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INDIA'S EXPORTS TO MAJOR REGIONS OF THE WORLD: THE EMERGING TRENDS SINCE 2014

Dr. Mansi Gupta[1], Chinmayee Biswal[2]
[1]*Faculty, Department of Economics, Malwanchal University, Indore (MP)*
[2]*Ph.D Scholar, Department of Economics, Malwanchal University, Indore (MP)*

ABSTRACT

Taking the importance of export led growth strategy for Indian economy, and the changed political regime since 2014 into consideration, the present study intended to assess the The present study intended to assess the emerging trends in India's exports to various regions of the world since 2014, the changed regime. The study used RBI data and appropriate methodology for its assessments. The study finds that India's exports to many regions have either been stagnant or have declined. However, OECD is the only regions with which India's share in total exports has increased. Of course, OECD, Asia and Africa are the major destination for India's exports. Although the share of Africa has increased marginally, the share of Asia has gone down noticeably. This has also been reflected in their growth pattern. India's exports to OECD and Africa have grown significantly during the entire period under consideration. On the contrary, the same has been dismal, as far as Asia, the second largest region for India exports, is concerned. Since many it contains many of India's neighbor, the deteriorating trade relations with Asia is certainly a concern worthy phenomenon. However, for almost all the regions, Indian exports have experienced better growth during the 2nd period compared to that in the first period. This is remarkable because it has happened despite the supply chain disruptions owing to the Covid-19 pandemic, thanks to the proactive polices adopted by the Modi Government since 2014.

1. INTRODUCTION

Analysing the direction of India's exports is crucial to understanding its economic resilience and global trade dynamics. The patterns of export may reveal the potential markets and vulnerabilities. With shifting geopolitical scenarios, emerging markets, and changing consumer preferences, India's trade strategy must adapt to maximize benefits. Assessing export destinations highlights opportunities to diversify and reduce over-reliance on specific countries. Furthermore, it helps policy makers to identify the advantageous destinations and address trade imbalances. Such analysis is vital for fostering sustainable growth, enhancing foreign exchange earnings, and ensuring India's integration into global value chains amidst evolving international trade landscapes.

Besides, the nature and extent of a country's international relations are often significantly shaped by its major export destinations, as economic dependencies influence diplomatic posture. India's trade relationship with the United States exemplifies this dynamic. The U.S. has consistently ranked among India's top export destinations, particularly for pharmaceuticals, information technology services, and textiles (Ministry of Commerce and Industry, 2020). During the Trump administration (2017–21), India faced several protectionist measures, including increased tariffs, visa restrictions impacting Indian IT professionals, and the withdrawal of the Generalized System of Preferences (GSP) benefits (Brookings India, 2020). Despite these adverse policies, India adopted a cautious and calibrated approach. Rather than resorting to aggressive retaliation, India opted for strategic dialogue and limited counter measures (The Hindu, 2019). Even in recent times, India's response, to hostile USA actions towards migrant Indian workers in USA, has been mature and wise. Such restrained diplomatic responses were driven by the imperative to maintain economic stability and access to the lucrative U.S. market. Thus, analyzing the destination of India's exports to major regions of the world is important.

The significance of various global regions as destinations for India's exports is pivotal to the country's trade diversification and economic resilience. India has emerged as a significant player in global trade, with its exports reaching diverse regions worldwide. Over the past few decades, India's export sector has undergone structural changes, shifting from traditional commodities to manufactured goods and services. The European Union and North America, particularly the United States, serve as vital markets for high-value goods such as pharmaceuticals, engineering products, and IT services, contributing substantially to foreign exchange earnings. These regions offer stable demand, favourable trade frameworks, and robust regulatory environments, enhancing

export sustainability. Asia, especially countries in ASEAN, China, and the Middle East, remains crucial due to geographical proximity, cultural linkages, and growing demand for consumer and industrial goods. Africa represents an emerging market with expanding infrastructure needs and rising consumption, offering opportunities in automobiles, machinery, and pharmaceuticals. Diversifying exports across these regions mitigates risks arising from overdependence on a single market and enhances India's strategic trade interests. Consequently, regional engagement through Free Trade Agreements and diplomatic initiatives forms a key pillar of India's export policy framework.

