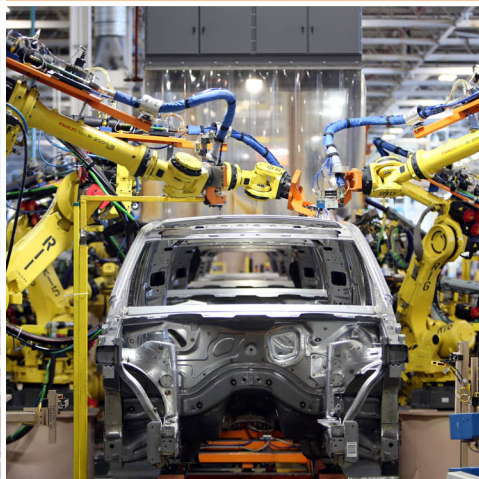


# Engineering Exports Monitor

April 2015



## Analysis of Indian engineering exports during April 2015: May 18, 2015

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### Trend in overall trade

India's merchandise exports got off to a poor start in the new fiscal 2015-2016 with a contraction in shipments by 13.96 per cent to US \$22.05 billion in April 2015. It has been the fifth consecutive month as the rupee remained volatile against major currencies such as euro, pound sterling and Yen and weak demand overseas.

India's merchandise imports during the month of April fell by 7.48 per cent to \$33.04 billion due to a sharp fall in the oil bill. But the trade gap widened to \$10.99 billion from \$10.1 billion in the previous fiscal year.

### Engineering exports

The **exports of engineering products**, one of the essential groups of exported items from India sharing 26 per cent in April 2015 on India's total merchandise exports, registered 0.23 per cent increase in the growth rate to US\$ 5.7 billion in the month of April 2015 over April 2014. The monthly engineering figures for 2015-2016 vis-à-vis 2014-2015 are depicted below:

**Table1: Engineering Exports**  
US\$ Million

| Months       | 2014-15 | 2015-16 | Growth (%) |
|--------------|---------|---------|------------|
| <b>April</b> | 5689.75 | 5702.71 | 0.23       |

*(Source: Department of Commerce, Government of India)*

Manufacturing sector contributes significantly to India's engineering exports and therefore, some correlation between manufacturing production growth and merchandise export growth is always found. Hence, a brief analysis of industrial production is effective in the context of engineering export analysis as manufacturing has around 75% weightage in India's industrial production. Industrial output growth slowed down to 2.1% in March 2015 from 4.9% in February 2015. IIP Index, the standard measure for industrial output, stood at 197.3 in March as against 181.1 in during the month of February 2015. Despite a sharp rise in index over the month, growth was restricted due to base effect. Cumulative industrial growth during the entire

fiscal 2014-15 was recorded at 2.8% as against a contraction of 0.1% during the previous fiscal.

The growth rates in Engineering Exports and the Growth in Manufacturing in the country in the current fiscal in Table 1A below:

**Table 1A: Engineering Exports Growth vis-a-vis Manufacturing Growth (2014-15)**

| Months/ Year           | Engg. Exports Growth (%) | Manufacturing Growth (%) |
|------------------------|--------------------------|--------------------------|
| April- March 2014-2015 | 14.7                     | 2.3                      |
| April 2015             | 0.23                     | NA                       |

(Source: Department of Commerce and CSO)

Analysis of last fiscal's data showed that export growth remained positive for all months during the first half of fiscal 2014-15 but manufacturing production declined in two months. During the third quarter of 2014-15, however, we saw similarity between the trend of month-wise manufacturing and export growth. Both engineering export and manufacturing declined (negative growth) in October 2014 but then came back to growth in the next two months. Moreover, both export growth and manufacturing growth showed declining trend between November 2014 and January 2015. The similarity in trend then ended in February when export growth turned negative but manufacturing growth reached its ten month high. Again in March 2015, decline in exports doubled and manufacturing growth also more than halved as compared to February 2015. These figures necessarily established some correlation between manufacturing growth and engineering export growth. On a cumulative basis, manufacturing growth was recorded at 2.3% during fiscal 2014-15 as against a decline of 0.8% in the previous fiscal. Cumulative export growth, on the other hand recorded at 14.7% during fiscal 2014-15 over the previous fiscal.

We also present the month wise corresponding **revised** engineering exports for 2014-15 as opposed to 2013-14.

