Editorial

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A national budget can have a significant impact on a country's imports and exports. The 2024–2025 Budget Session will begin on 1st February 2024, and during this time, we can anticipate more forceful measures to reduce India's trade imbalance. A budget that directly affects the cost of importing and exporting goods may include adjustments to export subsidies, import levies or tariffs. Increased import taxes may deter consumers from purchasing imported goods, but export subsidies may increase the competitiveness of home-grown items on global markets. To do this, India's exports must increase. Participation in trade agreements or discussions, which have an impact on import and export laws, tariffs and market access, may be supported by budgetary decisions. Trade agreements, contingent on their specific conditions and the industries involved, have the potential to increase or decrease trade opportunities. Additionally, financial assistance or subsidies for particular businesses can impact their ability to compete in global markets. Subsidies can shield home sectors from overseas competition, which may lower production costs and increase export competitiveness, or they might reduce imports. The preceding Budget 2023–2024 demonstrated that customs duties were raised on certain inputs to rectify the inversion and safeguard local industry, while they were decreased on some key inputs to lower costs of goods manufacturing. In addition to trying to replace imports, this has been done to encourage export competitiveness and drive home manufacture. A trade surplus boosts a nation's economic expansion. Increased exports are indicative of high production levels from a nation's factories and other industrial facilities, as well as higher employment rates to maintain these factories.

Customers are accustomed to seeing goods from all over the world at their neighbourhood supermarkets and retail establishments because of the global nature of our economy. Customers have additional options thanks to these imports from overseas. Additionally, imports assist customers in managing their tight household budgets because they are typically produced at a lower cost than any identical product produced domestically. GDP is a comprehensive indicator of a country's total economic activity. A key element of the expenditures approach to computing GDP is imports and exports.

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