Further, since the change in regime in 2014 with the advent of the Modi government, India's export-led growth strategy has received renewed emphasis. A cornerstone of this strategy has been the "Make in India" initiative, launched to boost domestic manufacturing and attract foreign direct investment, thereby strengthening the country's export capabilities. In addition to this flagship program, a series of policy measures have been introduced to support export growth. These include the Foreign Trade Policy (FTP) 2015–20, the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme, and the Production-Linked Incentive (PLI) scheme aimed at enhancing competitiveness in key sectors. Structural reforms such as the Ease of Doing Business Reforms (EDBR), significant infrastructure development, and the negotiation of Free Trade Agreements (FTAs) have further facilitated trade expansion. Moreover, targeted efforts toward market diversification, the extension of export credit and financial assistance, and the promotion of Micro, Small, and Medium Enterprises (MSMEs) in export activities reflect a comprehensive and multi-pronged approach to positioning India as a major global trading power.
Hence, Against the aforesaid backdrop, arises the following major research question.

1.1 Major Research Question

The major research question that arises is " how have the direction of India's exports evolved since 2014? Of course, an answer to this broad question requires a detailed empirical study of India's exports in the recent years. But before that it is essential to delve into available literature, identify the research gaps and trace the objectives of the present study.

1.2 Review of Literature

There is plethora of literature pertaining to the direction of India's exports, focusing on major regions such as North America, Europe, Asia, the Middle East, Africa, and Latin America. It is pertinent to review a few important among them.

To begin with, as per data of export-import data bank, Ministry of Commerce and Industry, Government of India, (2023) Asia remains India's largest export market, accounting for nearly 50 per cent of total exports. India's Key trading partners in Asia, include China, the UAE, Singapore, Hong Kong, and Bangladesh. Pradhan (2021) highlights that among the various countries in Asia, China is a major trading that despite geopolitical tensions, China remains a crucial market for Indian exports, particularly iron ore, organic chemicals, and cotton (Pradhan, 2021). However, the author highlights that India faces a trade deficit with China due to higher imports of electronics and machinery. The study by Sahoo and Dash (2022) enlarges the previous study. Sahoo and Dash (2020) discusses India's exports to ASEAN countries. The study maintains that India's exports to ASEAN nations have grown due to the India-ASEAN Free Trade Agreement (FTA). Key exports include pharmaceuticals, automobiles, and textiles. The study by Kumar & Singh (2022) adds up to the previous study. Kumar & Singh (2022) suggests that the UAE is India's second-largest export destination, driven by petroleum products, gems, and jewelry. The Comprehensive Economic Partnership Agreement (CEPA) between India and the UAE (2022) is expected to boost bilateral trade further. Besides, Asia,

Europe is also an important market for India. It is considered as a traditional and yet an evolving market for India. The study by World Bank (2021) suggests that India's exports to the European Union (EU) include textiles, IT services, pharmaceuticals, and engineering goods. Apart from the countries such as Germany, Netherlands in EU, the UK is also a major importer of Indian goods. The study by Choudhury and Sengupta (2022) discusses India's trade with the UK on the pretext of Brexit i.e. Britain's exit from the European Union. The study suggests that Post-Brexit, India has strengthened trade ties with the UK, particularly in services, textiles, and machinery. The study by Joseph and Parayil (2023) opines the ongoing India-EU FTA negotiations will go a long way in enhance market access for India. However, beyond Asia, EU and the UK, likes North America as a major destination for India's high value exports.

According to RBI (2023), within North America, the United States is India's single-largest export destination, accounting for about 18 per cent of total exports. Given this fact, one can imagine the relevance of India's well thought out approach in dealing with the present Trump administration in the aftermath of protectionists policies adopted by USA. The study by Nataraj and Sekhani (2020) discuss the composition of India's exports to USA. The study finds that India's key exports include pharmaceuticals, IT services, gems and jewelry, and petroleum products. The authors further highlight that the US-India trade relationship is bolstered by initiatives like the Indo-Pacific Economic Framework (IPEF). Apart from USA, Canada is a major export destination for India in North American region. The study by Mehta and Gupta (2021) discuss the composition of India's exports to Canada. The authors found that India exports automobiles, chemicals, and textiles to Canada. The authors are optimistic about India's export growth potential under the proposed India-Canada Free Trade Agreement (FTA). In fact, Latin America is also an important market for India's exports. It's a niche market for the expansion of India's exports. The study by Economic Commission for Latin America and Caribbean (ECLAC, 2020) views that though geographically distant for India, Latin America has experienced rising Indian exports in agrochemicals, automobiles, and pharmaceuticals. In particular, Brazil and Mexico are the countries in Latin America who extensively import Indian two-wheelers, generic drugs, and engineering goods etc.

Finally, various studies suggest that Africa has emerged as an important destination for India's exports. Karmakar (2022) suggests that Africa presents a growing opportunity for Indian exports, particularly in pharmaceuticals, automobiles, and agricultural products. The author particularly emphasizes on the countries like Kenya, Tanzania and Ethiopia in East Africa for India's exports. The study finds Indian pharmaceuticals and machinery products have a huge demand in the said countries in the east Africa. Besides East Africa, South Africa is also an important destination for Indian exports. The African Development Bank (AfDB, 2021) suggests that the South Africa is a major importer of Indian vehicles and petroleum products.