**Table 2: Revised Engineering Exports (2013-14)**

USD Million

| Quarter   | Month     | 2013-14 | 2014-15  | Growth Rate in Percent |
|-----------|-----------|---------|----------|------------------------|
| Quarter 1 | April     | 4529.32 | 5689.75* | 25.62                  |
|           | May       | 4819.47 | 6013.91  | 24.78                  |
|           | June      | 4229.72 | 5179.17  | 22.45                  |
| Quarter 2 | July      | 4473.34 | 5498.34  | 22.91                  |
|           | August    | 5264.51 | 6381.27  | 21.21                  |
|           | September | 5216.94 | 6280.51  | 20.39                  |
| Quarter 3 | October   | 5552.78 | 5000.79  | -9.94                  |
|           | November  | 4874.85 | 6410.04  | 31.49                  |

| Quarter          | Month                | 2013-14         | 2014-15         | Growth Rate in Percent |
|------------------|----------------------|-----------------|-----------------|------------------------|
|                  | December             | 5531.18         | 6697.8          | 21.09                  |
| <b>Quarter 4</b> | January              | 6122.54         | 6716.26         | 9.70                   |
|                  | February             | 4971.59         | 4907.37         | -1.29                  |
|                  | March                | 6040.14         | 5884.54         | -2.58                  |
|                  | <b>Total Exports</b> | <b>61626.38</b> | <b>70659.75</b> | <b>14.66</b>           |

(\*Revised figures as per latest estimates by DGCI&S)

## Impact of Exchange Rate

How has the exchange rate been in April 2015 vis-a-vis April 2014? We look at the average exchange rate for April 2015 vis-a-vis April 2014. The below table provides the same:

**Table 3: Average Exchange Rate**

| April | Average Exchange Rate 1 USD to INR |
|-------|------------------------------------|
| 2014  | 60.34                              |
| 2015  | 62.65                              |

(Source: Calculated from RBI archive)

**The official exchange rate of rupee vis-à-vis the US Dollar during April 2015 has depreciated by 3.8 % to that of the same period last year.**

## Trends in Engineering Panel Exports

We begin by looking at the Engineering Panel wise exports for the month of April 2015 vis-a-vis April 2014. The data is given in Table 4 below:

**Table 4: Trends in Engineering panel Exports March 2015 and April- March 2014-2015**  
US\$ Million

| Sl no.   | Panel                      | April 2014     | April, 2015    | Growth %    |
|--|----------------------------|----------------|----------------|-------------|
| <b>1. Iron and Steel and Products made of Iron and Steel</b>         |                            |                |                |             |
| <b>A</b>   | Iron and Steel             | 697.2          | 523.14         | -24.97      |
| <b>B</b>   | Products of Iron and Steel | 549.37         | 604.49         | 10.03       |
|  | Sub Total                  | <b>1246.57</b> | <b>1127.63</b> | <b>9.54</b> |
| <b>2. Non-Ferrous Metals and Products made of Non-Ferrous Metals</b> |                            |                |                |             |
| <b>A</b>   | Copper and products        | 220.95         | 260.26         | 17.79       |
| <b>B</b>   | Aluminium and products     | 163.88         | 193.41         | 18.02       |

| Sl no.                             | Panel   | April 2014    | April, 2015   | Growth %      |
|------------------------------------|---|---------------|---------------|---------------|
| <b>C</b>                           | Zinc and products   | 15.49         | 71.19         | 359.59        |
| <b>D</b>                           | Nickel and products   | 33.28         | 21.55         | -35.25        |
| <b>E</b>                           | Lead and products   | 19.66         | 11.68         | -40.59        |
| <b>F</b>                           | Tin and products  | 11.26         | 2.36          | -79.04        |
| <b>G</b>                           | Other Non Ferrous Metals                                      | 34.02         | 37.95         | 11.55         |
| Sub Total                          |   | <b>498.54</b> | <b>598.4</b>  | <b>20.03</b>  |
| <b>3. Industrial Machinery</b>     |   |               |               |               |
| <b>A</b>                           | Industrial Machinery like Boilers, parts, etc                 | 50.21         | 55.58         | 10.70         |
| <b>B</b>                           | IC Engines and Parts  | 142.6         | 142.79        | 0.13          |
| <b>C</b>                           | Pumps of all types  | 56.8          | 65.67         | 15.62         |
| <b>D</b>                           | Air condition and Refrigerators                               | 95.8          | 86.35         | -9.86         |
| <b>E</b>                           | Industrial Machinery for dairy, food processing, textiles etc | 392.96        | 408.98        | 4.08          |
| <b>F</b>                           | Machine Tools   | 29.66         | 33.5          | 12.95         |
| <b>G</b>                           | Machinery for Injecting moulding, valves and ATMs             | 95.79         | 107.62        | 12.35         |
| Sub Total                          |   | <b>863.82</b> | <b>900.49</b> | <b>4.25</b>   |
| <b>4</b>                           | <b>Electrical Machinery</b>                                   | <b>302.74</b> | <b>348.62</b> | <b>15.15</b>  |
| <b>5. Auto and Auto Components</b> |   |               |               |               |
| <b>A</b>                           | Motor Vehicle/cars  | 428.23        | 481.78        | 12.50         |
| <b>B</b>                           | Two and Three Wheelers  | 130.3         | 122.77        | -5.78         |
| <b>C</b>                           | Auto Components/Part  | 350.49        | 350.96        | 0.13          |
| Sub Total                          |   | <b>909.02</b> | <b>955.51</b> | <b>5.11</b>   |
| <b>6</b>                           | <b>Aircrafts and Spacecraft parts and products</b>            | <b>642.07</b> | <b>965.69</b> | <b>50.40</b>  |
| <b>7</b>                           | <b>Ships Boats and Floating products and parts</b>            | <b>686.86</b> | <b>340.29</b> | <b>-50.46</b> |
| <b>8. Miscellaneous Items</b>      |   |               |               |               |
| <b>A</b>                           | Medical and Scientific instruments                            | 95.99         | 91.99         | -4.17         |
| <b>B</b>                           | Railway Transport   | 40.61         | 6.69          | -83.53        |
| <b>C</b>                           | Hand Tools & Cutting Tools                                    | 58.08         | 57.01         | -1.84         |
| <b>D</b>                           | Electrodes Accumulators                                       | 2.64          | 2.59          | -1.89         |
| <b>E</b>                           | Accumulator and Batteries                                     | 12.79         | 13.73         | 7.35          |
| <b>F</b>                           | Bicycle & Parts   | 28.88         | 24.18         | -16.27        |
| <b>G</b>                           | Cranes Lifts & Winches  | 25.62         | 26.95         | 5.19          |
| <b>H</b>                           | Office Equipments   | 2.18          | 5.41          | 148.17        |
| <b>I</b>                           | Other Construction Machinery                                  | 92.36         | 105.35        | 14.06         |

