

# Engineering Exports and Imports Monitor

March 2020



*Engineering the future*

**EEPCINDIA**  
ENGINEERING THE FUTURE

## Analysis of Indian engineering exports and imports for March 2020

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### Overall Scenario

#### **India's merchandise exports declined by around 35 percent in March 2020 as COVID-19 Pandemic led to cancellation of orders from overseas**

- ❖ After experiencing a downtrend for five months to January 2020, India's merchandise exports managed around 3 percent growth in February 2020 over the same month last fiscal. **However, exports in March conceded an unprecedented 34.57 percent decline year-on-year as outbreak of Corona Virus caused large scale disruptions in supply chains and demand resulting in cancellation of orders.** Merchandise exports were recorded at USD 21.41 billion during the said month as against USD 32.72 billion in March 2019. In Rupee terms, the decline was somewhat thinner at 29.98 percent.
- ❖ Except Iron ore, which registered a growth of 58.43%, all other commodity/commodity groups registered negative growth in March 2020 vis-a-vis March 2019.
- ❖ Cumulative value of merchandise exports for the period April-March 2019-20 was USD 314.31 billion as against USD 330.08 billion during the last fiscal, registering a 4.78 percent fall in Dollar terms. In rupee terms, the decline was 3.52 percent.
- ❖ Imports due to the same reason, declined by 28.72 percent in dollar terms during March 2020 to USD 31.16 billion from USD 43.72 billion in March 2019. The decline was somewhat lower at 23.72 percent in Rupee terms.
- ❖ Trade deficit narrowed down marginally to USD 9.76 billion in March 2020 from USD 11 billion in the same month last fiscal, registering 11.27 percent decline as both exports and imports were hit by the ongoing crisis. On a cumulative basis, trade deficit shrank by 16.91 percent to US\$ 152.88 billion during April-March 2019-20 from US\$ 184 billion during the same period last fiscal.

#### **India's engineering exports declined by as much as 42.5 percent in March 2020 following the broader merchandise exports**

- ❖ Engineering exports from India also recorded year-on-year increase in February 2020, but as **the COVID-19 pandemic started biting the global economy, engineering exports, following the broader merchandise trend, slumped by 42.5 percent** to USD 5.3 billion in March 2020 from USD 9.2 billion in the same month last fiscal. However, a little bit of base effect was also there behind this massive decline.

- ❖ Cumulative engineering exports during Fiscal 2019-20 dropped by 16.5 percent as a consequence. India's engineering exports stood at USD 76.3 billion in 2019-20 as against USD 81 billion during fiscal 2018-19.
- ❖ The share of engineering exports in India's total merchandise exports however remained largely unchanged at 24.6 percent as against 24.1 percent in February 2020. On a cumulative basis, the contribution of engineering exports in India's total merchandise exports was recorded at 24.3 percent during April-March 2019-20.
- ❖ Out of 33 engineering panels, only 'Zinc and Products Made of Zinc' recorded 53.4 percent growth in exports during March 2020 while the rest 32 panels conceded declines in year-on-year exports. On a cumulative basis, 21 panels recorded negative growth in April-March 2019-20 over the last fiscal.
- ❖ During March 2020, exports to 22 nations out of India's top 25 export destinations for engineering products recorded year-on-year decline. On a cumulative basis for April-March 2019-20, the number of such nations was 16.

#### **India's March engineering imports down by 24.1 %**

- ❖ India's Engineering imports during March 2020 were valued at US\$ 7.1 billion compared to US\$ 9.4 billion in March 2019 recording a significant negative growth of 24.1 percent in dollar terms.
- ❖ Cumulative engineering imports during April-March 2019-20 was recorded at US\$ 100.55 billion as against US\$ 111.21 billion during the same period last fiscal registering a fall of 9.6 percent.
- ❖ The share of engineering imports in India's total merchandise imports during April-March 2019-2020 has been estimated at 21.5%

## Analysis of India's engineering exports

### 1. Engineering exports: Monthly trend

The monthly engineering figures for 2019-20 vis-à-vis 2018-19 are depicted below as per the latest DGCIS estimates:

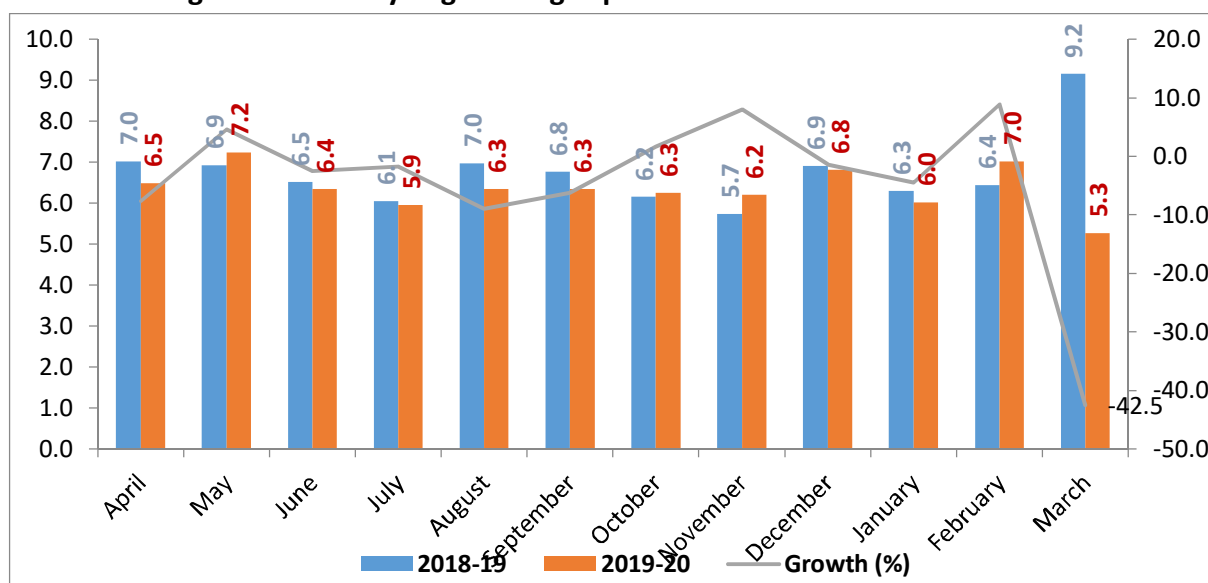
**Table 1: Engineering Exports: Monthly trend**  
(US\$ million)

Month	2018-19	2019-20	Growth (%)
April	7020.54	6480.13	-7.70
May	6928.08	7244.53	4.57
June	6512.31	6352.16	-2.46
<b>April-June</b>	<b>20460.93</b>	<b>20076.82</b>	-1.88
July	6052.64	5949.01	-1.71

Month	2018-19	2019-20	Growth (%)
August	6974.48	6347.76	-8.99
September	6769.15	6344.77	-6.27
April-September	<b>19796.27</b>	<b>18641.54</b>	-5.83
October	6151.93	6252.68	1.64
November	5740.17	6199.17	8.00
December	6905.63	6811.53	-1.36
October-December	<b>18797.73</b>	<b>19263.38</b>	2.48
January	6295.94	6011.39	-4.52
February	6442.37	7015.51	8.90
March	9162.3	5266.9	-42.52
January-March	<b>21900.61</b>	<b>18293.8</b>	-16.47
April-March	<b>80955.54</b>	<b>76275.54</b>	-5.78

Source: DGCIS, Govt. of India.