However, although Indian exports have the potential to grow as far as the aforesaid destinations are concerned, it faces several challenges, as discussed in the literature. Singh and Dhawan (2023) finds that Non-Tariff Barriers (NTBs) pose serious challenges to Indian exports in EU and US. The authors opined that the strict quality standards in the EU and US hinder Indian agricultural and pharmaceutical exports. Similarly, in the context of India's exports to Africa, The World Bank (2022) finds the logistical constraints as a serious challenge. High shipping costs and delays affect competitiveness of exports in general, and Indian exports in particular. Besides, the IMF (2023) suggest that geopolitical factors like US-China trade tensions and Russia-Ukraine war have disrupted supply chains. (IMF, 2023).

Thus, the recent literature highlights the importance of various regions and prominent countries with the regions as the destinations for Indian exports. The literature also sketches some of the major challenges pertaining to growth of India's exports to some of the mentioned regions.

1.3 Research Gaps

Although, the extant literature speaks about the destination of India's exports at length and breadth, it is silent as far as, India's exports to major regions in the context of changed political regime since 2014 is concerned. Hence, the present research intends to contribute to literature by attempting to fill the aforesaid research gaps. In particular, the present study intends to assess the share of major regions and their growth in India's exports since 2014. Accordingly, the specific objectives are outline below.

1.4 Objectives

The followings are the major objectives of the proposed study.

(1) To analyze the changing share of various regions in India's exports since 2014.
(2) To analyze the growth of India's exports to the major regions of the world since 2014.

1.5 Hypothesis

The followings may be considered as the hypothesis of the present study.

(1) There has been no significant change in the share of major regions of the world in India's exports since 2014.
(2) There has been no significant growth in India's exports to major regions of the world since 2014.

Taking the aforesaid objectives into consideration, this study is divided into four major sections, apart from the current introductory section. The second section deals with a thorough discussion on data source and methodology used for the present study. The changing shares of various regions since 2013-14 is discussed in the third section, while the fourth section is devoted for analyzing the growth of India's exports to the said regions during the period

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under consideration. Finally, in the fifth i.e. the concluding section, the entire discussion is summarized with suitable policy suggestions.

1. Data Source and Methodology

The present study is done using secondary data published by RBI. The RBI data on direction of India's exports captures both merchandise as well as invisible exports. Taking the available data into consideration, the period from 2013-14 to 2023-24 is considered for the present study.

As far as methodology is concerned, apart from proportion and ratios, growth rates are calculated. In order to have a base picture of regime change, the proportionate shares are calculated from 2013-14 to 2023-24. However, the growth rates have been calculated for the whole period (2014-15 to 2023-24) and by dividing the entire period into two sub periods i.e. Period I (2014-15 to 2019-20) and Period II (2019-20 to 2023-24). Further, the growth rates such as Compound Average Growth Rates (CAGR) and Annual Average Growth Rates (AAGR) are calculated using the following methodology.

Growth rates such as annual average and compound average growth rates are calculated by using the following methodology.

The functional form may be represented as follows;

$X_t = X_0 e^{rt}$

X_t *is Exports in Period* t,

X_0 *is Exports in the initial Period,*

e *is the natural number,* t *is the time i.e. year and* r *is the rate of growth*

$lnX_t = lnX_0 + rtlne$

$lnX_t = lnX_0 + rt$

Taking natural log (*ln*) of population for each year and regressing against time we obtain the average annual growth rate of exports. However, when only discrete data points are available, we have considered compound average growth rates on the basis of the following formula.

$X_t = X_0(1 + r)t$

X_t *is Exports in Period* t,

X_0 *is Exports in the initial Period,*

t *is the time i.e. year and* r *is the rate of growth*

$X_t = X_0(1 + r)^t$

$(1 + r)^t = \frac{X_t}{X_0}$

$r = \left(\frac{X_t}{X_0}\right)^{1/t} - 1$

Moreover, the estimation of growth rates for various sub periods within a finite time series data is done by fitting separate exponential trend lines through OLS method to each segment of the series. The exponential equation is given as;

$y = ab^t$ Where t is time, t = 1, 2, 3…….n

Suppose there are two sub-periods with a break at the year k

The growth rates for the two sub periods viz; 1,2,3……k, and k, k+1, k+2, k+3, ……n are given by the coefficients of the independent variable (i.e. time) of the following two regression equations;

$\ln y = \alpha_1 a + \beta_1 t$ Where t =1, 2, 3……k and

$\ln y = \alpha_2 a + \beta_2 t$ Where t = k, k+1, k+2, k+3…….n.