| Sl no.             | Panel                      | April 2014     | April, 2015    | Growth %      |
|--------------------|----------------------------|----------------|----------------|---------------|
| J                  | Prime Mica & Mica Products | 1.86           | 1.44           | -22.58        |
| K                  | OTHER MISC. ITEMS          | 179.12         | 130.74         | -27.01        |
| <b>Sub Total</b>   |                            | <b>540.13</b>  | <b>466.08</b>  | <b>-13.71</b> |
| <b>Grand Total</b> |                            | <b>5689.75</b> | <b>5702.71</b> | <b>0.23</b>   |

(Source: Department of Commerce, Government of India)

Some factors that need to be noted are:

- ❖ Out of 33 engineering panels - 19 panels recorded a positive growth and remaining 14 panels fared negative growth in the month of April 2015.
- ❖ Primary Iron and Steel exports has fallen by 24 per cent in April 2015 vis-à-vis April 2014. Though Products of Iron and Steel had fallen by 3 per cent in March 2015 vis-à-vis March 2014, they have shown a positive growth of 10.03 per cent in April 2015 vis-à-vis April 2014.
- ❖ Non ferrous Metals like Lead, Nickel, Tin and products have witnessed fall in export growth in the month of April 2015. The maximum fall seen in the export of Tin and products of about 79 per cent.
- ❖ Monthly exports of railway transports have been showing negative trends dropping by 83 per cent, during April 2015 as against the same period last year. While the Aircrafts panel registered a drop in exports in March 2015, but experienced a positive growth of 50 per cent in the month of April 2015.
- ❖ Engineering panels like Aluminum, and Zinc from the Non ferrous sector, Machine Tools, Electrical machinery have recorded a handsome export growth in April 2015 compared to April 2014.

**☑ Top 25 Country Engineering Exports in Absolute Value (even though the growth rate may be negative)**

We now look at the export scenario of top 25 nations that have highest demand for Indian engineering products during April 2015 over April 2014 in Absolute Value, even though the growth rate may be negative.

**Table 5: Country wise Exports (2014-2015)**  
US\$ Million

| Country   | April, 2014 | April, 2015 | Growth % |
|-----------|-------------|-------------|----------|
| SRI LANKA | 205.38      | 647.87      | 215.46   |
| U S A     | 504.19      | 647.36      | 28.39    |
| UAE       | 628.42      | 611.30      | -2.72    |

