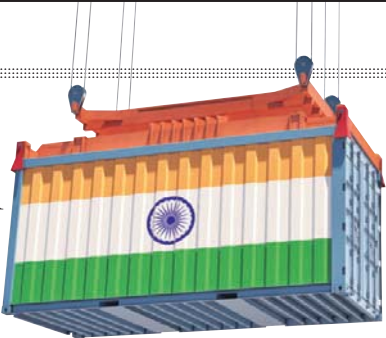


India's trade diversification a mixed bag so far



India has had to scramble for new markets to diversify its exports, following the 50 per cent tariffs levied by the United States (US) since August. While India has succeeded in its diversification efforts for some product groups, it has been unable to completely offset the export losses in the US market.

YASH KUMAR SINGHAL

Diversification successful for auto parts, marine products and garments

India's exports to the US increased by nearly \$6 billion in FY26 (Apr-Nov) year-on-year (Y-o-Y). Exports of telecom instruments, led by smartphones on which the tariffs were not imposed, increased by over \$8.4 billion alone Y-o-Y, in the first eight months of FY26. However, India's US-bound outward shipments of gems and jewellery, agricultural products and textiles declined significantly Y-o-Y between April and November in FY26. Further, the exports of gems and jewellery, textiles, glass, cement and ceramics to non-US economies were unable to counteract the export losses of these products in the US.

Product group	(Apr-Nov)			
	Exports to US (\$ bn)		Exports to other countries (\$ bn)	
	FY25	FY26	FY25	FY26
Gems & jewellery	6.29	3.53	12.97	15.61
Agricultural & allied products	3.68	3.48	28.44	30.82
Ready-made garments	3.32	3.26	6.53	6.82
Textiles*	3.35	3.00	9.35	9.61
Marine products	1.80	1.70	3.15	4.05
Auto components	1.22	1.14	4.17	4.57
Plastic & related products	0.86	0.74	3.75	3.65
Organic chemicals	0.78	0.71	4.44	4.27
Leather & related products	0.68	0.66	2.40	2.43
Glass, ceramics & cement	0.79	0.64	2.29	2.41

*Excludes ready-made garments and includes textile fibres, yarns and carpets. Only those product groups have been considered on which the US has levied tariffs
 Sources: CMIE, Department of Commerce, BS calculations

Exports to UAE and China rise

Exports of gems and jewellery, textiles and ready-made garments, auto components, glass and ceramics to the UAE saw the highest spike in absolute export-value of these products in Apr-Nov in FY26 Y-o-Y.

*Excludes ready-made garments and includes textile fibres, yarns and carpets. The time period in consideration is Apr-Nov of FY25 and FY26. Brackets denote Y-o-Y growth in export value
 Sources: CMIE, Department of Commerce, BS calculations

Countries with highest rise in export-value (%)		
Gems & jewellery	UAE	32
	Hong Kong	23
Agricultural & allied products	China	21
	UAE	19
Ready-made garments	UAE	12
	Germany	8
Textiles*	UAE	26
	Egypt	34
Marine products	Vietnam	100
	China	20
Auto components	UAE	84
	Germany	33
Plastic & related products	Tanzania	51
	Canada	41
Organic chemicals	Brazil	60
	Thailand	73
Leather & related products	Netherlands	17
	Russia	43
Glass, ceramics & cement	UAE	29
	Vietnam	20