Thus, β_1 & β_2 are the growth rates for the two sub-periods.

Alternately, instead of estimating separate regression equations for different sub periods, only one regression equation is estimated in which dummies are used to yield growth rates for different sub-periods as given below;

$$\ln y_t = \alpha_1 D_1 + \alpha_2 D_2 + (\beta_1 D_1 + \beta_2 D_2)t + U_t \quad \text{----------(1)}$$

D_1 is the dummy variable which takes the values 1 during the sub-period 1 and 0 otherwise. Similarly, D_2 is the dummy variable which takes the value 1 for the sub-period 2 and 0 otherwise. In more general terms, D_j is the dummy variable which takes the value 1 in the jth sub period and 0 otherwise.

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Nevertheless, the estimates of β_1 & β_2 provide the growth rates for the two sub-periods. This methodology is almost equivalent to estimating two separate equations as shown above. However, one of the major lacunas common to both these methodologies is that there may be anomalies in the growth rates obtained. In particular; the sub-period growth rates may all exceed or less than the estimated growth rate for the period as a whole. In fact, it is possible for each estimated growth rates to be negative while the estimated growth rates in the whole is positive or vice versa. However, such discontinuities can be eliminated via the imposition of linear restrictions (Poirier, 1976). Imposition of such linear restrictions on the aforesaid log linear model yields kinked exponential functions. Also, the kinked exponential models can have one two or multiple kinks (Boyce 1986).

The Kinked Exponential Model given by Boyce 1986 may be explained by taking the above example and the equation (1) where series has been considered to be broken at point k. The discontinuity between the two trend lines can be eliminated via a linear restriction such that they intersect at the break point k:

$$\alpha_1 + \beta_1 k = \alpha_2 + \beta_2 k \quad \text{----------(2)}$$

Substituting for α_2 (and noting that $\alpha_1 D_1 + \alpha_1 D_2 = \alpha_1$) in equation (1) we get the restricted form:

$$\ln y_t = \alpha_1 + \beta_1 (D_1 t + D_2 k) + \beta_2 (D_2 t - D_2 k) + u_t \quad \text{----------(3)}$$

Like that of the former the OLS estimates of β_1 & β_2 from (3) give the exponential growth rates for the two sub-periods. Similarly, in case of Two Kink Model the final log linear equation for the OLS estimation is as follows;

$$\ln y_t = \alpha_1 + \beta_1 (D_1 t + D_2 k_1 + D_3 k_1) + \beta_2 (D_2 t - D_2 k_1 - D_3 k_1 + D_3 k_2) + \beta_3 (D_3 t - D_3 k_2) + u_t \text{-----(4)}$$

And like the equation (3), the OLS estimates of β_1, β_2 and β_3 from (4) give the exponential growth rates for the three sub-periods. Thus, generalized kinked exponential model for m sub-periods and m-1 kinks can be represented as given in Boyce 1986 and the corresponding exponential growth rates (which are generally referred as AAGR) may be estimated.

In the estimation of sub-period growth rates, the major advantage of this kinked exponential model over the conventional models outlined in the beginning of this section is that it makes the use of full information, whereas, the latter ignores the variables outside each given sub period. In other words, in the Kinked Exponential Model there is no asymmetry in the treatment of the information contained in the observation failing before and after the beginning and end points of the sub period; all observations are used to distinguish the underlying growth trends from instability or fluctuations around them. As a result, the kinked the kinked exponential models are free from what can be termed as the 'discontinuity bias' that possibly occurs in the conventional models. For example, if large positive deviations from the growth trend happened to occur immediately prior to the break point between the two sub-periods, and large negative deviations occurred immediately after it, the discontinuous growth estimates obtained through the conventional models would be biased upward and in the opposite circumstances it may be biased downward. On the contrary, in a kinked exponential model the impact of the deviant observation would be diminished, since they would tend to offset each other. As Boyce (1986) puts it; the sensitivity of growth rate estimates to instability is thus reduced by the kinked exponential models. As a result, as spelt out in the beginning of this section, these models, avoid the possibility of sub-periods growth rates in a time series being all exceed or less than the exponential growth rate estimated for the entire period as a whole.

Certainly, the kinked exponential models are better methods for estimating the sub-period growth rates in a time series data. Hence, in the present study the growth rates for various sub-periods under consideration have been estimated with kinked exponential models advocated by Boyce (1986).