| Country                             | April, 2014    | April, 2015    | Growth %    |
|-------------------------------------|----------------|----------------|-------------|
| CHINA                               | 176.25         | 242.64         | 37.67       |
| U K                                 | 203.43         | 187.77         | -7.70       |
| SINGAPORE                           | 267.34         | 183.01         | -31.55      |
| MEXICO                              | 131.86         | 153.75         | 16.60       |
| GERMANY                             | 168.97         | 148.20         | -12.29      |
| ITALY                               | 122.98         | 121.02         | -1.59       |
| SAUDI ARAB                          | 99.18          | 112.10         | 13.03       |
| SOUTH AFRICA                        | 96.35          | 110.14         | 14.31       |
| BANGLADESH                          | 148.03         | 109.93         | -25.74      |
| BAHARAIN                            | 6.02           | 107.92         | 1692.98     |
| MALAYSIA                            | 51.74          | 103.74         | 100.48      |
| NIGERIA                             | 99.68          | 100.86         | 1.19        |
| NEPAL                               | 99.39          | 100.82         | 1.44        |
| TURKEY                              | 268.93         | 95.32          | -64.55      |
| KOREA                               | 93.75          | 87.28          | -6.90       |
| THAILAND                            | 85.51          | 75.93          | -11.20      |
| FRANCE                              | 88.09          | 72.99          | -17.14      |
| EGYPT                               | 52.55          | 72.34          | 37.66       |
| IRAQ                                | 19.51          | 69.53          | 256.36      |
| BRAZIL                              | 70.81          | 69.12          | -2.39       |
| INDONESIA                           | 156.32         | 67.73          | -56.67      |
| IRAN                                | 73.75          | 62.97          | -14.62      |
| <b>Total of top 25</b>              | 3918.45        | 4361.64        | 11.31       |
| <b>Total Engineering Exports</b>    | <b>5689.74</b> | <b>5702.71</b> | <b>0.23</b> |
| <b>Share of Top 25 in Total (%)</b> | 68.87          | 76.48          |             |

*Note: Red font indicates negative monthly growth*

*(Source: Department of Commerce, Government of India)*

The country wise figures for April 2015 show interesting trends. These are:

- ❖ Out of the top 25 countries, 13 countries recorded negative growth in the month of April 2015.
- ❖ Germany one of the top European export destinations for the Indian engineering exports conceded negative growth in March 2015 and also in the month of April 2015.
- ❖ Sri Lanka is ranked at the top engineering exporting country from India during April 2015 followed by exports to USA in the reporting month despite there being no GSP.

- ❖ Out of 225 destinations for export of Indian engineering goods, the top 25 nations accounts for 76.5 per cent of the total during April 2015.
- ❖ During April 2015, the growth rate in the top 25 countries taken together is higher at 11.31 per cent than that of India's total engineering exports at 0.23 per cent.

## Regional Distribution of Engineering Exports

We now look at the Regional Distribution of Engineering Exports for April 2015 as opposed to April 2014. The Table below gives this picture:

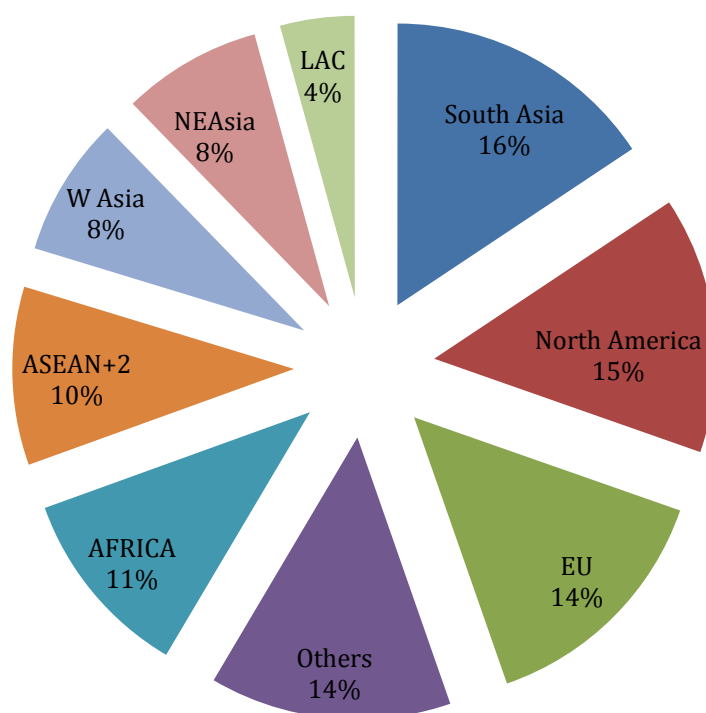
**Table 6: Region Wise Exports Trend**  
US\$ Million

| Region             | April, 2014    | April, 2015    | Growth %    |
|--------------------|----------------|----------------|-------------|
| South Asia         | 469.5          | 892.7          | 90.12       |
| North America      | 667.8          | 838.8          | 25.62       |
| EU                 | 886.6          | 814.9          | -8.08       |
| AFRICA             | 648.7          | 626.2          | -3.45       |
| Others             | 637.3          | 620.7          | -2.60       |
| ASEAN+2            | 718.9          | 583.3          | -18.86      |
| West Asia          | 693.1          | 457.2          | -34.03      |
| North East Asia    | 386.8          | 455.4          | 17.74       |
| LAC                | 213.3          | 244.0          | 14.38       |
| <b>Grand Total</b> | <b>5689.74</b> | <b>5702.74</b> | <b>0.23</b> |

Note: \*Figures have been rounded off. Source: DGCI&S; \*\*Myanmar has been included in ASEAN+2 and not in South Asia, since ASEAN is a formal economic grouping. Others also includes rest of Europe and CIS



**Figure 2: India's region wise exports in April 2015**  
(Percentage)  
(Source: EEPC India analysis)



Note: Others also includes rest of Europe and CIS

- ❖ Engineering exports to South Asia ranks first in region wise exports during April 2015.
- ❖ North America ranks second where countries like Canada and USA have registered significant growth rates especially for items like Industrial Machinery, and Auto Components/Part etc during April 2015.