**Figure 1: Monthly Engineering Exports in 2019-20 vis-a-vis 2018-19**



## 2. Correlation between Manufacturing Production and Engineering Exports

Engineering sector is an important component of the broader manufacturing sector and the share of engineering production in overall manufacturing output is quite significant. As exports generally come from what is produced within a country, some correlation between manufacturing production growth and engineering export growth should exist. We briefly looked at the trend in manufacturing growth as also engineering export growth to see if they move in tandem. It may be mentioned that manufacturing has 77.63% weightage in India's industrial production.

The first month of fiscal 2019-20 saw engineering exports growth and manufacturing growth moving in the opposite direction but the next four months saw just the reverse. In April 2019, manufacturing growth accelerated while engineering exports dropped to negative. During May, engineering exports bounced back to growth path and manufacturing growth accelerated. Engineering exports declined once again in June 2019 and manufacturing growth also slowed down noticeably. The decline in engineering exports continued in July but at a slower pace while manufacturing witnessed accelerated growth. During August, engineering exports decelerated faster and manufacturing growth turned negative. The month of September 2019 again saw both moved in the opposite direction when decline in engineering exports moderated but decline in manufacturing growth accelerated. Again from October to December 2020, both moved in the same direction. Engineering exports bounced back to growth path in October 2019 while growth accelerated in November 2019. On the other hand, decline in manufacturing moderated in October and then registered decent growth in November 2019. During December 2020, both engineering exports and manufacturing output conceded year-on-year decline. The trend was again reversed in January 2020, when manufacturing output registered a rise against a decline in engineering exports. In February 2020 however, engineering exports came back to growth path while manufacturing growth witnessed acceleration. **As per the latest figures, manufacturing output and engineering exports moved in the same direction in eight out of the first eleven months of fiscal 2019-20.** Perhaps, the trend in Table 2 shows a lagged effect of a month. We need to see how this plays out during the last quarter of the fiscal.

**Table 2: Engineering exports growth vis-à-vis manufacturing growth (2019-20)**

Months/ Year	Engg. Export Growth (%)	Manufacturing Growth (%)
April 2019	-7.70	2.5
May 2018	4.57	4.4
June 2019	-2.46	0.3
July 2019	-1.72	4.8
August 2019	-8.99	-1.6
September 2019	-6.27	-4.0
October 2019	1.63	-2.1
November 2019	8.00	3.0
December 2019	-1.05	-0.7
January 2020	-4.52	1.6
February 2020	8.90	3.2
March 2020	-42.52	N A

*(Source: Department of Commerce and CSO)*

We also present the month wise corresponding **revised engineering exports for 2018-19** as opposed to 2017-18.

**Table 3: Revised engineering exports for 2017-18 (US\$ million)**

Months	2017-18	2018-19	Growth (%)
April	5902.86	7020.54*	18.93%
May	6047.26	6928.08*	14.57%
June	5703.28	6512.31*	14.19%
<b>Quarter 1</b>	<b>17653.40</b>	<b>20460.93*</b>	<b>15.90%</b>
July	5595.63	6052.64*	8.17%
August	5766.60	6974.48*	20.95%
September	7088.19	6769.15*	-4.50%
<b>Quarter 2</b>	<b>18450.42</b>	<b>19796.27*</b>	<b>7.29%</b>
October	5669.59	6151.93*	8.51%
November	6872.84	5740.17*	-16.48%
December	7163.56	6905.63*	-3.60%
<b>Quarter 3</b>	<b>19705.99</b>	<b>18797.73*</b>	<b>-4.61%</b>
January	6217.28	6295.94*	1.27%
February	6332.92	6442.37*	1.73%
March	7839.32	9156.46*	16.88%
<b>Quarter 4</b>	<b>20389.52</b>	<b>21900.61*</b>	<b>7.41%</b>
April-March	<b>76199.33</b>	<b>80955.54*</b>	<b>6.24%</b>

Source: DGCI&S \* Revised data

### Impact of Exchange Rate

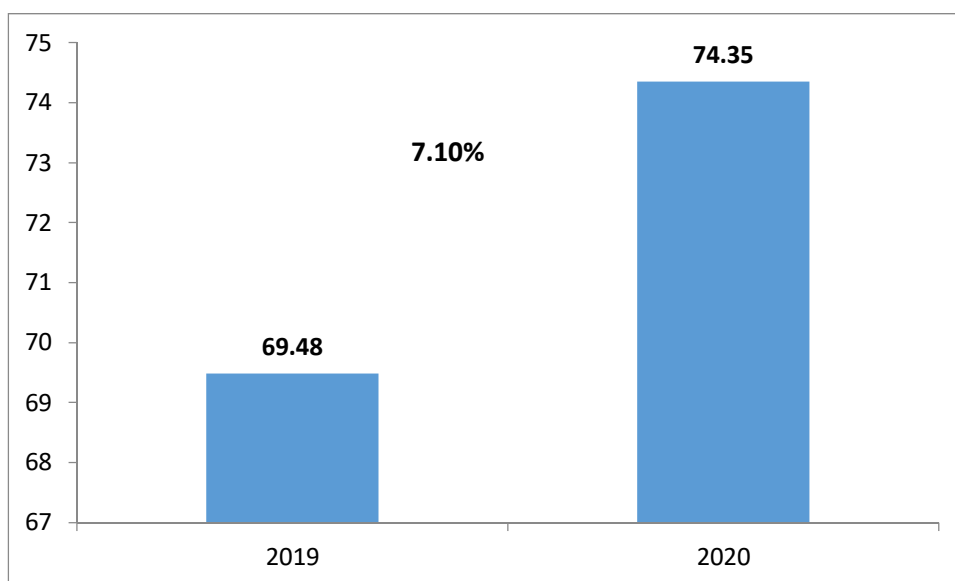
How has the exchange rate been changing in 2020 vis-à-vis 2019? We look at the monthly average exchange rate for both 2020 and 2019. The table and the chart below provide the scenario:

As mere one month figure does not determine the trend, we will continue to include the Rupee-Dollar trend analysis table and the movement chart for 2019 so that the short-term trend can be understood clearly.

**Table 4A: USD-INR average exchange rate in March 2020**

Average Exchange Rate (1 USD to INR)			Year-on-Year Change (%)	Direction
Month	2019	2020		
March	69.48	74.35	7.10	Depreciation

**Figure2A: Movement of USD-INR Exchange Rate in March 2020**



Source: RBI, FBIL, EEPC Research

**Rupee weakened significantly in March 2020 vis-à-vis the US Dollar:** After appreciating from September to November 2019 over the US Dollar, the Indian rupee again started weakening from December 2019 and conceded as much as 7.1 percent depreciation in March 2020 over the greenback as the outbreak of Corona Virus led to outflow of US Dollar from Indian capital market following withdrawal of investments mainly by Foreign portfolio investors. Fear of debt monetization by the Indian government following the increase in expenditure in order to manage COVID-19 crisis also played a role in weakening rupee.

