



## Trade competitiveness issues

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India is losing its trading edge to smaller nations. India's garment exports are today overtaken by competition from Bangladesh and Vietnam. The share of oil in India's total imports has risen from 23.8% in the first half of FY16 to 26.3% during the corresponding period in FY20. As per the report of the high level advisory group submitted earlier this year to the commerce minister, India's exports growth has slipped significantly more relative to 60 comparable economies. According to the report, our pharma and biotech industries suffer from excessive and complicated regulation. Restrictive labour laws prevent larger scale of operations. Issues with our logistics result in our turnaround time being over four times that in China or Turkey. We should realize that the US China trade tensions and the global economic slowdown do not fully explain the poor performance of our exports. The real issues lie elsewhere.

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