## Major Product and Market Analysis

We now analyze the performance of some of the important products during April 2015. We pick the major panels and seek the heavy growth and heavy declines in these panels **IN THE CURRENT FISCAL of 2015-2016** to give an idea about the trend that is about to emerge.

**Table 7: Export of Iron & Steel**  
US\$ Million

| Export partners              | Apr_14 | Apr_15 | Growth (%) |
|------------------------------|--------|--------|------------|
| SUBSTANTIAL GROWTH COUNTRIES |        |        |            |
| Export to World              | 697.20 | 523.14 | -24.97     |

| Export partners                | Apr_14 | Apr_15 | Growth (%) |
|--------------------------------|--------|--------|------------|
| U S A                          | 29.22  | 60.37  | 106.59     |
| ITALY                          | 38.42  | 40.90  | 6.43       |
| BANGLADESH                     | 21.99  | 29.26  | 33.02      |
| TURKEY                         | 9.33   | 12.45  | 33.37      |
| ETHIOPIA                       | 9.40   | 10.27  | 9.29       |
| NIGERIA                        | 5.20   | 10.22  | 96.80      |
| MEXICO                         | 4.06   | 6.29   | 55.05      |
| SUDAN                          | 1.91   | 5.48   | 186.47     |
| <b>HEAVY DECLINE COUNTRIES</b> |        |        |            |
| IRAN                           | 39.74  | 38.37  | -3.45      |
| UAE                            | 57.93  | 24.58  | -57.56     |
| NEPAL                          | 35.15  | 21.66  | -38.37     |
| KOREA RP                       | 32.91  | 20.47  | -37.80     |
| THAILAND                       | 29.51  | 19.81  | -32.87     |
| INDONESIA                      | 17.35  | 15.06  | -13.23     |
| NETHERLAND                     | 19.95  | 14.36  | -28.00     |
| JAPAN                          | 15.54  | 12.86  | -17.27     |

(Source: Department of Commerce, Government of India)

- ❖ USA tops the list importing more than 11% of India's total export of Iron and Steel in April 2015.
- ❖ Italy and Bangladesh imports 7.8% and 5.6 % of India's total export of Iron and Steel respectively during the same period respectively.

**Table 8: Export of products of Iron & Steel**  
US\$ Million

| Export partners                     | Apr_14 | Apr_15 | Growth (%) |
|-------------------------------------|--------|--------|------------|
| <b>SUBSTANTIAL GROWTH COUNTRIES</b> |        |        |            |
| Export to World                     | 549.37 | 604.49 | 10.03      |
| U S A                               | 101.12 | 110.60 | 9.37       |
| IRAQ                                | 0.73   | 62.35  | 8416.40    |
| SAUDI ARAB                          | 19.31  | 27.84  | 44.15      |
| MALAYSIA                            | 3.92   | 16.98  | 333.32     |
| PERU                                | 0.49   | 14.83  | 2931.74    |
| NETHERLAND                          | 8.26   | 11.77  | 42.49      |
| ALGERIA                             | 1.70   | 10.97  | 546.19     |
| AUSTRALIA                           | 7.58   | 9.96   | 31.33      |
| UAE                                 | 68.29  | 41.33  | -39.48     |
| <b>HEAVY DECLINE COUNTRIES</b>      |        |        |            |

| Export partners | Apr_14 | Apr_15 | Growth (%) |
|-----------------|--------|--------|------------|
| UAE             | 74.85  | 51.28  | -31.49     |
| GERMANY         | 37.32  | 30.16  | -19.19     |
| U K             | 30.12  | 23.32  | -22.58     |
| CANADA          | 15.09  | 12.79  | -15.26     |
| ITALY           | 17.00  | 11.81  | -30.54     |
| FRANCE          | 10.68  | 7.88   | -26.22     |
| NIGERIA         | 21.86  | 7.81   | -64.26     |
| BELGIUM         | 7.10   | 6.31   | -11.17     |

(Source: Department of Commerce, Government of India)

- ❖ USA tops the list importing 18.3% of India's total export of Products of Iron and Steel in April 2015.
- ❖ While Iraq and Saudi Arabia imports more than 10% and 4% of India's total export of Products of Iron and Steel respectively during the same period.

