



# Engineering Exports Monitor

October 2015



*Engineering the future*

**EEPCINDIA**  
ENGINEERING THE FUTURE

## **Analysis of Indian engineering exports during October 2015: November 17, 2015**

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### **Trend in overall trade**

India's merchandise exports fell for the eleventh consecutive month in October 2015, dipping by 17.53 percent to \$ 21.353 billion from \$ 25.891 billion during October, 2014. Cumulative value of exports for the period April-October 2015-16 was US\$ 154.292 billion as against US\$ 187.289 billion registering a negative growth of 17.62 per cent in Dollar terms over the same period last year.

India's total merchandised imports during October, 2015 were valued at US\$ 31.120 billion which was 21.15 per cent lower in Dollar terms over the level of imports valued at US\$ 39.469 billion in October, 2014. Cumulative value of imports for the period April-October 2015-16 was US\$ 232.054 billion as against US\$ 273.558 billion registering a negative growth of 15.17 per cent in Dollar terms over the same period last year.

*The trade deficit for April-October 2015-16 was estimated at US\$ 77.76 billion which was lower than the deficit of US\$ 86.269 billion during April-October, 2014-15.*

### **Engineering exports**

India's engineering exports which accounts for over 21percent of India's total exports in October 2015 fell by 11.62 percent to US\$ 4425.75 million from US\$ 5007.85 million during October 2014. What is alarming is that despite exports in July 2015 being marginally positive, exports fall in the rest of two months has been so heavy that the second quarter of the current fiscal ended with decline of over 18 percent as opposed to a fall of over 5 percent in the first quarter. Infact the fall in October 2015 was slightly moderated compared to the fall in the previous two months of August and September 2015 by 27 and 26 percent respectively. Consequently, the cumulative value of engineering exports during April-October 2015-16 recorded a dip by over 12 percent to US\$ 35.31 billion from US\$ 40.14 billion the same period last year. The monthly and cumulative engineering figures for 2015-2016 vis-à-vis 2014-2015 are depicted below:

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

Months	2014-15	2015-16	Growth (%)
April	5708.04	5673.49	-0.61
May	6013.33	5345.49	-11.11
June	5205.21	4949.24	-4.92
<b>Quarter 1</b>	<b>16926.58</b>	<b>15968.22</b>	<b>-5.66</b>
July	5499.76	5576.56	1.40
August	6380.66	4636.34	-27.34
September	6329.07	4703.67	-25.68
<b>Quarter 2</b>	<b>18209.49</b>	<b>14916.57</b>	<b>-18.08</b>
October	5007.85	4425.75	-11.62
<b>April-October</b>	<b>40143.92</b>	<b>35310.54</b>	<b>-12.04</b>

(Source: Department of Commerce, Government of India)

## World Exports

How has the world exports trend been in the current annual year vis-à-vis 2014? Table 2 shows the decline that has been witnessed in the first seven months of 2015.

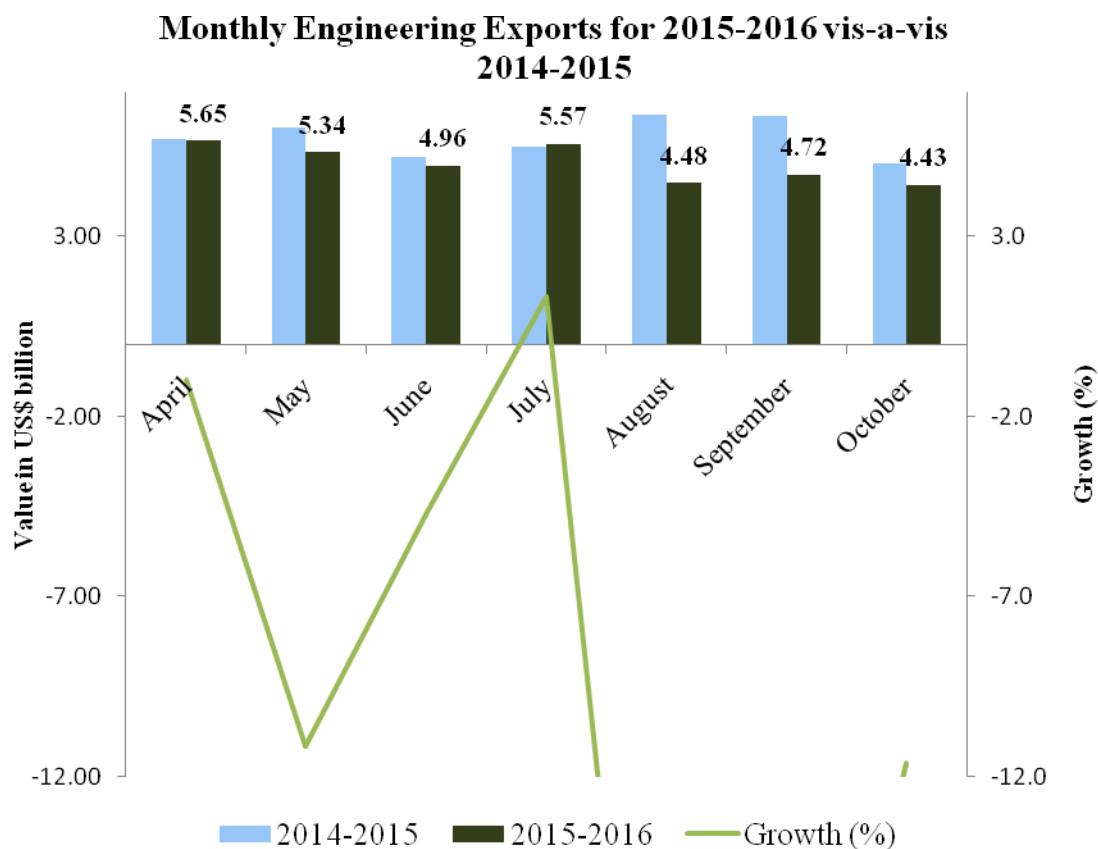
**Table 2: World Exports 2015 Vs 2014**  
(Values in USD Million)

Months	2014	2015	Growth (%)
January	1395000	1250000	-10.39
February	1289000	1190000	-7.68
March	1471000	1295000	-11.96
April	1444000	1257000	-12.95
May	1454000	1260000	-13.34
June	1436000	1331000	-7.31
July	1489000	1304000	-12.42
August	1356000	1189000	-12.32
<b>January- August</b>	<b>11334000</b>	<b>10076000</b>	<b>-11.10</b>

Source: WTO

Figure 1 below depicts the monthly trend in engineering exports for both 2014 and 2015.

