November 2014)
26. Participated in a survey to audit SEZs in India with CAG Office of India (November 2014)
27. Role of MSMEs in Make in India with reference to Ease of Doing Business in Ghaziabad (Nov 2014)
28. Exploring Prospects for Make in India and Made in India: A Study (January 2015)
29. SEZs in India: Criss-Cross Concerns (February 2015)
30. Socio-Economic Impact of Check Dams in Sikar District of Rajasthan (February 2015)
31. India - USA Economic Relations (February 2015)
32. Economy on the Eve of Union Budget 2015-16 (February 2015)
33. Budget Analysis (2015-16)
34. Druzhba-Dosti: India's Trade Opportunities with Russia (April 2015)
35. Impact of Labour Reforms on Industry in Rajasthan: A survey study (July 2015)
36. Progress of Make in India (September 2015)
37. Grown Diamonds, A Sunrise Industry in India: Prospects for Economic Growth (November 2015)
38. Annual survey of Indian Direct Selling Industry 2014-15 (December 2015)
39. India's Foreign Trade Policy Environment Past, Present and Future (December 2015)
40. Revisiting the emerging economic powers as drivers in promoting global economic growth (February 2016)
41. Bolstering MSMEs for Make in India with special focus on CSR (March 2016)
42. BREXIT impact on Indian Economy (July 2016)
43. India's Exports Outlook (August 2016)
44. Ease of Doing Business : Suggestive Measures for States (October 2016)
45. Transforming India through Make in India, Skill India and Digital India (November 2016)



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46. Impact of Demonetization on Economy, Businesses and People (January 2017)
47. Economy on the eve of Budget 2017-18 (January 2017)
48. Union Budget 2017-18: A budget for all-inclusive development (January 2017)
49. Annual Survey of Indian Direct Selling Industry 2015-16 (February 2017)
50. Worklife Balance and Health Concerns of Women: A Survey (March 2017)
51. Special Economic Zones: Performance, Problems and Opportunities (April 2017)
52. Feasibility Study (socio-Economic Survey) of Ambala and Rohtak Districts in Haryana (March 2017)
53. Goods and Services (GST): So far (July 2017)
54. Reshaping India-Africa Trade: Dynamics and Export Potentiality of Indian Products in Africa (July 2017)
55. Industry Perspective on Bitcoins (July 2017)
56. Senior Housing: A sunrise sector in India (August 2017)
57. Current state of the economy (October 2017)
58. Equitable finance to fulfill funding requirements of Indian Economy (October 2017)
59. The Wall of Protectionism: : Rise and Rise of Protectionist Policies in the Global Arena, (November 2017)
60. India-Israel Relations: Building Bridges of Dynamic Trade(October 2017)
61. Role of Trade Infrastructure for Export Scheme (TIES) in Improving Export Competitiveness (November 2017)
62. India - China Trade Relationship: The Trade Giants of Past, Present and Future (January 2018)
63. Analysis of Trade Pattern between India and ASEAN(January 2018)
64. Union Budget 2018-19 – (February 2018)
65. Ease of Doing Work for Women: A survey of Delhi NCR (February 2018)
66. Restraining Wilful Defaults: Need of the hour for Indian Banking System (March 2018)
67. Impact of GST on Business, Industry and Exporters (April 2018)
68. India – Sri Lanka Bilateral Relations: Reinforcing trade and investment prospects (May 2018)
69. Growth Prospects of the Indian Economy: Road to US \$5 Trillion Economy(May 2018)
70. India's Free Trade Agreements Dynamics and Diagnostics of Trade Prospects(May 2018)
71. India – UK Trade Relations and Societal Links: Way Forward (June 2018)
72. Rural Economy: Road to US \$5 Trillion Economy(September 2018)
73. Indian Economy on the Eve of Union Budget 2019-20 (Interim): Steady...strong...fastest moving economy (January 2019)
74. Interim Budget 2019-2020: A Dynamic, Inclusive & Pragmatic Budget (February 2019)
75. Women Entrepreneurship: Transforming from Domestic Households to Financial Independence (March 2019)
76. Prospects for Exports from India: Five Pronged Strategy to Achieve USD700 Billion Merchandise Exports by 2025 (March 2019)
77. India Towards Shared Prosperity: Economic Agenda for the Next five Years (March 2019)
78. Job Creation: A Pan India Survey of Households (March 2019)
79. India Inc. Speaks Live: Wish List for the Next Five Years (May 2019)
80. Suggestive Roadmap for Revitalizing Economic Growth (June 2019)
81. Indian Economy on the Eve of Union Budget 2019-20 (July 2019)
82. Union Budget 2019-20: Road to US\$ 5 trillion economy (July 2019)
83. Ease of Doing Business for MSMEs (September 2019)
84. Report Emerging contours in the defence and homeland security
85. Framework of University-Industry Linkages in Research DSIR
86. India's Trade and Investment opportunities with ASEAN Economies (November 2019)
87. Indian Economy on the Eve of Union Budget 2020-21 (February 2020)
88. Union Budget 2020-21: Aspirational, Caring and Developmental Budget (February 2020)
89. Macroeconomic Indicators and Pandemic COVID-19 Stimulus provided by Select Economies (April 2020)
90. Analysis on Relief Measures -Salaries wages by pandemic COVID-19 impacted countries (April 2020)