**Table 9: Export of Industrial Machinery**  
US\$ Million

| Export partners                     | Apr_14        | Apr_15        | Growth (%)  |
|-------------------------------------|---------------|---------------|-------------|
| <b>SUBSTANTIAL GROWTH COUNTRIES</b> |               |               |             |
| <b>Export to World</b>              | <b>863.82</b> | <b>900.50</b> | <b>4.25</b> |
| U S A                               | 141.08        | 164.48        | 16.58       |
| UAE                                 | 33.41         | 41.40         | 23.90       |
| U K                                 | 25.98         | 35.04         | 34.87       |
| SAUDI ARAB                          | 23.90         | 33.47         | 40.03       |
| CHINA                               | 24.77         | 33.17         | 33.91       |
| BANGLADESH                          | 26.48         | 31.29         | 18.20       |
| NIGERIA                             | 18.46         | 19.82         | 7.38        |
| NEPAL                               | 17.92         | 18.52         | 3.40        |
| <b>HEAVY DECLINE COUNTRIES</b>      |               |               |             |
| GERMANY                             | 39.53         | 35.02         | -11.40      |
| TURKEY                              | 37.47         | 34.83         | -7.05       |
| ITALY                               | 24.74         | 21.06         | -14.86      |
| THAILAND                            | 19.64         | 17.75         | -9.66       |
| INDONESIA                           | 19.57         | 17.64         | -9.86       |
| MALAYSIA                            | 18.20         | 12.49         | -31.35      |
| IRAN                                | 25.72         | 12.31         | -52.15      |
| SOUTH AFRICA                        | 13.97         | 10.42         | -25.41      |

(Source: Department of Commerce, Government of India)

- ❖ USA tops again here importing 18.3% of India's total exports for Industrial Machinery in April 2015.
- ❖ UAE and UK imports 4.6% and 3.9% of India's total exports for Industrial Machinery during the same.

**Table 10: Export of Automobiles**  
US\$ Million

| Export partners                     | Apr_14        | Apr_15        | Growth (%)   |
|-------------------------------------|---------------|---------------|--------------|
| <b>SUBSTANTIAL GROWTH COUNTRIES</b> |               |               |              |
| <b>Export to World</b>              | <b>428.23</b> | <b>481.78</b> | <b>12.50</b> |
| SOUTH AFRICA                        | 43.97         | 59.47         | 35.27        |
| SRI LANKA                           | 13.80         | 40.64         | 194.41       |
| ITALY                               | 8.90          | 16.90         | 89.88        |
| UAE                                 | 3.66          | 13.63         | 272.58       |
| CHILE                               | 6.77          | 13.42         | 98.25        |
| SPAIN                               | 7.50          | 13.14         | 75.10        |
| PHILIPPINES                         | 1.32          | 10.32         | 683.40       |
| VIETNAM                             | 5.17          | 10.18         | 97.07        |
| <b>HEAVY DECLINE COUNTRIES</b>      |               |               |              |
| MEXICO                              | 75.76         | 63.24         | -16.53       |
| U K                                 | 30.52         | 23.90         | -21.70       |
| ALGERIA                             | 38.10         | 16.20         | -57.48       |
| NIGERIA                             | 15.67         | 9.80          | -37.44       |
| BANGLADESH                          | 19.35         | 8.86          | -54.18       |
| AUSTRALIA                           | 21.48         | 7.38          | -65.65       |
| GERMANY                             | 8.33          | 4.91          | -41.12       |
| TUNISIA                             | 9.01          | 3.32          | -63.11       |

*(Source: Department of Commerce, Government of India)*

- ❖ In case of Motor vehicles South Africa tops the list importing 12.3% of India's total exports of Motor vehicles in April 2015.
- ❖ Sri Lanka and Italy holds the 2<sup>nd</sup> and 3<sup>rd</sup> position respectively importing 8.4 % and 3.5 % of India's total exports of Motor vehicles during the same period.