**Figure1: Trends in Monthly Engineering Exports**  
US\$ Billion



(Source: EEPC India analysis)

Engineering sector has a sizeable share in Manufacturing and therefore, trend of manufacturing production somewhat reflects the trend of engineering production in India. Some correlation between manufacturing production growth and merchandise export growth is found as manufacturing sector contributes significantly to India's engineering production as well as to exports. Hence, a broad analysis of industrial production, especially of manufacturing is effective in the context of engineering export analysis as manufacturing has around 75% weightage in India's industrial production. **Industrial output in Aug 2015 jumped to its three-year high but again dropped to four-month low of 2.6% in September 2015 as per the latest govt. data. However, industrial growth in August 2015 was revised upward to 6.7% from 6.4% of the preliminary estimate while during July 2015, manufacturing growth was recorded at 4.6%. Overall IIP Index, the standard measure for industrial output, stood at 178 in September 2015 as against 176.6 in Aug 2015 (downwardly revised from 176.8) and 180.1 in the previous month. Cumulative industrial growth during April-September 2015 accelerated to 4.0% from 3.6% during the same period last fiscal.**

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

**Table 3: Engineering Exports Growth vis-a-vis Manufacturing Growth (2014-15)**

Months/ Year	Engg. Exports Growth (%)	Manufacturing Growth (%)
April 2015	-0.6	3.9
May 2015	-11.1	2.0
June 2015	-4.9	5.2
Quarter 1	<b>-5.7</b>	<b>3.8</b>
July 2015	1.4	4.6
August 2015	-27.3	6.7
September 2015	-25.7	2.6
Quarter 2	<b>18.1</b>	<b>4.6</b>
October 2015	11.6	N A

*(Source: Department of Commerce and CSO)*

Analysis of the export and manufacturing data for the ongoing fiscal also established some correlation between the two. India's engineering exports conceded bigger decline during May 2015 in comparison to the previous month while manufacturing growth also decelerated. The fall in export growth decreased in June and manufacturing growth also strengthened. Exports registered marginal growth during July 2015 but growth of manufacturing production decelerated. However, export growth and growth of manufacturing sector moved in opposite direction in August and September 2015. In August, the export recorded a massive decline but manufacturing growth was recorded at three-year high probably due to festive season in India while in September, decline in exports was lower but manufacturing growth slowed down.

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

**Table 4: Revised Engineering Exports (2013-14)**

USD Million

Quarter	Month	2013-14	2014-15	Growth Rate in Percent
Quarter 1	April	4529.32	5708.04*	26.02*
	May	4819.47	6013.33*	24.77*
	June	4229.72	5205.21*	23.06*
Quarter 2	July	4473.34	5499.76*	22.95*
	August	5264.51	6380.66*	21.20*
	September	5216.94	6329.07*	21.32*
Quarter 3	October	5552.78	5007.85*	-9.81*

Quarter	Month	2013-14	2014-15	Growth Rate in Percent
	<b>November</b>	4874.85	6410.04	31.49
	<b>December</b>	5531.18	6697.8	21.09
<b>Quarter 4</b>	<b>January</b>	6122.54	6716.26	9.70
	<b>February</b>	4971.59	4907.37	-1.29
	<b>March</b>	6040.14	5884.54	-2.58
	<b>Total Exports</b>	<b>61626.38</b>	<b>70759.93*</b>	<b>14.82*</b>

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

## Impact of Exchange Rate

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

**Table 5: Average Exchange Rate**

October	Average Exchange Rate 1 USD to INR
2014	61.48
2015	64.97

(Source: Calculated from RBI archive)

**The official exchange rate of rupee vis-à-vis the US Dollar during October 2015 has depreciated by 5.7 % 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 October 2015 vis-a-vis October 2014 and cumulative exports for April- October 2015-16 vis-a-vis April-October 2014-15. The data is given in Table 4 below:

**Table 6: Trends in Engineering panel Exports October 2015 and April- October 2015-16**  
US\$ Million

Sl no.	Panel	October 2014	October , 2015	Growth %	April, 2014 - October, 2014	April, 2015 - October , 2015	Growt h %
<b>1. Iron and Steel and Products made of Iron and Steel</b>							
A	Iron and Steel	705.5	373.4	-47.1	5223.5	3534.7	-32.3
B	Products of Iron and Steel	610.2	466.8	-23.5	4296.2	3720.2	-13.4
<b>Sub Total</b>		<b>1315.7</b>	<b>840.2</b>	<b>-36.1</b>	<b>9519.7</b>	<b>7254.8</b>	<b>-23.8</b>
<b>2. Non-Ferrous Metals and Products made of Non-Ferrous Metals</b>							
A	Copper and products	330.4	169.6	-48.7	1969.8	1604.2	-18.6