2. India's Exports to Major Regions of the World

India's exports to world over the recent years may be viewed in terms of various regions. However, taking the objective of the present study into consideration, it is pertinent to focus on a few major regions. The region are the major trading blocks and continents. Those include, Organization for Economic Cooperation and Development (OECD), Organization of Petroleum Exporting Countries (OPEC), Eastern Europe, Asia, Africa, Latin America and Others. Each of these regions deserves importance as far as India's exports in recent years is concerned. The share of India's exports to the aforesaid regions over during the recent years i.e. between 2013-14 and 23-24 is presented in table 1. The table 1 also depicts the summary statistics for the share of various regions in the total exports of India over the period under consideration.

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Table 1: India's Exports to Major Regions of the World

Year	O E C D Countries	O P E C	Eastern Europe	Asia	Africa	Latin American Countries	Others & Unspecified	Total
	Percentage Shares							
2013-14	34.6	17.72	1.12	30.3	8.48	4.05	3.72	100
2014-15	35.23	18.17	1.1	30.2	9.14	4.72	1.39	100
2015-16	38.45	17.64	0.92	29.3	8.27	4.35	1.04	100
2016-17	37.88	16.39	1.02	32.1	7.34	4.29	0.97	100
2017-18	39.41	14.6	1	33	7.07	4.09	0.88	100
2018-19	42.51	14.31	1.15	30.8	7.21	2.6	1.45	100
2019-20	43.18	15.02	1.43	28.4	7.62	2.85	1.52	100
2020-21	44.44	10.99	1.44	31.7	7.91	2.7	0.84	100
2021-22	47.11	11.59	1.2	28.4	7.94	2.82	0.98	100
2022-23	47.62	12.39	1.21	24.6	9.7	3.26	1.22	100
2023-24	47.7	13.83	1.89	23.7	8.9	2.69	1.34	100
Summary Statistics								
Minimum	34.6	10.99	0.92	23.7	7.07	2.6	0.84	
1st Quartile	38.16	13.11	1.06	28.4	7.48	2.76	0.98	
Median	42.51	14.6	1.15	30.2	7.94	3.26	1.22	
Mean	41.65	14.79	1.22	29.3	8.15	3.49	1.39	
3rd Quartile	45.77	17.01	1.32	31.2	8.69	4.19	1.42	
Maximum	47.7	18.17	1.89	33	9.7	4.7	3.72	

Source: Computed from RBI (2024), www.rbi.org

As shown in table 3.1 the share of India's exports to OECD countries has steadily increased from 34.6 per cent in 2013-14 to 47.7 per cent in 2023-24. The median share is 42.51 per cent, and the mean is 41.65 per cent, indicating a consistent upward trend over the decade. This indicates that OECD countries are India's most significant export destinations, reflecting strong trade relations with developed economies like the USA, European nations, and Japan. The increase in share highlights India's focus on exporting high-value products such as pharmaceuticals, IT services, and engineering goods to developed markets. It is possible due to the rising demand for Indian goods and services in OECD countries, coupled with enhanced trade agreements, has likely driven this growth. In contrast to the OECD countries the share of OPEC countries peaked at 18.17 per cent in 2014-15 but declined to 13.83 per cent in 2023-24. The mean share is 14.79 per cent, with a median of 14.6 per cent, showing relative stability but a slight long-term decline.

Although the OPEC countries, primarily in the Middle East, are major energy trading partners, the decrease in share probably indicates a diversification of India's energy sources or changes in trade dynamics. It could be because of the factors like India's push for renewable energy, fluctuating oil prices, and geopolitical shifts may have contributed to this decline. Exports to Eastern Europe remains minimal, with shares ranging from 0.92 per cent to 1.89 per cent. The median is 1.15 per cent, and the mean is 1.22 per cent, reflecting limited engagement with this region. It implies that the Eastern Europe is a small but steady market for India, with potential for growth in niche sectors like pharmaceuticals and IT services. It could be due to the limited trade agreements and lower demand for Indian goods in Eastern Europe may explain the small share. However, quite similar to OPEC, Asia consistently accounts for a significant portion of India's exports, ranging from 23.7 per cent to 33 per cent, with a mean of 29.3 per cent. The share peaked in 2017-18 at 33 per cent but declined to 23.7 per cent in 2023-24. It certainly implies that Asia remains a critical trade region, likely driven by exports to China, ASEAN nations, and South Asian neighbors. Of course, the exports to neighboring countries is analyzed in a exclusively in the thirds section of this chapter, as maintained earlier. Nevertheless, the decline in India's exports to Asian countries in recent years signals increased competition or changing trade dynamics within the region. India's geographical proximity and strong trade ties with Asia contribute to this significant share. However, recent geopolitical tensions and supply chain disruptions may have impacted trade flows. India's export shares to Africa is quite similar to that of OPEC. It has been relatively stable, with values between 7.07 per cent and 9.7 per cent. The mean is 8.15 per cent, and the median is 7.94 per cent, indicating consistent engagement with this region.