**Table 11: Export of Non-Ferrous metals**  
US\$ Million

| Export partners                     | Apr_14        | Apr_15        | Growth (%)   |
|-------------------------------------|---------------|---------------|--------------|
| <b>SUBSTANTIAL GROWTH COUNTRIES</b> |               |               |              |
| <b>Export to World</b>              | <b>498.53</b> | <b>598.41</b> | <b>20.03</b> |
| CHINA                               | 101.97        | 163.85        | 60.69        |
| U S A                               | 30.73         | 50.96         | 65.83        |
| KOREA RP                            | 37.47         | 43.44         | 15.92        |
| MALAYSIA                            | 6.10          | 42.08         | 589.62       |
| MEXICO                              | 21.16         | 40.47         | 91.27        |
| TAIWAN                              | 15.37         | 25.01         | 62.69        |
| U K                                 | 13.68         | 14.41         | 5.35         |
| SAUDI ARAB                          | 6.85          | 10.90         | 59.04        |
| <b>HEAVY DECLINE COUNTRIES</b>      |               |               |              |
| UAE                                 | 58.91         | 43.18         | -26.71       |
| SINGAPORE                           | 42.84         | 10.90         | -74.56       |
| COLOMBIA                            | 9.84          | 6.67          | -32.24       |
| GERMANY                             | 9.48          | 6.16          | -35.02       |
| NETHERLAND                          | 3.35          | 3.18          | -5.10        |
| NIGERIA                             | 5.95          | 3.11          | -47.66       |
| CANADA                              | 2.19          | 2.02          | -7.93        |
| AUSTRALIA                           | 2.26          | 1.99          | -11.91       |

(Source: Department of Commerce, Government of India)

- ❖ China is the topmost importer for Non ferrous Metals importing more than 27% of India's total export of Non Ferrous Metals in April 2015.
- ❖ USA and South Korea ranked second and third as importer of India's non-ferrous product with 8.5% and 7.3% share respectively in 2014-15.

**Table 12: Export of Electrical Machinery and Components**  
US\$ Million

| Export partners                     | Apr_14        | Apr_15        | Growth (%)   |
|-------------------------------------|---------------|---------------|--------------|
| <b>SUBSTANTIAL GROWTH COUNTRIES</b> |               |               |              |
| <b>Export to World</b>              | <b>302.74</b> | <b>348.62</b> | <b>15.16</b> |
| U S A                               | 34.73         | 46.75         | 34.61        |
| U K                                 | 23.59         | 33.49         | 42.00        |
| GERMANY                             | 18.21         | 20.97         | 15.16        |
| NEPAL                               | 5.31          | 10.68         | 101.05       |
| NIGERIA                             | 4.73          | 9.71          | 105.30       |
| INDONESIA                           | 1.55          | 7.69          | 395.16       |
| CHINA                               | 5.24          | 7.63          | 45.63        |

| Export partners                | Apr_14 | Apr_15 | Growth (%) |
|--------------------------------|--------|--------|------------|
| SINGAPORE                      | 5.40   | 6.62   | 22.71      |
| <b>HEAVY DECLINE COUNTRIES</b> |        |        |            |
| FRANCE                         | 18.91  | 15.05  | -20.39     |
| UAE                            | 25.03  | 14.96  | -40.25     |
| SAUDI ARAB                     | 8.21   | 7.40   | -9.87      |
| ITALY                          | 6.08   | 5.85   | -3.82      |
| THAILAND                       | 6.04   | 4.21   | -30.30     |
| BRAZIL                         | 10.75  | 3.78   | -64.81     |
| NETHERLAND                     | 4.00   | 3.52   | -12.09     |
| TURKEY                         | 3.75   | 3.49   | -7.03      |

(Source: Department of Commerce, Government of India)

- ❖ USA is the largest importer of Electrical Machinery and Equipments from India in April 2015 with 13.4% share in India's global import of the product group. UK holds the second position importing 9.6%.
- ❖ Brazil and UAE witnessed significant decline in growth during April 2015.

**Table 13: Export of Aircrafts & Parts**

US\$ Million

| Export partners                     | Apr_14        | Apr_15        | Growth %     |
|-------------------------------------|---------------|---------------|--------------|
| <b>SUBSTANTIAL GROWTH COUNTRIES</b> |               |               |              |
| <b>Export to World</b>              | <b>642.07</b> | <b>965.69</b> | <b>50.40</b> |
| SRI LANKA                           | 146.03        | 563.15        | 285.63       |
| UAE                                 | 128.51        | 261.28        | 103.31       |
| U S A                               | 22.01         | 55.84         | 153.75       |
| SINGAPORE                           | 7.55          | 10.85         | 43.82        |
| GERMANY                             | 3.87          | 7.43          | 91.88        |
| MALAYSIA                            | 0.44          | 7.00          | 1497.76      |
| ISRAEL                              | 4.38          | 6.20          | 41.34        |
| CHINA                               | 1.07          | 3.77          | 250.65       |
| <b>HEAVY DECLINE COUNTRIES</b>      |               |               |              |
| RUSSIA                              | 17.65         | 15.12         | -14.35       |
| U K                                 | 33.47         | 9.19          | -72.56       |
| FRANCE                              | 11.75         | 9.14          | -22.18       |
| SWITZERLAND                         | 3.36          | 1.82          | -45.88       |
| POLAND                              | 1.83          | 0.75          | -59.32       |
| TURKEY                              | 165.46        | 0.08          | -99.95       |
| SPAIN                               | 0.07          | 0.04          | -44.46       |
| QATAR                               | 0.41          | 0.02          | -95.99       |

- ❖ In case of Aircrafts and Parts Sri Lanka continues to be the top export destination for India, importing around 60% of India's total exports of Aircrafts and Parts in April 2015.
- ❖ United Arab Emirates was the second largest importer of India's Aircrafts & parts during April 2015 with 27% share.