Sl no.	Panel	October 2014	October , 2015	Growth %	April, 2014 - October, 2014	April, 2015 - October , 2015	Growt h %
<b>B</b>	Aluminium and products	223.9	203.2	-9.3	1474.2	1504.7	2.1
<b>C</b>	Zinc and products	60.6	43.0	-29.1	205.5	354.7	72.6
<b>D</b>	Nickel and products	94.7	24.3	-74.3	361.6	346.4	-4.2
<b>E</b>	Lead and products	16.8	18.6	10.9	100.1	115.4	15.3
<b>F</b>	Tin and products	2.1	33.0	1507.8	30.5	39.9	31.0
<b>G</b>	Other Non Ferrous Metals	38.9	34.8	-10.4	264.0	253.1	-4.1
<b>Sub Total</b>		<b>767.3</b>	<b>526.4</b>	<b>-31.4</b>	<b>4405.7</b>	<b>4218.4</b>	<b>-4.3</b>
<b>3. Industrial Machinery</b>							
<b>A</b>	Industrial Machinery like Boilers, parts, etc	62.2	64.0	2.9	342.8	357.6	4.3
<b>B</b>	IC Engines and Parts	169.6	132.1	-22.1	1443.4	1110.5	-23.1
<b>C</b>	Pumps of all types	53.5	53.6	0.2	433.4	421.2	-2.8
<b>D</b>	Air condition and Refrigerators	77.5	92.6	19.5	680.8	627.2	-7.9
<b>E</b>	Industrial Machinery for dairy, food processing , textiles etc	351.9	373.4	6.1	2721.7	2665.9	-2.0
<b>F</b>	Machine Tools	29.9	28.9	-3.4	212.4	219.6	3.4
<b>G</b>	Machinery for Injecting moulding, valves and ATMs	109.8	114.2	4.0	757.2	750.5	-0.9
<b>Sub Total</b>		<b>854.3</b>	<b>858.7</b>	<b>0.5</b>	<b>6591.7</b>	<b>6152.5</b>	<b>-6.7</b>
<b>4</b>	<b>Electrical Machinery</b>	<b>331.9</b>	<b>327.0</b>	<b>-1.5</b>	<b>2317.6</b>	<b>2185.8</b>	<b>-5.7</b>
<b>5. Auto and Auto Components</b>							
<b>A</b>	Motor Vehicle/cars	547.3	573.9	4.8	3845.0	3920.8	2.0
<b>B</b>	Two and Three Wheelers	150.9	138.6	-8.2	1122.4	1076.7	-4.1
<b>C</b>	Auto Components/Part	350.9	343.7	-2.1	2603.9	2426.6	-6.8
<b>Sub Total</b>		<b>1049.2</b>	<b>1056.2</b>	<b>0.7</b>	<b>7571.2</b>	<b>7424.1</b>	<b>-1.9</b>
<b>6</b>	<b>Aircrafts and Spacecraft parts and products</b>	<b>173.8</b>	<b>149.7</b>	<b>-13.9</b>	<b>2979.1</b>	<b>2474.2</b>	<b>-16.9</b>
<b>7</b>	<b>Ships Boats and Floating products and parts</b>	<b>31.0</b>	<b>167.9</b>	<b>441.1</b>	<b>3190.8</b>	<b>2105.7</b>	<b>-34.0</b>
<b>8. Miscellaneous Items</b>							
<b>A</b>	<b>Medical and Scientific instruments</b>	100.8	103.0	2.1	732.8	682.8	-6.8
<b>B</b>	<b>Railway Transport</b>	6.0	7.0	16.8	82.5	46.7	-43.3
<b>C</b>	<b>Hand Tools &amp; Cutting Tools</b>	61.3	53.9	-12.2	444.2	379.7	-14.5
<b>D</b>	<b>Electrodes Accumulators</b>	3.1	3.4	7.0	21.8	25.5	16.8
<b>E</b>	<b>Accumulator and Batteries</b>	18.7	12.7	-32.0	123.1	113.1	-8.1
<b>F</b>	<b>Bicycle &amp; Parts</b>	26.6	24.9	-6.1	204.9	167.5	-18.2
<b>G</b>	<b>Cranes Lifts &amp; Winches</b>	25.3	42.8	69.3	171.8	220.4	28.3
<b>H</b>	<b>Office Equipments</b>	4.3	6.7	54.0	30.0	52.5	74.9

Sl no.	Panel	October 2014	October , 2015	Growth %	April, 2014 - October, 2014	April, 2015 - October , 2015	Growt h %
I	Other Construction Machinery	101.1	69.0	-31.8	713.4	642.2	-10.0
J	Prime Mica & Mica Products	1.0	1.4	31.1	11.2	10.4	-7.7
K	OTHER MISC. ITEMS	136.5	175.3	28.4	1032.4	1154.2	11.8
<b>Sub Total</b>		<b>484.7</b>	<b>499.9</b>	<b>3.1</b>	<b>3568.1</b>	<b>3495.1</b>	<b>-2.0</b>
<b>Grand Total</b>		<b>5007.9</b>	<b>4425.8</b>	<b>-11.6</b>	<b>40143.9</b>	<b>35310.5</b>	<b>-12.0</b>

(Source: Department of Commerce, Government of India)

Some factors that need to be noted are:

- ❖ Out of 33 engineering panels, 17 panels (51 percent) of the engineering panels recorded a negative growth and remaining 16 panels fared positive growth in the month of October 2015.
- ❖ India's Primary Iron and Steel exports have fallen by more than 47 per cent in October 2015 vis-à-vis October 2014, which is more than the cumulative fall by 32 per cent during April- October 2015 vis-à-vis April- October 2014. Products of Iron and Steel have also dropped by almost 23 percent in October 2015 vis-à-vis October 2014.
- ❖ Unlike in the month of September 2015, Aircraft and spacecrafts regained slightly by (-) 13.9 per cent during October 2015, from the drastic fall in the previous month by almost 68 percent. But on the other hand Ship, boats and floating bodies showed massive recovery in exports during October 2015 growing by more than five times compared to the same period last year.
- ❖ All non ferrous metals and products barring Tin and Lead products witnessed deterioration in exports during October 2015 over October 2014. The highest decline is seen in the exports of Nickel and products falling by more than 73 percent during October 2015 over October 2014, followed by Copper and Zinc products falling by 49 percent and 29 percent respectively during October 2015.
- ❖ Among the Industrial Machinery panel, products like IC engines, Pumps and Machine Tools witnessed decline in growth rates by 22.1 and 3.4 per cent respectively during October 2015 v/s October 2014. On the other hand products like Other Construction Machinery, Accumulators and Battery witnessed a decline by 32 percent respectively during the said period.