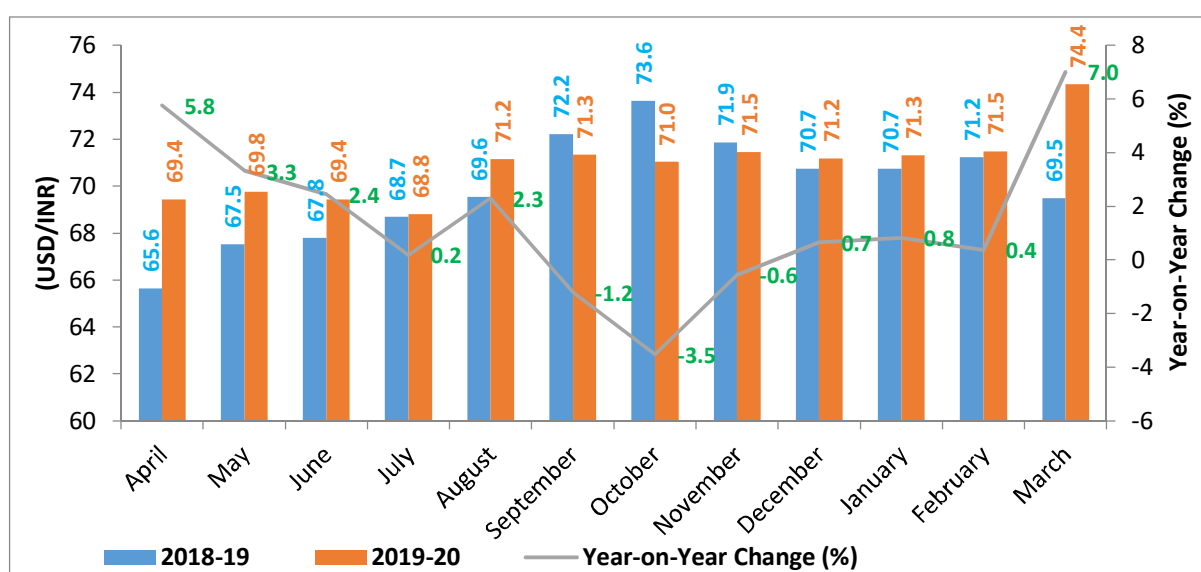
### Rupee-Dollar Trends in 2019

**Table 4B: USD-INR average exchange rate in 2019-20**

Average Exchange Rate (1 USD to INR)			Year-on-Year Change (%)	Direction
Month	2018-19	2019-20		
April	65.64	69.42	5.76	Depreciation
May	67.53	69.77	3.32	Depreciation
June	67.79	69.44	2.43	Depreciation
July	68.69	68.81	0.17	Depreciation
August	69.55	71.15	2.30	Depreciation
September	72.21	71.33	-1.22	Appreciation
October	73.63	71.03	-3.53	Appreciation
November	71.85	71.45	-0.56	Appreciation
December	70.73	71.19	0.65	Depreciation
January	70.73	71.31	0.82	Depreciation
February	71.22	71.49	0.37	Depreciation
March	69.48	74.35	7.10	Depreciation

A noteworthy feature of Rupee-Dollar movement in 2019 had been the relative hardening of Rupee in 2019 as indicated by the narrowing in the rate of depreciation over corresponding months of last year between January and July 2019. After a somewhat higher depreciation in August 2019, rupee started appreciating against the US Dollar for the next three months. However rupee saw an increasing depreciating mode in the later months and reached an alarming low in March 2020 as impact of COVID-19 Pandemic started taking toll on investors' sentiment. The pictorial representation may provide a clearer picture.

**Figure2B: Movement of USD-INR Exchange Rate (2019-20) (Monthly Average)**



Source: RBI, FBIL, EEPC Research

### 3. Top 25 engineering export destinations in March 2020

We now look at the export scenario of the top 25 nations that had highest demand for Indian engineering products during April- March 2019-20 over April- March 2018-19.

**Table-5: Engineering exports country wise, (2019-20)**

US\$ million

Country	March 2019	March 2020	Growth (%)	April-March 2018-19	April-March 2019-20	Growth (%)
U S A	1141.13	929.61	-18.54	11905.72	11929.38	0.20
UAE	371.42	370.41	-0.27	4303.60	4465.50	3.76



Country	March 2019	March 2020	Growth (%)	April-March 2018-19	April-March 2019-20	Growth (%)
GERMANY	272.60	189.15	-30.61	3244.12	2988.93	-7.87
NEPAL	229.38	183.64	-19.94	2992.34	2633.93	-11.98
U K	283.46	139.36	-50.84	2801.10	2598.18	-7.24
BANGLADESH	333.70	183.04	-45.15	2864.80	2452.78	-14.38
MEXICO	207.07	136.85	-33.91	2505.31	2348.44	-6.26
MALAYSIA	147.55	192.86	30.71	1759.35	2327.67	32.30
SINGAPORE	1431.23	106.06	-92.59	3483.59	2259.70	-35.13
CHINA	219.27	126.51	-42.31	1834.60	2124.58	15.81
ITALY	297.59	145.33	-51.16	2352.39	1937.29	-17.65
KOREA RP	165.21	114.36	-30.78	1734.49	1887.65	8.83
VIETNAM	171.59	109.50	-36.18	1179.44	1752.21	48.56
NIGERIA	179.66	132.17	-26.43	1338.10	1743.97	30.33
SAUDI ARAB	132.03	160.94	21.90	1438.95	1646.14	14.40
INDONESIA	627.31	96.68	-84.59	2362.64	1618.40	-31.50
THAILAND	148.49	98.94	-33.37	1619.36	1599.75	-1.21
SOUTH AFRICA	114.48	108.67	-5.08	1553.84	1527.70	-1.68
FRANCE	146.68	74.03	-49.53	1402.41	1360.89	-2.96
SRI LANKA	118.88	65.51	-44.90	1740.10	1222.18	-29.76
TURKEY	91.70	101.11	10.26	1732.03	1172.39	-32.31
BRAZIL	126.52	87.62	-30.75	1028.34	1075.12	4.55
JAPAN	103.63	66.37	-35.95	1233.39	1004.42	-18.56
BELGIUM	109.57	59.13	-46.04	1615.09	993.24	-38.50
NETHERLAND	82.96	54.47	-34.34	1007.25	924.49	-8.22

Country	March 2019	March 2020	Growth (%)	April-March 2018-19	April-March 2019-20	Growth (%)
<b>Total engineering exports to top 25 countries</b>	7253.10	4032.32	-44.41	61032.36	57594.94	-5.63
<b>Total engineering exports</b>	9162.31	5266.90	-42.52	80955.54	76275.54	-5.78
<b>Share (%)</b>	79.16	76.56		75.39	75.51	

Source: Department of Commerce, Government of India

### India's top 25 engineering export destinations: Some observations

- ❖ Only 9 out of 25 countries, engineering exports recorded positive cumulative growth during April- March 2019-20 over April- March 2018-19.
- ❖ India's engineering exports to its top 25 nations accounted for 75.5 per cent of India's total engineering exports in April-March 2019-20, which is marginally higher than its share in the April- March 2018-19.
- ❖ Interestingly, USA ranks as the numero uno destination for India's engineering products during March 2020 over March 2019 as well as for April- March 2019-20 over April- March 2018-19. Unlike the previous month trend India's exports to USA recorded a substantial negative growth in March 2020 over March 2019, while a marginal positive cumulative growth in April- March 2019-20 over April- March 2018-19.
- ❖ Vietnam for the seventh time in a row recorded highest positive cumulative growth during April- March 2019-20 over April- March 2018-19, followed by Malaysia and Nigeria.
- ❖ Among the ASEAN countries under the top 25 engineering exports destinations, Vietnam and Malaysia only recorded high positive growth while Singapore and Indonesia recorded significant negative growth during April- March 2019-20 over April- March 2018-19. While Thailand recorded nominal negative growth during the same period.
- ❖ India's engineering exports to China recorded high positive cumulative growth during April- March 2019-20 over April- March 2018-19 but a negative monthly growth for March 2020 over March 2019, like the previous month.
- ❖ All the European nations falling under the top 25 engineering exports destinations, recorded negative monthly as well as negative cumulative growth during April-March 2019-20 over April- March 2018-19.
- ❖ India's engineering exports to its top 25 destinations during April- March 2019-20 over April- March 2018-19 recorded a moderate negative growth which is a little less than in

comparison to the negative growth in India's total global engineering exports during the same period.

#### 4. Region wise India's engineering exports

The following table depicts region wise India's engineering exports for April-March 2019-20 as opposed to April-March 2018-19.