**Table 14: Export of Ships, Boats and Floating Structures and parts**  
US\$ Million

| Export partners                     | Apr_14        | Apr_15        | Growth %      |
|-------------------------------------|---------------|---------------|---------------|
| <b>SUBSTANTIAL GROWTH COUNTRIES</b> |               |               |               |
| Export to World                     | <b>686.86</b> | <b>340.29</b> | <b>-50.46</b> |
| MALAYSIA                            | 0.02          | 2.76          | 15981.79      |
| U S A                               | 0.09          | 0.20          | 133.46        |
| KOREA                               | 0.00          | 0.01          | 659.02        |
| SAUDI ARAB                          | 0.00          | 0.00          | 143.12        |
| <b>HEAVY DECLINE COUNTRIES</b>      |               |               |               |
| UAE                                 | 199.64        | 126.64        | -36.56        |
| SINGAPORE                           | 123.65        | 118.26        | -4.36         |
| OMAN                                | 352.31        | 0.05          | -99.99        |
| NETHERLAND                          | 0.01          | 0.01          | -21.18        |

- ❖ UAE continues as the top export destination for India's export of Ships, Boats and Floating Structures and parts in April 2015 but conceded a negative growth. Second largest importer Singapore also followed the leader with a negative year-on-year growth in April 2015.
- ❖ Malaysia recorded massive growth among top export destinations due to substantial surge in its import of Indian ships and boats during April 2015.

**Table 15: Export of Auto Components**  
US\$ Million

| Export partners                     | Apr_14        | Apr_15        | Growth %    |
|-------------------------------------|---------------|---------------|-------------|
| <b>SUBSTANTIAL GROWTH COUNTRIES</b> |               |               |             |
| <b>Export to World</b>              | <b>350.49</b> | <b>350.96</b> | <b>0.13</b> |
| U S A                               | 74.97         | 80.94         | 7.97        |
| BRAZIL                              | 15.96         | 18.05         | 13.10       |
| MEXICO                              | 7.73          | 15.55         | 101.06      |
| NIGERIA                             | 3.06          | 14.29         | 367.16      |
| EGYPT                               | 10.71         | 10.95         | 2.17        |
| UAE                                 | 8.22          | 8.89          | 8.13        |
| NEPAL                               | 6.53          | 7.43          | 13.89       |

| Export partners                | Apr_14 | Apr_15 | Growth % |
|--------------------------------|--------|--------|----------|
| SOUTH AFRICA                   | 5.74   | 7.10   | 23.70    |
| <b>HEAVY DECLINE COUNTRIES</b> |        |        |          |
| TURKEY                         | 35.48  | 26.67  | -24.83   |
| U K                            | 17.85  | 17.35  | -2.83    |
| GERMANY                        | 17.00  | 13.72  | -19.27   |
| ITALY                          | 14.44  | 11.24  | -22.14   |
| THAILAND                       | 15.91  | 11.00  | -30.88   |
| INDONESIA                      | 17.22  | 10.39  | -39.67   |
| JAPAN                          | 8.65   | 8.50   | -1.79    |
| BANGLADESH PR                  | 14.01  | 7.09   | -49.35   |

- ❖ USA remains the topmost destination for India’s exports of Auto component with over 25% share during April 2015..
- ❖ Turkey and Brazil holds the second and third position respectively but both were far below the USA. India’s auto component exports to Turkey conceded a year-on-year decline during April 2015.

## Conclusion

The financial year 2015-16 started with a slump in overall merchandised exports falling by 13.96 per cent to \$22.05 billion for the fifth straight month in April 2015, as demand from key global markets remained subdued following the recent slowdown in the US economy and feeble growth in the Europe. This has further worsened the position of the exporters compared to December 2014, when exports had first started falling. The trade gap has widened to \$10.99 billion in April 2015 from \$10.1 billion a year ago. Engineering panels like Tin, Lead, Nickel, Motor vehicles, Ships & Boats were worse hit during April 2015.

However, the global economy is expected to revive in the second half of 2015 and developed regions like US and the Europe are expected to see higher growth. These two regions constitute around 30% of India’s export and steady economic recovery is likely to push up the demand from those regions. On the other hand, downward trend in inflation is likely to induce RBI to opt for further monetary easing going forward that will help to surge manufacturing production in India. Therefore, the overall situation looks conducive to higher exports from both supply and demand side. Another factor that may aid export growth in India is the reintroduction of “Interest subvention scheme”.