This certainly implies that Africa is an important export market for India, particularly for agricultural products, machinery, and pharmaceuticals. The steady share reflects India's long-standing trade relations and development

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partnerships with African nations. The initiatives taken by Modi Government like the India-Africa Forum Summit and concessional credit programs have bolstered trade relations with Africa. India's exports to Latin America have shown moderate stability, with shares ranging from 2.6 per cent to 4.72 per cent. The median is 3.26 per cent, and the mean is 3.49 per cent, indicating consistent but modest engagement. This implies that Latin America is a growing market for Indian goods, particularly in sectors like pharmaceuticals, automobiles, and IT services. The geographical distance and smaller market size compared to Asia or Africa may limit India's export share, but steady demand ensures continued engagement. Finally, India's exports to the rest of the world is quite negligible. The aforesaid trends are better depicted in figure 1.

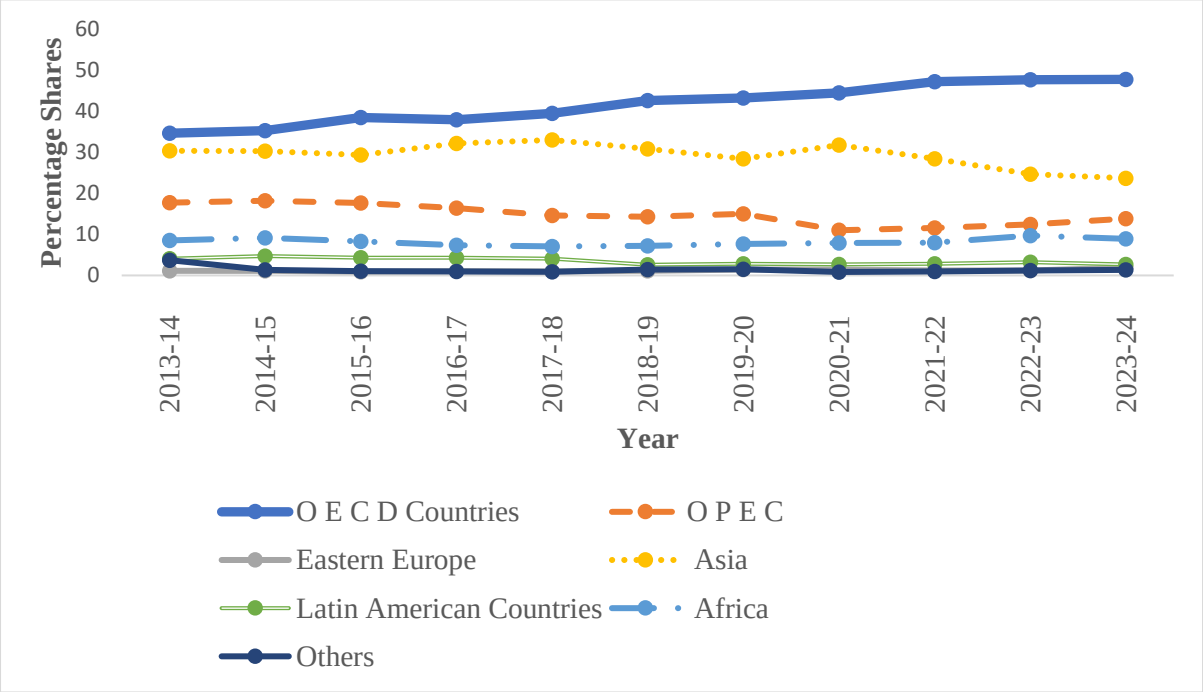


Figure 1: India's Exports to Major Regions of the World

Thus, it appears that India's exports to most of the regions has either remained stagnant or has declined. However, OECD is the only regions with which India's share in total exports has increased. Apart from OECD, the share of Africa has shown some hope. It appears to have increased marginally during the entire period under consideration. In fact, in terms of ranks, OECD constitute the largest export destination for India, it is followed by Asia, OPEC and Africa. This indicates that in the recent years, India has able to increase its exports to developed economies by Strengthening trade agreements and addressing market-specific needs. The stable shares of Africa and Latin America indicate untapped potential. Expanding exports to these regions through targeted initiatives could help India diversify its trade portfolio. However, the decline in Asia's share in total exports of India, highlights the need to address challenges such as competition, supply chain disruptions, and geopolitical tensions. Strengthening ties with ASEAN countries and leveraging regional trade agreements could help reverse this trend. Finally, the small shares of Eastern Europe suggest opportunities for growth in emerging markets. Investments in market research and export promotion activities could unlock new avenues.