- ❖ Other panels like Cranes Lifts & Winches, Office Equipments, Motor Vehicles and cars, Other Miscellaneous products registered positive growth in October 2015 vis-à-vis October 2014.

☑ **Top 25 destinations for Indian 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 October 2015 over October 2014 in Absolute Value, even though the growth rate may be negative. Country wise cumulative figures for April – October 2015 has also been taken into concern to see the trend of India’s engineering exports in the current fiscal.

**Table 7: Engineering Exports Country wise (2015-2016)**  
US\$ Million

Country	October, 2014	October, 2015	Growth %	April - October 2014-2015	April- October 2015 -2016	Growth %
<b>U S A</b>	594.20	559.07	-5.91	4332.19	4139.78	-4.44
<b>UAE</b>	322.81	232.29	-28.04	3236.31	2586.57	-20.08
<b>SRI LANKA</b>	153.07	137.16	-10.39	2197.57	1604.51	-26.99
<b>SINGAPORE</b>	183.35	218.68	19.27	1494.66	1347.68	-9.83
<b>U K</b>	167.96	172.74	2.85	1570.18	1336.48	-14.88
<b>CHINA</b>	310.79	168.31	-45.85	1750.69	1227.38	-29.89
<b>GERMANY</b>	162.74	175.42	7.79	1250.56	1222.81	-2.22
<b>MEXICO</b>	183.05	145.21	-20.67	1028.83	979.72	-4.77
<b>MALAYSIA</b>	61.99	69.30	11.79	409.43	923.24	125.49
<b>SOUTH AFRICA</b>	111.68	91.95	-17.67	1435.70	877.08	-38.91
<b>ITALY</b>	126.70	110.85	-12.51	991.16	865.90	-12.64
<b>BANGLADESH</b>	108.11	119.61	10.63	864.61	806.81	-6.69
<b>SAUDI ARAB</b>	139.84	109.14	-21.96	983.04	765.63	-22.12
<b>JAPAN</b>	59.55	66.62	11.89	490.78	750.02	52.82
<b>NEPAL</b>	93.50	33.51	-64.16	825.07	742.17	-10.05
<b>KOREA RP</b>	85.37	120.89	41.62	755.85	741.79	-1.86
<b>TURKEY</b>	111.75	128.32	14.83	981.10	737.77	-24.80
<b>FRANCE</b>	70.27	91.54	30.27	587.34	622.24	5.94
<b>NIGERIA</b>	128.35	75.64	-41.07	771.12	596.79	-22.61
<b>NETHERLAND</b>	57.98	78.90	36.08	483.45	514.90	6.51
<b>THAILAND</b>	71.76	54.32	-24.29	604.27	513.55	-15.01
<b>IRAN</b>	121.45	53.51	-55.94	752.78	473.03	-37.16
<b>INDONESIA</b>	94.04	63.01	-32.99	714.79	472.36	-33.92

Country	October, 2014	October, 2015	Growth %	April - October 2014-2015	April- October 2015 -2016	Growth %
SPAIN	55.84	62.10	11.21	390.38	423.12	8.39
BELGIUM	46.56	50.07	7.53	391.83	421.02	7.45
<b>Total of top 25</b>	<b>3622.71</b>	<b>3188.17</b>	<b>-11.99</b>	<b>29293.70</b>	<b>25692.33</b>	<b>-12.29</b>
<b>Total Engineering Exports</b>	<b>5007.81</b>	<b>4425.49</b>	<b>-11.63</b>	<b>40143.81</b>	<b>35310.33</b>	<b>-12.04</b>
<b>Share of Top 25 in Total (%)</b>	<b>72.34</b>	<b>72.04</b>		<b>72.97</b>	<b>72.76</b>	

Note: Red font indicates negative monthly and cumulative growth

(Source: Department of Commerce, Government of India)

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

- ❖ Out of the top 25 countries, 13 countries recorded negative growth in the month of October 2015. Thus 12 countries namely recorded positive growth in the month of October 2015 which is an improvement in comparison with October 2014.
- ❖ South Korea recorded the highest growth in exports by 41.6% in October 2015 compared October 2014, even though it registered fall in cumulative growth.
- ❖ Among the European export destinations for the Indian engineering exports Belgium registered positive growths both monthly and cumulatively during October 2015 as well as April -October 2015-16.
- ❖ Like before Indian engineering exports to USA, continued to be the highest in the reporting month, even though it recorded negative growth both in October 2015 as well as April -October 2015-16.
- ❖ Out of 221 destinations for export of Indian engineering goods, the top 25 nations accounts for 72.8 percent of the total during April- October 2015-16.
- ❖ The growth rate in the top 25 countries during April- October 2015-16, taken together recorded fall in exports by 12.3 per cent which is higher than the fall in India's total engineering exports by 12.1 per cent.

## Regional Distribution of Engineering Exports

We now look at the Regional Distribution of Engineering Exports for April- October 2015-16 as opposed to April- October 2014-15. We also look at the trend in October 2015 vis-à-vis October 2014. The Table below gives this picture:

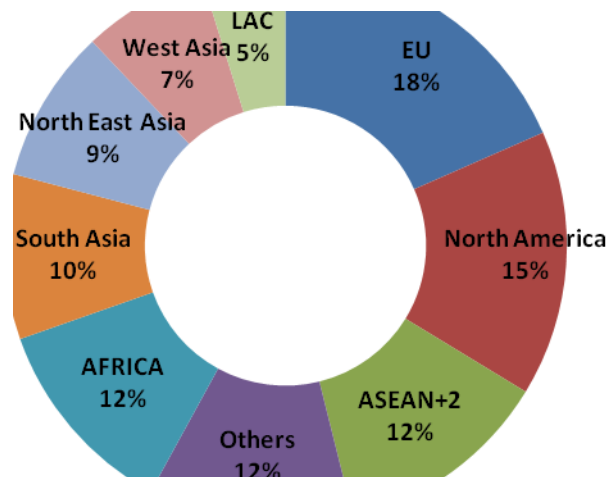
**Table 8: Region Wise Exports Trend**  
US\$ Million