**Table 6: Region wise exports trend**

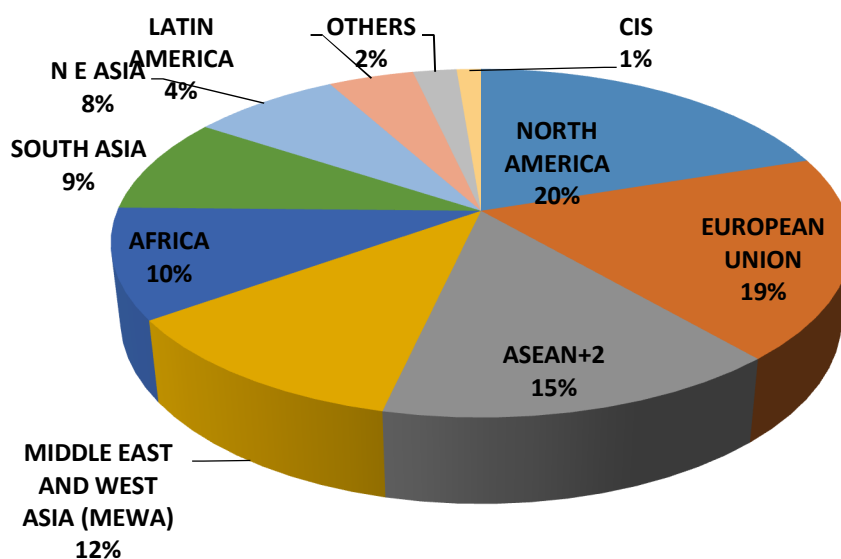
US\$ million

Regions	March 2019	March 2020	Growth (%)	April-March 2018-19	April-March 2019-20	Growth (%)
<b>NORTH AMERICA</b>	1445.44	1117.23	-22.7	15297.46	15168.29	-0.8
<b>EUROPEAN UNION</b>	1519.90	869.29	-42.8	16133.27	14314.93	-11.3
<b>ASEAN+2</b>	2732.93	725.94	-73.4	12397.22	11370.85	-8.3
<b>MIDDLE EAST AND WEST ASIA (MEWA)</b>	733.37	755.98	3.1	8798.83	8814.30	0.2
<b>AFRICA</b>	799.46	544.58	-31.9	7964.36	7771.91	-2.4
<b>SOUTH ASIA</b>	762.28	463.10	-39.2	8242.22	6818.84	-17.3
<b>N E ASIA</b>	552.32	353.18	-36.1	5771.50	5895.96	2.2
<b>LATIN AMERICA</b>	413.94	248.98	-39.9	3452.40	3410.24	-1.2
<b>OTHERS</b>	120.14	123.71	3.0	2108.40	1740.02	-17.5
<b>CIS</b>	82.54	64.91	-21.4	789.88	970.20	22.8
<b>Grand Total</b>	9162.31	5266.90	-42.5	80955.54	76275.54	-5.8

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 3: India's region wise exports during April-March 2019-20**



Source: Data from DGCI&S and EEPC India analysis

#### **Region wise engineering exports: some observations**

- ❖ North America retained its numero uno position like before as the region with highest shipment of engineering products from India during April-March 2019-20 over April-March 2018-19 with a share of 19.9 percent of total engineering exports.
- ❖ India's exports to CIS recorded highest positive growth for the third time during April-March 2019-20 over April- March 2018-19, followed by NE Asia .
- ❖ India's exports to EU and ASEAN+2 ranked second and third in global shipments of Indian engineering goods in April- March 2019-20 with a share of 18.8 percent and 14.9 percent of total engineering exports respectively.
- ❖ Only three regions- CIS, NE Asia and MEWA, recorded positive cumulative growth in exports of engineering products from India during April- March 2019-20 over April- March 2018-19.

#### **5. Panel Wise Engineering Exports**

We begin by looking at the Engineering Panel wise exports for the month of March 2020 vis-a-vis March 2019 as well as April-March 2019-20 vis-à-vis April-March 2018-19. The data is given in Table 7 below:

**Table 7: Trends in engineering panel Exports for March 2020 compared to March 2019 as well as April-March 2019-20 vis-à-vis April-March 2018-19**

US\$ Million

Product Panel	MARCH, 2019	MARCH, 2020	Growth	APRIL,2018 - MARCH,2019	APRIL,2019 - MARCH,2020	Growth
<b>Iron and Steel and Products made of Iron and Steel</b>						
Iron and Steel	906.93	627.05	-30.9	9731.16	9260.74	-4.8
Products of Iron and Steel	723.35	461.36	-36.2	7259.37	7004.58	-3.5
<b>Sub Total</b>	<b>1630.28</b>	<b>1088.41</b>	<b>-33.24</b>	<b>16990.5</b>	<b>16265.3</b>	<b>-4.27</b>
<b>Non-Ferrous Metals and Products made of Non-Ferrous Metals</b>						
Copper and products	128.83	57.88	-55.07	1067.18	918.11	-13.97
Aluminium and products	490.7	381.49	-22.26	5730.87	5114.52	-10.75
Zinc and products	36.86	56.54	53.39	603.01	569.07	-5.63
Nickel and products	5.58	4.14	-25.81	73.55	98.74	34.25
Lead and products	37.86	26.57	-29.82	402.9	372.06	-7.65
Tin and products	1.25	0.48	-61.60	9.83	9.86	0.31
Other Non-Ferrous Metals	53.5	39.11	-26.90	545.67	546.37	0.13
<b>Sub Total</b>	<b>754.58</b>	<b>566.21</b>	<b>-24.96</b>	<b>8433.01</b>	<b>7628.73</b>	<b>-9.54</b>
<b>Industrial Machinery</b>						
Industrial Machinery like Boilers, parts, etc	127.16	48.72	-61.7	824.42	815.68	-1.1
IC Engines and Parts	269.85	188.36	-30.2	2759.32	2555.68	-7.4
Pumps of all types	100.18	62.33	-37.78	1002.73	959.07	-4.35
Air condition and Refrigerators	189.77	95.74	-49.5	1983.63	1383.08	-30.3
Industrial Machinery for dairy, food processing , textiles etc	628.5	414.01	-34.1	5884.8	5674.27	-3.6
Machine Tools	47.38	27.98	-40.95	491.84	438.54	-10.84

Product Panel	MARCH, 2019	MARCH, 2020	Growth	APRIL,2018 - MARCH,2019	APRIL,2019 - MARCH,2020	Growth
Machinery for Injecting moulding, valves and ATMs	176.18	124.23	-29.5	1631.24	1761.4	8.0
<b>Sub Total</b>	<b>1539.02</b>	<b>961.37</b>	<b>-37.5</b>	<b>14578</b>	<b>13587.7</b>	<b>-6.79</b>
<b>Electrical Machinery</b>	776.41	689.08	-11.25	8415.06	8958.81	6.46
<b>Auto Components and parts</b>						
Motor Vehicle/cars	831.33	528.06	-36.5	8510.5	7810.65	-8.2
Two and Three Wheelers	191.49	163.44	-14.6	2126.31	2110.78	-0.7
Auto Components/Part	546.73	365.77	-33.10	5784.5	5304.39	-8.30
<b>Sub Total</b>	<b>1569.55</b>	<b>1057.27</b>	<b>-32.64</b>	<b>16421.31</b>	<b>15225.82</b>	<b>-7.28</b>
<b>Aircrafts and Spacecraft parts and products</b>	<b>175.74</b>	<b>77.4</b>	<b>-55.96</b>	<b>1715.28</b>	<b>1427.19</b>	<b>-16.80</b>
<b>Ships Boats and Floating products and parts</b>	<b>1845.15</b>	<b>239.72</b>	<b>-87.01</b>	<b>5699.6</b>	<b>4563.9</b>	<b>-19.93</b>
<b>Other engineering products</b>						
Medical and Scientific instruments	169.63	129.11	-23.89	1684.87	1768.37	4.96
Railway Transport	48.52	5.4	-88.87	377.14	238.95	-36.64
Hand Tools & Cutting Tools	71.84	49.32	-31.35	764.48	752.45	-1.57
Electrodes Accumulators	5.32	3.94	-25.94	54.2	55.22	1.88
Accumulator and Batteries	33.31	25.96	-22.07	375.37	410.83	9.45
Bicycle & Parts	42.03	24.47	-41.78	396.28	373.15	-5.84
Cranes Lifts & Winches	53.46	41.73	-21.94	503.66	566.34	12.44
Office Equipment	14.49	11.88	-18.01	141.27	189.24	33.96