Thus, it appears that in the overall evolving patterns of India's exports over the decade, OECD countries and Asia remain dominant, while Africa and Latin America offer steady growth opportunities. The analysis underscores the importance of strategic trade policies, regional diversification, and adapting to global economic shifts to sustain India's export momentum. By leveraging its strengths and addressing challenges, India can further enhance its position in the global trade landscape.

3. Growth of India's Exports to Major Regions of the World

In this section, the growth of India's exports to various regions, as considered in the previous section, is discussed. As outlined in the methodology, the growth for the three periods, the whole period (2014-15 to 2023-24) and the two sub periods (Period I: 2014-15 to 2019-20 and Period II: 2019-20 to 2023-24. both in terms of CAGR and AAGR. is presented in table 2.

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Table 2: The Growth of India's Exports to Major Regions of the World

Regions	CAGR (in %)			AAGR (in %)		
	Period I (2014 -15 To 2019-20)	Period II (2019 -20 To 2023-24)	Whole Period (2014 -15 To 2023-24)	Period I (2014 -15 To 2019-20)	Period II (2019 -20 To 2023-24)	Whole Period (2014 -15 To 2023-24)
O E C D Countries	6.93	14.67	9.20	2.91	5.95	3.82
O P E C	-3.90	11.14	0.83	-1.73	4.59	0.36
Eastern Europe	4.43	15.99	11.32	1.88	6.44	4.66
Asia	4.29	4.96	2.81	1.83	2.10	1.20
Africa	-3.56	17.53	6.57	-1.58	7.01	2.76
Latin American Countries	-9.38	12.45	-0.91	-4.28	5.10	-0.40
Others	69.56	8.96	44.61	22.93	3.73	16.02

Source: Computed from RBI (2024), www.rbi.org

The table 2 shows India's export growth to major regions has shown significant variations over the past decade, with a notable shift between the two sub periods. As the table 2 reveals, exports to OECD countries grew at a CAGR of 6.93 per cent in the first period and accelerated to 14.67 per cent in the second, averaging 9.20 per cent over the decade. Similarly, Eastern Europe saw an increase from 4.43 per cent to 15.99 per cent, highlighting strong trade ties. In Asia, however, growth remained steady but modest, with a CAGR of 4.29 per cent (2014–15 to 2019-20) and 4.96 per cent (2019-20 to 2023-24), averaging 2.81 per cent over ten years. Africa and Latin America saw contrasting trends. Africa's exports declined by -3.56 per cent (2014-15 to 2019-20) but rebounded sharply to 17.53 per cent in the second period. Latin America, however, suffered a steep decline of -9.38 per cent before recovering to 12.45 per cent, but the overall trend remained slightly negative at -0.91 per cent. OPEC countries also rebounded from a -3.90 per cent decline to an 11.14 per cent growth rate. The "Others" category saw a massive surge of 69.56 per cent initially but slowed to 8.96 per cent. The following figure 4.5 provides a clear picture of the growth patterns.