Region	October, 2014	October, 2015	Growth %	April -October 2014-2015	April-October 2015 - 2016	Growth %
EU	802.42	873.25	8.83	6766.21	6503.15	-3.89
North America	836.02	746.02	-10.77	5696.96	5395.22	-5.30
ASEAN+2	575.39	583.61	1.43	4456.52	4382.56	-1.66
Others	546.35	440.99	-19.29	5159.98	4191.68	-18.77
AFRICA	685.57	493.00	-28.09	5248.16	4109.32	-21.70
South Asia	382.96	316.37	-17.39	4041.49	3350.01	-17.11
North East Asia	504.38	392.79	-22.12	3428.01	3120.26	-8.98
West Asia	422.89	342.98	-18.90	3550.88	2554.24	-28.07
LAC	251.82	236.49	-6.09	1795.59	1703.89	-5.11
<b>Grand Total</b>	<b>5007.81</b>	<b>4425.49</b>	<b>-11.63</b>	<b>40143.81</b>	<b>35310.33</b>	<b>-12.04</b>

(Source: Department of Commerce, Government of India)

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.

**Figure 2: India's region wise exports during April- October 2015 -16**



(Source: EEPC India analysis)

Note: Others also includes rest of Europe and CIS

- ❖ Engineering exports to EU ranks first in region wise exports, irrespective of negative growth faced cumulatively for the current fiscal of 2015-16. But there is a positive monthly growth after some time for the month of October 2015.
- ❖ North America ranks second registering negative growth both during the cumulative period of April- October 2015-16 over April- October 2014-15 as well as during October 2015 vis-à-vis October 2014. Sectors like Electrical Machinery, Iron & steel and products of Iron & Steel, Non-ferrous metals and products recorded significant dip in exports in countries like Canada, Mexico of the region.
- ❖ Exports to Africa recorded significant drop during October 2015 vis-à-vis October 2014.
- ❖ Exports to North East Asia also recorded negative growth during October 2015 vis-à-vis October 2014.

We now analyze the performance of some of the important products during October 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 9: Export of Iron & Steel**  
US\$ Million

Export partners	October_14	October_15	Growth %	Apr_ October 2014--15	Apr_ October 2015--16	Growth %
<b>SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES</b>						
<b>Export to World</b>	<b>705.46</b>	<b>373.39</b>	<b>-47.07</b>	<b>5223.50</b>	<b>3534.67</b>	<b>-32.33</b>
<b>BELGIUM</b>	17.08	17.39	1.84	148.45	157.87	6.34
<b>CHINA</b>	7.04	15.08	114.08	70.58	80.49	14.03
<b>KUWAIT</b>	1.63	5.80	254.92	19.53	24.70	26.47
<b>DJIBOUTI</b>	1.14	0.53	-53.25	13.74	18.57	35.16
<b>COTE D'IVOIRE</b>	1.26	1.51	19.97	13.60	14.21	4.43
<b>MADAGASCAR</b>	1.40	1.08	-23.04	6.99	9.57	36.93
<b>BAHARAIN IS</b>	1.29	0.91	-29.42	5.37	9.28	72.60
<b>SOMALIA</b>	0.49	2.41	389.31	6.96	8.81	26.63
<b>HEAVY CUMULATIVE DECLINE COUNTRIES</b>						
<b>IRAN</b>	84.55	17.22	-79.63	360.91	269.99	-25.19
<b>NEPAL</b>	28.90	10.31	-64.31	308.41	261.78	-15.12
<b>U S A</b>	63.11	16.09	-74.50	421.36	241.32	-42.73
<b>ITALY</b>	31.13	22.61	-27.39	312.18	233.79	-25.11
<b>UAE</b>	63.72	22.50	-64.69	388.64	208.02	-46.48

Export partners	October_14	October_15	Growth %	Apr_ October 2014--15	Apr_ October 2015--16	Growth %
<b>KOREA RP</b>	19.57	22.38	14.33	207.61	156.45	-24.64
<b>BANGLADESH</b>	24.92	15.96	-35.93	167.25	123.85	-25.95
<b>NETHERLAND</b>	14.83	10.53	-29.05	113.78	98.72	-13.24

(Source: Department of Commerce, Government of India)

- ❖ Iran tops the list importing 7.6 % of India's total export of Iron and Steel during April- October 2015-16.
- ❖ USA drops to third position importing 6.8 % of India's total export of Iron and Steel respectively during the same period respectively.

**Table 10: Export of products Iron & Steel**

US\$ Million

Export partners	October_14	October_15	Growth %	Apr_ October 2014--15	Apr_ October 2015--16	Growth %
<b>SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES</b>						
<b>Export to World</b>	<b>610.23</b>	<b>466.59</b>	<b>-23.54</b>	<b>4296.15</b>	<b>3719.93</b>	<b>-13.41</b>
<b>IRAQ</b>	0.71	0.12	-83.68	13.81	176.75	1180.06
<b>NETHERLAND</b>	10.27	16.27	58.47	72.15	99.11	37.36
<b>MEXICO</b>	9.61	4.62	-51.99	35.41	68.03	92.12
<b>PERU</b>	0.82	6.18	655.82	3.32	66.03	1886.20
<b>SPAIN</b>	9.64	8.63	-10.50	55.98	63.37	13.20
<b>SINGAPORE</b>	4.23	6.14	45.17	36.10	54.17	50.06
<b>BANGLADESH</b>	2.14	2.36	10.41	19.56	43.82	124.09
<b>SWEDEN</b>	6.47	6.25	-3.32	43.45	43.47	0.05
<b>HEAVY CUMULATIVE DECLINE COUNTRIES</b>						
<b>U S A</b>	135.04	102.68	-23.96	952.08	764.49	-19.70
<b>UAE</b>	58.30	32.00	-45.10	429.66	302.31	-29.64
<b>GERMANY</b>	36.57	32.25	-11.80	274.82	217.65	-20.80
<b>U K</b>	30.33	26.84	-11.51	232.26	180.38	-22.34
<b>SAUDI ARAB</b>	58.48	23.64	-59.57	307.59	168.26	-45.30
<b>ITALY</b>	15.83	11.62	-26.63	131.29	93.05	-29.12
<b>CANADA</b>	15.77	11.00	-30.29	105.18	86.57	-17.69
<b>FRANCE</b>	10.65	9.17	-13.89	76.91	67.18	-12.65

(Source: Department of Commerce, Government of India)

- ❖ USA tops the list importing more than 20% of India's total export of Products of Iron and Steel during April- October 2015-16.