Product Panel	MARCH, 2019	MARCH, 2020	Growth	APRIL,2018 - MARCH,2019	APRIL,2019 - MARCH,2020	Growth
Other Construction Machinery	160.83	88.1	-45.22	1660.78	1406.39	-15.32
Prime Mica & Mica Products	3.69	1.95	-47.15	34.33	39.43	14.86
OTHER MISC. ITEMS	268.45	205.58	-23.42	2710.39	2817.68	3.96
<b>Sub Total</b>	<b>871.57</b>	<b>587.44</b>	<b>-32.60</b>	<b>8702.77</b>	<b>8618.05</b>	<b>-0.97</b>
<b>Total engineering exports</b>	<b>9162.3</b>	<b>5266.9</b>	<b>-42.52</b>	<b>80955.54</b>	<b>76275.54</b>	<b>-5.78</b>

Source: Department of Commerce, Government of India

#### Engineering ferrous and non-ferrous products with negative growth in March 2020

- Export of Iron and Steel under Chapter 72: fell by 30.9% in March 2020 and 4.8% in April-March 2019-2020
- Exports of Products of Iron and Steel under Chapter 73: fell by 36.2% in March 2020 and 3.5% in April-March 2019-2020
- Exports of Copper and products under Chapter 74: fell by 55.07% in March 2020 and 13.97% in April-March 2019-20
- Exports of Aluminium and products under Chapter 76: fell by 22.3% in March 2020 and 10.75% in April-March 2019-2020
- Exports of Nickel and products under Chapter 75: fell by 25.8% in March 2020 but cumulatively increased by 34.25% in April-March 2019-2020
- Exports of Lead and products under Chapter 78: fell by 29.8% in March 2020 and 7.65% in April-March 2019-2020
- Exports of Tin and products under Chapter 80: fell by 61.6% in March 2020 but cumulatively increased by 0.31% in April-March 2019-2020

#### Panel wise engineering exports: Some observations

- ❖ Year on year decline for the month of March 2020 witnessed in almost all the panels except for Zinc and products panel. Out of 33 engineering panels 32 panels witnessed decline in exports during March 2020 vis-à-vis March 2019. Sharp decline observed in some of the major panels like iron and steel and products, copper and products, industrial machinery like boilers, air condition and repair machinery, railway transport equipments, etc. In cumulative terms, 21 out of 33 panels exhibited a year-on-year decline.

- ❖ After recovering from monthly decline during December 2019, Iron and Steel figures continued its negative trend since January 2020 and observed sharp decline to the extent of 31% in March 2020 compared to March 2019. In cumulative terms too, Iron and steel figures dipped by 5% during the fiscal April-March 2019-20 vis-à-vis same period last fiscal.
- ❖ Products of Iron and Steel also displayed negative trend similar to the one observed in previous month dipping sharply by 36.2% in March 2020 vis-à-vis March 2019. Cumulative exports also registered negative growth to the extent of 3.5% during April-March 2019-20 compared to same period last fiscal. The significant drop in products of iron and steel led to monthly decline in combined iron and steel and products of iron and steel to the extent of 33.24% percent in March 2020 corresponding to the same period last year. However, in cumulative terms the two panels together registered a fall of 4.27%.
- ❖ The Non-Ferrous metal segment witnessed sharp decline in export growth in Copper and products to the extent of 55.07% in the month of March 2020 vis-a-vis March 2019 unlike the previous month of February 2020. Decline was also witnessed in the panels of Aluminium, Nickel, Lead and Tin to the extent of 22.3%, 25.8%, 29.8% and 61.6% respectively during March 2020 vis-à-vis March 2019. Zinc and products is the sole panel that recorded positive export growth to the extent of 53.4% in March 2020 vis-a-vis March 2019. In cumulative terms though fall was noticed to the extent of 5.63% during April-March 2019-20 vis-à-vis April-March 2018-19.
- ❖ All the seven panels under Industrial machinery exhibited negative growth in March 2020 that led the total industrial machinery panel dip by 37.5% during March 2020. In the month of March 2020, panels like Industrial Machinery for Boilers dipped by 61.7%, Machinery for IC Engines by 30.2%, Pumps and Valves fell by 37.8%, Air Condition and Repair Machinery dipped by 49.5%, Industrial Machinery for dairy dipped by 34.1%, Machine Tools fared negative trends to the extent of 41% and Machinery for ATMS dropped by 29.5%. In cumulative terms too, the panel registered negative growth of 6.79% during April-March 2019-2020 compared to the same period last year.
- ❖ Electrical Machinery and equipment which is a major engineering exporting sector for India experienced negative monthly export trends to the extent of 11.25% in March 2020 when compared to March 2019. In cumulative terms there was 6.46% growth in exports in April-March 2019-2020 when compared to April-March 2018-19.
- ❖ The panel Automobiles recorded 32.4% percent negative growth during March 2019 due to major drop in export of motor vehicles to the extent of 36.5%. In cumulative terms, the panel experienced a declining trend to the extent of 6.7% and in both the cases, motor vehicles under automobiles registered a decline of 8.2% in April to March 2019-20 compared to the same period last year.
- ❖ Exports of Aircrafts and Spacecraft parts and products recorded negative monthly growth (55.96%) and negative cumulative growth (16.8%). Similarly, 'Ship, Boats and Floating Bodies' exhibited a negative monthly growth in exports (87.01%) and negative cumulative exports (19.93%).



- ❖ Negative monthly growth was witnessed in all the miscellaneous sectors including the major sectors like Railway transport (falling by 88.87%), Hand Tools (31.35% drop), Electrodes and Accumulators (25.94% drop), Accumulator and Batteries (22.07% drop), Bicycle and parts (41.78% drop), Cranes, Lifts and winches (21.94% drop), Office Equipments (18.01% drop), Other Construction machinery (45.22% drop) and prime mica products (47.15%). Most prominently, Medical and scientific devices registered a 23.89% negative growth in exports in monthly terms and 4.96% positive growth in cumulative terms.