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91. Report on impact of Pandemic COVID-19 by PHDCCI (April 2020)
92. Tax relief measures provided by Pandemic COVID-19 impacted Countries (April 2020)
93. Impact of Pandemic COVID-19 : PHD Chamber's detailed representation on short term and long term measures submitted to the Government (April 2020)
94. Mitigating the Impact of Pandemic COVID-19 on Trade & Industry: PHDCCI Representations to Government of India and State Governments (April 2020)
95. Compendium of various relief measures provided by the States to mitigate the impact of pandemic COVID-19 (April 2020)
96. Calibrated Approach to Exit from Lockdown (April 2020)
97. Compendium on Relief Measures provided by the Govt. under Direct & Indirect Taxes to mitigate the impact of pandemic COVID (April 2020)
98. Relief Measures provided by Ministry of Finance, Ministry of Commerce & others (April 2020)
99. Relief measures provided by various countries to mitigate the daunting impact of pandemic COVID-19 on economy, trade and industry(April 2020)
100. Analysis of COVID at International and Sub-national Level- Speed of Spread, Mortality and Recovery(April 2020)
101. Supplement of Recent Notifications by the Central Government, State Governments and Tax Authorities to Mitigate the Impact of Pandemic COVID-19
102. PHDCCI COVID-19 Updates
103. PHDCCI Quick Survey on Post Lockdown Business Scenario (May 2020)
104. Impact of GST on Economy and Businesses
105. Report on India's imports from China- Strategy for domestic capacity building (September 2020)
106. PHDCCI Economic and Business Momentum (EBM) Index (November 2020)
107. The Future of Expanding India-USA Bilateral Relations- Strengthening bilateral ties through FTA (November 2020)
108. The Economy GPS Index (January 2021)
109. Union Budget 2021-22: Demand Boosting, Investment Inducing and Growth Oriented Budget (February 2021)
110. Analysis of State Budgets FY2021-2022 (April 2021)
111. Impact of Coronavirus 2. 0 on Economy and Businesses (May 2021)
112. Relief measures provided by various countries to mitigate the daunting impact of pandemic COVID-19 on economy, trade and industry
113. Analysis of COVID at International and Sub-national Level- Speed of Spread, Mortality and Recovery.
114. Supplement of Recent Notifications by the Central Government, State Governments and Tax Authorities to Mitigate the Impact of Pandemic COVID-19
115. PHDCCI COVID-19 Updates
116. PHDCCI Quick Survey on Post Lockdown Business Scenario May 29th 2020
117. Impact of GST on Economy and Businesses (August 2020)
118. India's Imports from China: Strategy for Domestic Capacity Building (September 2020)
119. PHDCCI Economic and Business Momentum (EBM) Index (October 2020)



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B: State profiles

120. Rajasthan: The State Profile (April 2011)
121. Uttarakhand: The State Profile (June 2011)
122. Punjab: The State Profile (November 2011)
123. J&K: The State Profile (December 2011)
124. Uttar Pradesh: The State Profile (December 2011)
125. Bihar: The State Profile (June 2012)
126. Himachal Pradesh: The State Profile (June 2012)
127. Madhya Pradesh: The State Profile (August 2012)
128. Resurgent Bihar (April 2013)
129. Life ahead for Uttarakhand (August 2013)
130. Punjab: The State Profile (February 2014)
131. Haryana: Bolstering Industrialization (May 2015)
132. Progressive Uttar Pradesh: Building Uttar Pradesh of Tomorrow (August 2015),
133. Suggestions for Progressive Uttar Pradesh (August 2015)
134. State profile of Telangana- The dynamic state of India (April 2016)
135. Smart Infrastructure Summit 2016- Transforming Uttar Pradesh (August 2016)
136. Smart Infrastructure Summit 2016-Transforming Uttar Pradesh : Suggestions for the State Government (August 2016)
137. Rising Jharkhand: An Emerging Investment Hub (February 2017)
138. Punjab: Roadmap for the New Government Suggestions for the Industrial and Socio-Economic Development – Focus MSMEs ease of doing business (May 2017)
139. Prospering Himachal Pradesh: A Mountain of Opportunities (August 2017)
140. Kashmir: The way forward (February 2018)
141. Analysis of State Budgets for 2018-19: Select States (March 2018)
142. Rising Uttar Pradesh One District One Product Summit (August 2018)
143. Rajasthan: Steady Strides into the Future- Emerging Growth Dynamics and the Way Forward (September 2018)
144. Rising Jharkhand: Economic Profile (January 2019)
145. Rising Jharkhand: Skill Development to Spur Socio-Economic Growth (January 2019)
146. Progressive Haryana: Economic Profile (February 2019)
147. Progressive Haryana: The Agricultural Hub of India (February 2019)
148. Progressive Haryana Steady Growth Strides into the Future (June 2020)



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About Us

PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 117 years. It is a forward looking, proactive and dynamic PAN-India apex organization. As a partner in progress with industry and government, PHDCCI works at the grass roots level with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

PHDCCI, acting as the “Voice of Industry & Trade” with a large membership base of 1,50,000 direct and indirect members consisting of large, medium and small industries, has forged ahead leveraging its legacy with the industry knowledge across multiple sectors to take Indian Economy to the next level. At the global level, we have been working with the Embassies and High Commissions in India and overseas to bring in the International Best Practices and Business Opportunities.

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