- ❖ While UAE and Germany imports 8.1 % and 5.9 % of India's total export of Products of Iron and Steel respectively during the same period.

**Table 11: Export of Industrial Machinery**  
US\$ Million

Export partners	October_1 4	October_1 5	Growth %	Apr- OCTOBER 2014- 15	Apr- OCTOBER 2015- 16	Growth %
<b>SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES</b>						
<b>Export to World</b>	854.25	858.68	0.52	6591.72	6152.51	-6.66
<b>GERMANY</b>	33.95	40.53	19.38	281.45	297.64	5.75
<b>UAE</b>	34.58	32.28	-6.64	277.99	278.28	0.10
<b>SAUDI ARAB</b>	20.28	34.06	67.97	171.83	214.18	24.65
<b>BANGLADESH</b>	23.23	35.76	53.93	182.58	195.26	6.94
<b>VIETNAM</b>	7.68	11.47	49.27	95.94	111.62	16.35
<b>FRANCE</b>	11.27	16.45	45.97	87.62	101.58	15.93
<b>KENYA</b>	12.28	16.30	32.71	81.98	100.73	22.88
<b>SRI LANKA</b>	12.03	17.87	48.61	65.23	100.26	53.69
<b>HEAVY CUMULATIVE DECLINE COUNTRIES</b>						
<b>U S A</b>	141.35	138.76	-1.83	1050.55	1028.75	-2.08
<b>U K</b>	32.74	31.11	-4.99	318.74	251.26	-21.17
<b>TURKEY</b>	33.84	31.59	-6.65	265.39	234.63	-11.59
<b>CHINA</b>	35.10	21.24	-39.49	232.32	203.77	-12.29
<b>ITALY</b>	26.78	20.24	-24.43	204.57	152.40	-25.50
<b>NIGERIA</b>	46.42	16.72	-63.99	193.36	129.14	-33.22
<b>THAILAND</b>	17.64	14.11	-20.00	135.96	118.51	-12.83
<b>INDONESIA</b>	27.31	13.71	-49.80	157.57	116.40	-26.13

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

- ❖ USA tops here importing 16.7 % of India's total exports for Industrial Machinery during April- October 2015-16.
- ❖ Germany and UAE imports 4.8% and 4.5% of India's total exports for Industrial Machinery during April- October 2015-16.

**Table 12: Export of Automobiles**  
US\$ Million

Export partners	October_14	October_15	Growth %	Apr-October 2014-15	Apr-October 2015-16	Growth %
<b>SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES</b>						
<b>Export to World</b>	<b>547.34</b>	<b>573.88</b>	<b>4.85</b>	<b>3844.98</b>	<b>3920.83</b>	<b>1.97</b>
<b>SRI LANKA</b>	34.42	69.84	102.90	170.99	376.04	119.92
<b>ITALY</b>	15.80	26.79	69.53	91.91	168.07	82.87
<b>SPAIN</b>	6.43	18.59	189.35	71.02	109.62	54.35
<b>VIETNAM</b>	17.80	28.12	57.97	69.27	102.74	48.33
<b>EGYPT</b>	13.02	7.97	-38.76	56.34	97.80	73.58
<b>CHILE</b>	10.97	9.02	-17.80	71.08	77.66	9.25
<b>FRANCE</b>	5.29	8.59	62.34	58.28	68.84	18.11
<b>PHILIPPINES</b>	8.17	11.82	44.71	55.09	66.17	20.12
<b>HEAVY CUMULATIVE DECLINE COUNTRIES</b>						
<b>MEXICO</b>	67.93	91.39	34.54	469.32	468.89	-0.09
<b>SOUTH AFRICA</b>	67.51	51.25	-24.09	432.07	424.40	-1.77
<b>U K</b>	14.69	28.73	95.55	238.19	201.99	-15.20
<b>U AE</b>	30.38	20.70	-31.86	153.71	132.76	-13.63
<b>BANGLADESH</b>	14.96	13.92	-7.00	136.07	128.28	-5.73
<b>ALGERIA</b>	21.47	0.00	-100.00	176.27	112.91	-35.94
<b>NIGERIA</b>	19.34	12.68	-34.42	128.53	89.29	-30.53
<b>SAUDI ARAB</b>	11.46	15.29	33.39	117.11	88.63	-24.32

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

- ❖ In case of Motor vehicles Mexico assumes the top position replacing South Africa, importing 12% of India's total exports of Motor vehicles during April-October 2015-2016.
- ❖ South Africa and Sri Lanka holds the 2<sup>nd</sup> and 3<sup>rd</sup> position respectively importing 10.8 % and 9.6 % of India's total exports of Motor vehicles during the same period.