#### 6. Data for ferrous and non-ferrous panels experiencing a decline in the month March 2020 vis-à-vis March 2019

<b>Table 8A: Chapter 72: Iron &amp; Steel</b>					
Values in US\$ Million					
<b>Month</b>	<b>2017-18</b>	<b>2018-19</b>	<b>Growth (%)</b>	<b>2019-20</b>	<b>Growth (%)</b>
April	900.36	837.85	-6.9	715.13	-14.6
May	787.41	776.79	-1.3	692.45	-10.9
June	691.32	735.22	6.4	653.72	-11.1
July	850.94	804.63	-5.4	749.6	-6.8
August	899.14	1053.2	17.1	907.48	-13.8
September	1064.53	843.61	-20.8	933.47	10.7
October	941.68	755.77	-19.7	903.55	19.6
November	1203.34	710.91	-40.9	831.35	16.9
December	1069.17	687.04	-35.8	851.57	23.9
January	916.07	816.34	-10.9	735.75	-9.9
February	<b>879.24</b>	<b>802.61</b>	<b>-8.8</b>	<b>637.73</b>	<b>-20.5</b>
March	<b>1015.85</b>	<b>906.93</b>	<b>-10.68</b>	<b>627.05</b>	<b>-30.9</b>
April-March	<b>11244.72</b>	<b>9731.16</b>	<b>-13.96</b>	<b>9260.74</b>	<b>-4.83</b>

<b>Table 8B: Chapter 72: Iron &amp; Steel</b>					
Values in '000 Tons					
<b>Month</b>	<b>2017-18</b>	<b>2018-19</b>	<b>Growth (%)</b>	<b>2019-20</b>	<b>Growth (%)</b>
April	1286.78	1018.92	-20.82	1006.52	-1.22
May	1118.10	887.02	-20.67	941.31	6.12
June	952.26	860.95	-9.59	843.09	-2.07
July	1337.86	973.34	-27.25	1086.62	11.64
August	1300.24	1390.90	6.97	1462.13	5.12

September	1573.39	1060.65	<b>-32.59</b>	1561.48	<b>47.22</b>
October	1376.31	924.98	<b>-32.79</b>	1525.51	<b>64.92</b>
November	1798.00	874.52	<b>-51.36</b>	1440.58	<b>64.73</b>
December	1520.10	888.97	<b>-41.52</b>	1478.81	<b>66.35</b>
January	1225.14	1140.41	<b>-6.92</b>	<b>1173.78</b>	<b>2.93</b>
February	<b>1135.11</b>	<b>1164.30</b>	<b>2.57</b>		
March	<b>1264.93</b>	<b>1291.35</b>	<b>2.09</b>	<b>(April to January)</b>	
April-March	<b>15888.26</b>	<b>12476.30</b>	<b>-21.47</b>	<b>12519.88</b>	

**Table 9A: Chapter 73: Products of Iron & Steel**

Values in US\$ Million

Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	529.64	565.04	<b>6.6</b>	558.78	<b>-1.1</b>
May	511.27	575.87	<b>12.6</b>	544.83	<b>-5.3</b>
June	518.62	587.78	<b>13.3</b>	591.46	<b>0.6</b>
July	520.50	539.72	<b>3.6</b>	596.79	<b>10.5</b>
August	593.79	691.22	<b>16.4</b>	624.46	<b>-9.3</b>
September	641.24	615.69	<b>-3.98</b>	570.35	<b>-7.36</b>
October	506.61	569.97	<b>12.51</b>	592.72	<b>3.99</b>
November	542.52	533.39	<b>-1.68</b>	572.77	<b>7.38</b>
December	674.25	666.88	<b>-1.09</b>	653.10	<b>-2.07</b>
January	492.37	562.16	<b>14.17</b>	628.11	<b>11.73</b>
February	<b>535.11</b>	<b>539.59</b>	<b>0.84</b>	<b>590.07</b>	<b>9.35</b>
March	<b>654.91</b>	<b>723.35</b>	<b>10.91</b>	<b>461.36</b>	<b>-36.2</b>
April-March	<b>6795.22</b>	<b>7259.37</b>	<b>7.28</b>	<b>7004.58</b>	<b>-3.51</b>

**Table 9B: Chapter 73: Products of Iron & Steel**

Values in '000 Tons

Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	310.06	265.94	<b>-14.23</b>	264.77	<b>-0.44</b>
May	311.18	295.46	<b>-5.05</b>	248.23	<b>-15.99</b>
June	296.59	288.75	<b>-2.64</b>	293.38	<b>1.60</b>
July	287.19	237.38	<b>-17.34</b>	271.11	<b>14.21</b>
August	343.02	327.95	<b>-4.39</b>	284.78	<b>-13.16</b>
September	362.63	293.51	<b>-19.06</b>	259.36	<b>-11.63</b>
October	253.61	247.69	<b>-2.33</b>	263.78	<b>6.49</b>
November	280.02	241.06	<b>-13.91</b>	267.61	<b>11.01</b>

December	370.05	323.76	-12.52	305.78	-5.55
January	327.68	278.10	-15.13	381.53	37.19
February	301.15	276.80	-8.07		
March	360.09	349.72	-2.88	(April to January)	
April-March	3803.32	3426.18	-9.92	2840.38	

<b>Table 10A: Chapter 74: Copper and Products</b>					
Values in US\$ Million					
Month	2017-18	2018-19	Growth (%)	2019-20	Growth ( )
April	202.47	109.54	-48.6	67.17	-38.7
May	236.24	66.38	-74.01	63.75	-4.0
June	281.22	69.23	-77.19	56.46	-18.4
July	257.73	55.65	-80.19	62.53	12.4
August	319.68	77.73	-77.36	62.71	-19.3
September	340.95	95.89	-73.68	87.55	-8.7
October	297.22	108.51	-65.54	115.43	6.4
November	296.92	113.36	-63.28	56.48	-50.2
December	303.64	109.86	-65.67	135.37	23.2
January	315.88	75.44	-77.81	83.10	10.2
February	248.80	56.76	-79.59	69.68	22.8
March	317.95	128.83	-62.61	57.88	-55.1
April-March	3418.76	1067.18	-70.00	918.11	-13.97

<b>Table 10B: Chapter 74: Copper and Products</b>					
Values in '000 Tons					
Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	33.06	15.12	-54.26	7.32	-51.88
May	37.93	7.34	-80.63	7.21	-1.76
June	46.04	7.03	-84.73	5.60	-20.29
July	42.88	6.44	-84.97	7.66	18.84
August	46.69	9.35	-79.97	6.78	-27.24
September	49.63	12.68	-74.43	11.53	-9.13
October	44.00	15.35	-65.11	15.91	3.63
November	42.62	15.24	-64.23	7.12	-53.27
December	43.36	15.24	-64.84	20.54	34.73
January	43.82	8.80	-79.91	39.59	349.78
February	36.40	5.93	-83.71		
March	45.00	15.99	-64.45	(April to January)	

April-March	<b>511.49</b>	<b>134.57</b>	<b>-73.69</b>	<b>129.30</b>	
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<b>Table 11A: Chapter 76: Aluminium and Products</b>					
Values in US\$ Million					
<b>Month</b>	<b>2017-18</b>	<b>2018-19</b>	<b>Growth (%)</b>	<b>2019-20</b>	<b>Growth (%)</b>
April	395.75	412.51	<b>3.6</b>	407.91	<b>-1.1</b>
May	291.4	514.50	<b>75.9</b>	375.44	<b>-27.0</b>
June	331.32	542.75	<b>63.2</b>	412.74	<b>-24.0</b>
July	341.04	475.16	<b>38.8</b>	399.74	<b>-15.9</b>
August	359.46	504.19	<b>40.3</b>	417.68	<b>-17.2</b>
September	451.66	494.77	<b>9.5</b>	490.96	<b>-0.8</b>
October	405.08	478.33	<b>44.97</b>	399.72	<b>-16.4</b>
November	422.65	469.76	<b>11.1</b>	470.45	<b>0.1</b>
December	477.19	473.85	<b>-0.7</b>	524.59	<b>10.7</b>
January	439.12	463.83	<b>5.6</b>	428.82	<b>-7.5</b>
February	271.85	410.52	<b>41.09</b>	404.16	<b>-1.5</b>
March	<b>519.83</b>	<b>490.70</b>	<b>-6.14</b>	<b>381.49</b>	<b>-22.3</b>
April-March	<b>4775.76</b>	<b>4829.65</b>	<b>19.42</b>	<b>4328.05</b>	<b>-10.4</b>