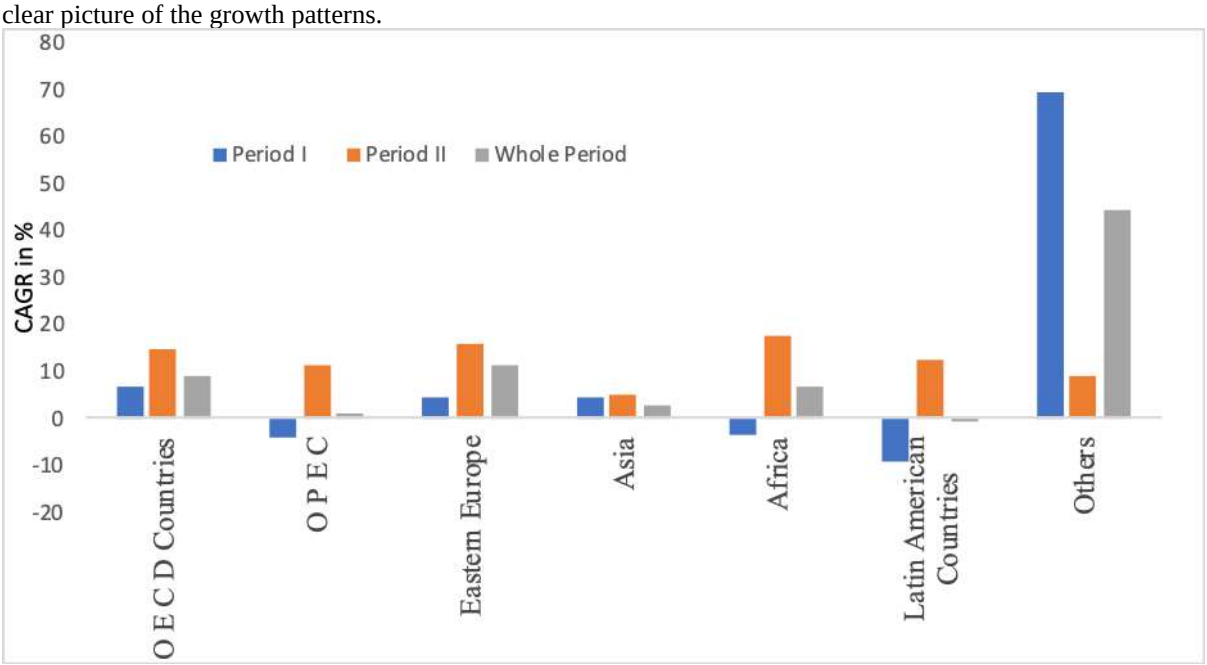


Figure 4.5: Growth of India's Exports to Major Regions

Thus, India's export growth to major regions has shown significant variations over the past decade, reflecting shifting trade dynamics. Exports to developed regions like OECD countries and Eastern Europe experienced strong growth, indicating strengthened trade ties. In contrast, trade with Asia remained steady but modest, showcasing consistent but slower expansion. Africa and Latin America saw contrasting trends, with Africa rebounding sharply after an initial decline, while Latin America struggled to recover fully. Resource-rich regions like OPEC also witnessed a recovery in trade. The "Others" category initially surged but later slowed. These patterns highlight India's evolving trade strategies, emphasizing stronger ties with developed nations, recovery in resource-rich regions, and stable engagement with Asia.

One of the positive aspects of the changed regime is that India has improved its share of exports to OECD countries, which by and large include the countries in the Eastern Europe. As we know there are presently 38 countries in OECD, all are developed countries. They include, Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (South Korea), Latvia, Lithuania, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and United States. Almost all of them are developed countries. Further, apart from the improved share the growth of exports towards OECD countries has been considerable.

The rising share and growth of Indian exports to OECD countries since 2014 may be attributed to a combination of economic, policy, and global trade dynamics. A few important among them include, stronger trade ties with the developed economies, high demand for Indian services especially Information Technology Enabled Services (ITES), diversification of India's exports basket, incentivizing exports from India, favorable exchange rate and global conditions, improved logistics and infrastructure, etc.. Besides, for almost all the regions, Indian exports have experienced better growth during the 2nd period compared to that in the first period. This is remarkable because it has happened despite the supply chain disruptions owing to the Covid-19 pandemic, thanks to the proactive polices adopted by the Modi Government since 2014.

4. CONCLUSION

The present study intended to assess the emerging trends in India's exports to various regions of the world since 2014, the changed regime. The study used RBI data and appropriate methodology for its assessments.

The study finds that India's exports to many regions have either been stagnant or have declined. However, OECD is the only regions with which India's share in total exports has increased. Of course, OECD, Asia and Africa are the major destination for India's exports. Although the share of Africa has increased marginally, the share of Asia has gone down noticeably. This has also been reflected in their growth pattern. India's exports to OECD and Africa have grown significantly during the entire period under consideration. On the contrary, the same has been dismal, as far as Asia, the second largest region for India exports, is concerned. Since many it contains many of India's neighbor, the deteriorating trade relations with Asia is certainly a concern worthy phenomenon. However, for almost all the regions, Indian exports have experienced better growth during the 2nd period compared to that in the first period. This is remarkable because it has happened despite the supply chain disruptions owing to the Covid-19 pandemic, thanks to the proactive polices adopted by the Modi Government since 2014.

Further, the rising share of OECD in India's exports and its noticeable growth during the Modi regime underscores the fact that India has increased its exports to the developed economies. This has possible because of the factors like improved competitiveness of India's exports, stronger trade ties with the developed economies, high demand for Indian services especially Information Technology Enabled Services (ITES), diversification of India's exports basket, incentivizing exports from India, favourable exchange rate and global conditions, improved logistics and infrastructure, etc.

The dismal growth of India's export to Asia, Latin America and OPEC regions suggests that India need to further sharpen its trade strategies. In particular, efforts should be made to tap the potential in the regions like Africa and Latin America. India should reduce dependency on traditional markets by exploring Africa and Latin America (EXIM Bank, 2023). Moreover, it should expedite FTAs with the EU, UK, and Australia to improve market access (Pattnaik and Dhal, 2022). The focus should also be on improving export infrastructure. As the NITI Aayog (2023) suggests we should invest heavily on logistics and digital trade facilitation. Importantly, MSMEs should be supported for technology upgradation pertaining to export competitiveness. Adoption of such policy measures will go a long way in enhancing India's exports to various regions of the world.

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