**Table 13: Export of Non-Ferrous metals**  
US\$ Million

Export partners	October_14	October_15	Growth %	Apr-October 2014-15	Apr-October 2015-16	Growth %
<b>SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES</b>						
<b>Export to World</b>	<b>767.34</b>	<b>526.35</b>	<b>-31.41</b>	<b>4405.71</b>	<b>4218.39</b>	<b>-4.25</b>
<b>MALAYSIA</b>	9.59	37.65	292.77	41.50	472.04	1037.52
<b>KOREA RP</b>	38.95	76.65	96.81	374.96	434.25	15.81
<b>U S A</b>	39.07	48.46	24.03	289.86	343.80	18.61
<b>TAIWAN</b>	11.51	7.82	-32.10	72.44	144.38	99.32
<b>SAUDI ARAB</b>	10.78	8.71	-19.16	79.44	84.23	6.02
<b>NEPAL</b>	6.73	3.39	-49.54	49.88	70.03	40.40
<b>INDONESIA</b>	4.55	7.73	70.11	24.16	66.72	176.12
<b>THAILAND</b>	3.88	5.05	30.10	30.59	54.24	77.31
<b>HEAVY CUMULATIVE DECLINE COUNTRIES</b>						
<b>CHINA</b>	238.70	96.40	-59.61	1217.22	727.27	-40.25
<b>UAE</b>	81.82	34.46	-57.89	416.89	300.06	-28.02
<b>SINGAPORE</b>	64.76	39.21	-39.45	300.62	288.07	-4.18
<b>MEXICO</b>	68.01	7.06	-89.63	260.73	121.31	-53.47
<b>U K</b>	15.77	13.42	-14.93	108.80	99.80	-8.27
<b>GERMANY</b>	10.88	8.44	-22.42	77.45	57.07	-26.31
<b>TURKEY</b>	9.73	7.01	-27.96	46.22	44.25	-4.25
<b>NETHERLAND</b>	4.43	4.67	5.38	34.67	30.90	-10.85

*(Source: Department of Commerce and CSO)*

- ❖ China is the topmost importer for Non ferrous Metals importing 17.2% of India's total export of Non Ferrous Metals during April-October 2015-2016.
- ❖ Malaysia and South Korea retains their positions importing 11.2% and 10.3% respectively during April-October 2015-2016.



**Table 14: Export of Electrical Machinery and Components**

US\$ Million

Export partners	October_14	October_15	Growth %	Apr-October 2014-15	Apr-October 2015-16	Growth %
<b>SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES</b>						
<b>Export to World</b>	<b>331.87</b>	<b>326.93</b>	<b>-1.49</b>	<b>2317.50</b>	<b>2185.76</b>	<b>-5.68</b>
<b>U S A</b>	38.38	42.95	11.92	293.67	318.05	8.30
<b>GERMANY</b>	16.51	21.52	30.34	138.54	143.33	3.46
<b>BANGLADESH</b>	6.26	22.29	255.97	41.63	56.44	35.59
<b>JAPAN</b>	7.06	15.02	112.94	35.59	50.57	42.09
<b>VIETNAM</b>	1.44	9.57	564.10	19.09	42.85	124.45
<b>ITALY</b>	5.59	5.26	-6.00	39.13	42.80	9.38
<b>KENYA</b>	3.88	5.81	49.82	38.73	38.96	0.59
<b>TURKEY</b>	2.19	4.92	124.74	22.49	37.99	68.94
<b>HEAVY CUMULATIVE DECLINE COUNTRIES</b>						
<b>U K</b>	19.85	16.35	-17.65	139.94	133.45	-4.63
<b>UAE</b>	13.02	17.57	34.93	118.12	113.32	-4.06
<b>FRANCE</b>	15.35	18.38	19.70	122.75	109.57	-10.74
<b>SINGAPORE</b>	21.45	6.72	-68.67	59.42	57.07	-3.96
<b>SAUDI ARAB</b>	8.70	7.36	-15.39	59.53	54.02	-9.26
<b>CHINA</b>	5.78	10.87	88.04	51.02	50.17	-1.68
<b>NIGERIA</b>	10.52	3.99	-62.05	59.57	45.73	-23.23
<b>OMAN</b>	8.66	6.19	-28.56	41.20	32.31	-21.56

*(Source: Department of Commerce and CSO)*

- ❖ USA is the largest importer of Electrical Machinery and Equipments from India during April-October 2015-16 with 14.6 % share in India's global export of the product group.
- ❖ Germany retains the second position with 6.6 % share as before.
- ❖ Exports to UK and UAE witnessed decline during April-October 2015-16 over the same period last fiscal despite being the third and fourth largest export destination for 'Electrical Machineries'.

**Table 15: Export of Aircrafts & Spacecrafts**  
US\$ Million

Export partners	October_14	October_15	Growth %	Apr-October 2014-15	Apr-October 2015-16	Growth %
<b>SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES</b>						
<b>Export to World</b>	<b>173.75</b>	<b>149.66</b>	<b>-13.87</b>	<b>2979.10</b>	<b>2474.19</b>	<b>-16.95</b>
<b>UAE</b>	0.41	15.45	3705.51	501.47	736.39	46.85
<b>U S A</b>	30.36	43.57	43.49	259.88	299.90	15.40
<b>CZECH REPUBLIC</b>	0.01	0.01	102.86	31.43	152.40	384.94
<b>GERMANY</b>	5.35	9.67	80.84	47.87	112.95	135.96
<b>IRELAND</b>	0.99	0.00	-99.69	1.36	35.05	2481.56
<b>ISRAEL</b>	2.91	3.18	9.38	18.82	30.57	62.40
<b>NETHERLAND</b>	2.43	6.07	149.94	17.04	23.75	39.38
<b>CHINA</b>	0.10	3.42	3388.22	2.04	12.87	531.07
<b>HEAVY CUMULATIVE DECLINE COUNTRIES</b>						
<b>SRI LANKA</b>	44.99	0.01	-99.98	978.15	704.64	-27.96
<b>U K</b>	6.88	12.41	80.44	166.75	135.51	-18.74
<b>FRANCE</b>	10.18	13.23	29.99	76.32	66.27	-13.16
<b>RUSSIA</b>	4.18	5.73	37.11	59.30	46.66	-21.31
<b>SINGAPORE</b>	55.59	18.72	-66.33	118.70	42.53	-64.17
<b>SWITZERLAND</b>	1.98	3.45	74.59	18.11	11.37	-37.19
<b>TURKEY</b>	0.28	3.95	1335.21	210.97	5.41	-97.44
<b>MALAYSIA</b>	0.82	0.68	-17.78	9.56	4.63	-51.58

*(Source: Department of Commerce and CSO)*

- ❖ In case of Aircrafts and Parts, UAE replaces Sri Lanka to be the top export destination for India, importing 29.8 % of India's total exports of Aircrafts and Parts during April-October 2015-16.
- ❖ USA holds the third position importing 12.1% of India's Aircrafts & parts during April-October 2015-16.