<b>Table 11B: Chapter 76: Aluminium and Products</b>					
Values in '000 Tons					
<b>Month</b>	<b>2017-18</b>	<b>2018-19</b>	<b>Growth (%)</b>	<b>2019-20</b>	<b>Growth (%)</b>
April	164.65	163.31	<b>-0.82</b>	178.10	<b>9.05</b>
May	129.38	197.50	<b>52.65</b>	166.61	<b>-15.64</b>
June	147.60	207.71	<b>40.73</b>	190.31	<b>-8.38</b>
July	150.35	185.54	<b>23.41</b>	179.80	<b>-3.10</b>
August	156.97	198.46	<b>26.43</b>	186.99	<b>-5.78</b>
September	192.78	202.27	<b>4.92</b>	221.73	<b>9.62</b>
October	170.34	200.96	<b>18.00</b>	129.26	<b>-35.88</b>
November	174.01	197.03	<b>13.23</b>	179.77	<b>-8.79</b>
December	196.09	195.44	<b>-0.33</b>	245.15	<b>25.42</b>
January	179.89	202.26	<b>13.29</b>	<b>199.89</b>	<b>-1.37</b>
February	<b>152.94</b>	<b>178.03</b>	<b>16.41</b>		
March	<b>197.78</b>	<b>208.88</b>	<b>5.61</b>	<b>(April to January)</b>	
April-March	<b>2011.78</b>	<b>2337.85</b>	<b>16.21</b>	<b>1877.64</b>	

<b>Table 12A: Chapter 75: Nickel and Products</b>					
Values in US\$ Million					
<b>Month</b>	<b>2017-18</b>	<b>2018-19</b>	<b>Growth (%)</b>	<b>2019-20</b>	<b>Growth (%)</b>
April	2.74	6.1	<b>122.6</b>	4.45	<b>-27.0</b>
May	2.31	6.72	<b>190.9</b>	35.23	<b>424.3</b>
June	2.16	6.81	<b>215.3</b>	5.50	<b>-19.2</b>
July	2.65	6.08	<b>129.4</b>	4.80	<b>-21.1</b>
August	6.69	7.47	<b>11.7</b>	4.92	<b>-34.1</b>
September	3.28	5.24	<b>59.70</b>	6.07	<b>15.89</b>
October	6.42	5.90	<b>-8.16</b>	9.34	<b>40.46</b>
November	2.98	3.88	<b>30.22</b>	4.91	<b>26.58</b>
December	2.89	5.35	<b>85.33</b>	6.88	<b>28.47</b>
January	5.24	2.75	<b>-47.58</b>	6.24	<b>127.22</b>
February	3.77	5.89	<b>44.45</b>	3.84	<b>-34.8</b>
March	<b>3.73</b>	<b>5.58</b>	<b>38.23</b>	<b>4.14</b>	<b>-25.8</b>
April-March	<b>66.53</b>	<b>73.55</b>	<b>57.02</b>	<b>98.74</b>	<b>34.25</b>

<b>Table 12B: Chapter 75: Nickel and Products</b>					
Values in '000 Tons					
<b>Month</b>	<b>2017-18</b>	<b>2018-19</b>	<b>Growth (%)</b>	<b>2019-20</b>	<b>Growth (%)</b>
April	0.15	0.32	<b>115.74</b>	0.26	<b>-17.66</b>
May	0.14	0.32	<b>134.64</b>	0.23	<b>-29.68</b>
June	0.12	0.33	<b>170.02</b>	0.28	<b>-15.92</b>
July	0.18	0.28	<b>55.27</b>	0.31	<b>9.28</b>
August	0.56	0.35	<b>-37.04</b>	0.24	<b>-31.30</b>
September	0.22	0.30	<b>38.77</b>	0.43	<b>43.57</b>
October	0.43	0.32	<b>-24.22</b>	0.33	<b>-1.04</b>
November	0.21	0.25	<b>19.32</b>	0.25	<b>-0.94</b>
December	0.14	0.22	<b>56.06</b>	0.34	<b>50.15</b>
January	0.20	0.34	<b>74.14</b>	<b>0.43</b>	<b>29.03</b>
February	<b>0.25</b>	<b>0.36</b>	<b>46.36</b>		
March	<b>0.21</b>	<b>0.35</b>	<b>67.50</b>	<b>(April to January)</b>	
April-March	<b>2.8</b>	<b>3.76</b>	<b>34.13</b>	<b>3.10</b>	

<b>Table 13A: Chapter 78: Lead and Products</b>					
Values in US\$ Million					

Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	26.58	27.35	2.91	30.1	10.1
May	15.41	35.8	132.35	24.75	-30.9
June	15.02	32.68	117.56	19.5	-40.3
July	27.13	31.24	15.15	19.47	-37.7
August	35.27	33.04	-6.33	38.90	17.7
September	41.56	31.05	-25.28	36.69	18.2
October	30.09	38.15	26.80	39.60	3.8
November	31.63	28.69	-9.31	45.76	59.5
December	38.94	43.47	11.64	40.96	5.8
January	36.39	38.05	4.9	25.66	-32.6
February	41.01	25.52	-37.78	23.25	-8.9
March	57.62	37.86	-34.29	26.57	-29.8
April-March	396.65	402.9	1.58	372.06	-7.65

**Table 13B: Chapter 78: Lead and Products**

Values in '000 Tons

Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	11.10	11.02	-0.73	13.89	26.05
May	6.39	14.68	129.54	11.92	-18.81
June	6.50	13.20	102.92	9.49	-28.04
July	11.81	12.34	4.49	9.42	-23.67
August	15.20	13.81	-9.13	18.73	35.59
September	17.14	13.81	-19.43	17.10	23.84
October	12.13	17.25	42.13	18.13	5.12
November	12.61	13.17	4.53	20.53	55.87
December	15.27	20.65	35.23	18.71	-9.40
January	14.00	17.89	27.74	12.12	-32.24
February	15.67	11.84	-24.43		
March	21.67	17.13	-20.92	(April to January)	
April-March	159.54	176.84	10.84	150.13	

**Table 14A: Chapter 80: Tin and Products**

Values in US\$ Million

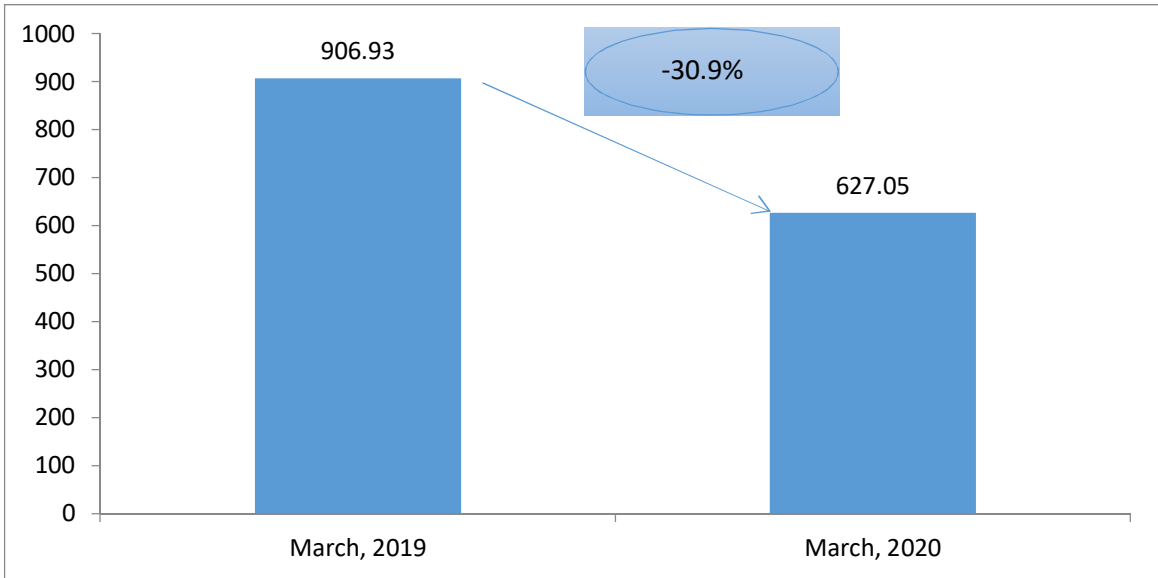
Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	1.18	0.56	-52.46	0.65	16.1