**Table 16: Export of Ships, Boats and Floating Structures and parts**

US\$ Million

Export partners	October_14	October_15	Growth %	April-October 2014-15	April-October 2015-16	Growth %
<b>SUBSTANTIAL GROWTH COUNTRIES</b>						
<b>Export to World</b>	<b>31.03</b>	<b>167.91</b>	<b>441.09</b>	<b>3190.76</b>	<b>2105.67</b>	<b>-34.01</b>
<b>JAPAN</b>	0.00	0.00		9.20	338.21	3576.21
<b>NORWAY</b>	0.00	0.00		25.87	328.27	1168.93
<b>MALAYSIA</b>	0.00	0.00	-30.26	0.03	190.64	753105.24
<b>FRANCE</b>	0.00	0.00		0.23	3.76	1519.82
<b>ITALY</b>	0.05	1.28	2253.20	0.13	1.29	902.97
<b>EGYPT</b>	0.00	0.00		0.01	1.00	16133.24
<b>MALDIVES</b>	0.00	0.01		0.00	0.38	21802.66
<b>GERMANY</b>	0.00	0.28		0.02	0.28	1733.52
<b>HEAVY DECLINE COUNTRIES</b>						
<b>SINGAPORE</b>	0.01	114.60	997065.75	632.53	630.55	-0.31
<b>UAE</b>	0.08	18.54	24574.77	633.66	234.41	-63.01
<b>SOUTH AFRICA</b>	0.00	0.01		657.30	147.06	-77.63
<b>SRI LANKA</b>	0.00	0.00		580.76	59.58	-89.74
<b>QATAR</b>	22.48	0.00	-99.99	44.18	22.84	-48.30
<b>ISRAEL</b>	0.09	2.21	2414.70	12.23	3.36	-72.52
<b>KAZAKHSTAN</b>	0.00	0.00		4.24	2.86	-32.56
<b>U S A</b>	0.00	0.02		0.37	0.35	-7.43

*(Source: Department of Commerce and CSO)*

- ❖ Singapore, Japan and Norway remains as the top three export destination for India's export of Ships, Boats and Floating Structures and parts during April-October 2015 sharing almost 62% of total export of this product group.
- ❖ UAE is the fourth largest importer of this group importing 11.1% during April-October 2015-2016.

**Table 17: Export of Auto Components**

US\$ Million

Export partners	October_14	October_15	Growth %	April-October 2014-15	April-October 2015-16	Growth %
<b>SUBSTANTIAL GROWTH COUNTRIES</b>						
<b>Export to World</b>	<b>350.93</b>	<b>343.69</b>	<b>-2.06</b>	<b>2603.86</b>	<b>2426.56</b>	<b>-2.06</b>
<b>U S A</b>	70.85	73.37	3.55	543.92	533.27	3.55
<b>TURKEY</b>	34.49	36.22	5.01	238.88	218.89	5.01
<b>GERMANY</b>	14.30	15.97	11.73	117.33	108.43	11.73
<b>MEXICO</b>	8.05	11.59	43.99	55.92	99.15	43.99
<b>ITALY</b>	10.47	10.71	2.28	93.45	78.59	2.28
<b>UAE</b>	8.16	12.70	55.63	70.14	75.93	55.63
<b>JAPAN</b>	10.38	12.70	22.34	70.47	69.38	22.34
<b>SRI LANKA</b>	4.94	6.71	35.75	27.08	38.74	35.75
<b>HEAVY DECLINE COUNTRIES</b>						
<b>THAILAND</b>	19.56	15.82	-19.14	133.33	115.38	-19.14
<b>U K</b>	18.06	15.17	-16.01	124.24	113.30	-16.01
<b>BRAZIL</b>	15.88	12.69	-20.08	123.46	104.62	-20.08
<b>BANGLADESH</b>	10.36	9.90	-4.43	94.07	71.74	-4.43
<b>INDONESIA</b>	17.36	13.34	-23.15	125.10	70.27	-23.15
<b>EGYPT</b>	10.53	7.91	-24.85	76.78	67.13	-24.85
<b>NEPAL</b>	7.02	0.70	-89.99	50.77	56.18	-89.99
<b>CHINA</b>	7.49	5.48	-26.86	54.69	39.99	-26.86

*(Source: Department of Commerce and CSO)*

- ❖ USA remains the topmost destination for India's exports of Auto Components and Parts with 22% share during April-October 2015-16.
- ❖ UAE holds the ninth position by recording a significant 56% year-on-year growth during April-October 2015-16.
- ❖ Turkey and Thailand holds the second and third position importing 9% and 4.8% of Indian auto component/parts, during April-October 2015-16.

## Conclusion

The current fiscal is proving to be one of the worst for exporters hit by a demand slowdown. Many of the small and medium enterprise exporters in the engineering sector are finding it difficult to survive, given the kind of squeeze in global trade. The dip in engineering exports in October 2015 by 11.6 per cent was driven mainly sectors like Iron

and Steel and products, Nickel and Copper products from the Non-ferrous sector, Accumulator and Batteries, and Other Construction machinery, etc.

Out of the top 25 countries, 12 countries recorded positive growth in the month of October 2015 showing moderate improvement compared to September 2015. The cumulative exports to all the regions during April-October 2015-16 have registered a negative growth. Africa and North East Asia are the top two regions recording significant decline in exports clearly indicating the demand slowdown. Exports to China fell by more than 45% in October 2015 especially in sectors like Products of Iron & steel, Industrial machinery, Non ferrous metals and products and Auto components & Parts which is noteworthy.