May	1.98	0.38	<b>-80.69</b>	0.91	<b>139.5</b>
June	0.73	0.84	<b>15.16</b>	0.97	<b>15.5</b>
July	0.45	0.84	<b>88.10</b>	0.48	<b>-42.9</b>
August	0.69	0.81	<b>17.60</b>	1.22	<b>50.6</b>
September	1.58	0.58	<b>-62.99</b>	0.84	<b>44.8</b>
October	0.50	0.69	<b>36.37</b>	0.78	<b>13.0</b>
November	0.66	1.17	<b>78.69</b>	1.10	<b>-6.0</b>
December	0.51	1.23	<b>139.90</b>	0.46	<b>62.6</b>
January	<b>1.27</b>	<b>0.57</b>	<b>-54.83</b>	<b>1.24</b>	<b>117.5</b>
February	<b>1.16</b>	<b>1.26</b>	<b>8.79</b>	<b>0.54</b>	<b>-57.1</b>
March	<b>1.12</b>	<b>1.25</b>	<b>14.79</b>	<b>0.48</b>	<b>-61.60</b>
April-March	<b>11.84</b>	<b>9.83</b>	<b>-13.50</b>	<b>9.86</b>	<b>0.31</b>

<b>Table 14B: Chapter 80: Tin and Products</b>					
Values in '000 Tons					
<b>Month</b>	<b>2017-18</b>	<b>2018-19</b>	<b>Growth (%)</b>	<b>2019-20</b>	<b>Growth (%)</b>
April	0.15	0.07	<b>-49.5</b>	0.06	<b>-15.05</b>
May	0.16	0.12	<b>-24.5</b>	0.11	<b>-2.92</b>
June	0.14	0.13	<b>-5.7</b>	0.01	<b>-23.99</b>
July	0.069	0.068	<b>-2.1</b>	0.061	<b>-10.69</b>
August	0.562	0.727	<b>29.3</b>	0.11	<b>52.22</b>
September	0.038	0.038	<b>0.0</b>	0.065	<b>72.57</b>
October	0.037	0.043	<b>16.2</b>	0.13	<b>193.45</b>
November	0.05	0.06	<b>23.40</b>	0.07	<b>17.38</b>
December	<b>0.04</b>	<b>0.07</b>	<b>53.79</b>	<b>0.04</b>	<b>-42.63</b>
January	<b>0.07</b>	<b>0.03</b>	<b>-51.39</b>	<b>0.13</b>	<b>292.15</b>
February	<b>0.062</b>	<b>0.061</b>	<b>-1.39</b>		
March	<b>0.07</b>	<b>0.08</b>	<b>9.98</b>	<b>(April to January)</b>	
April-March	<b>0.996</b>	<b>0.859</b>	<b>-13.75</b>	<b>0.83</b>	

➤ **Slump in Iron and steel exports**

**Figure 4: Slump in Iron and Steel Exports in March 2020 v/s March 2019 (in USD million)**

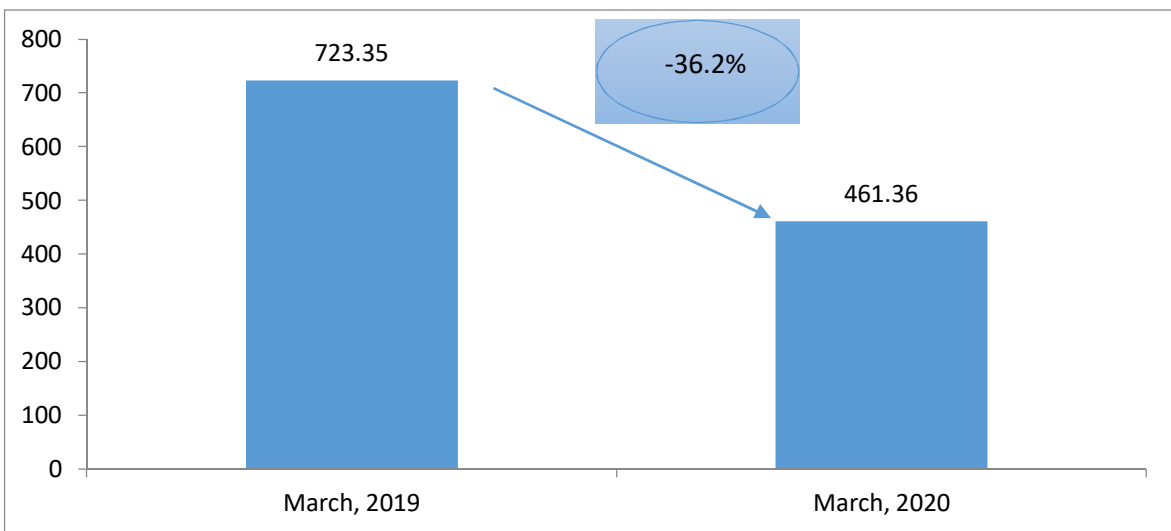


**Reason for fall**

The iron and steel exports experienced a decline in last month due to reasons including high domestic demand and also poor access to raw materials. The impact of the novel COVID-19 was not so significant owing to the fact that export orders had been received and export processing was happening smoothly. However, this month all of India’s exports have been heavily impacted due to the rapid spread of the COVID-19 pandemic globally and disruption of global supply chains.

➤ **Slump in Products of Iron and Steel exports**

**Figure 5: Slump in Products of Iron and Steel Exports in March 2020 v/s March 2019 (in USD million)**



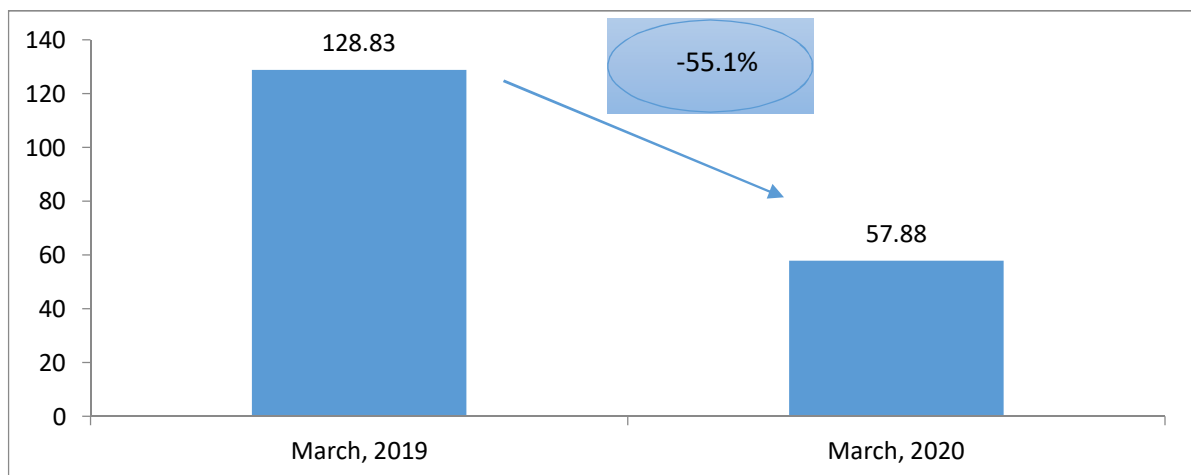


### Reason for fall

As explained in the case of iron and steel exports, exports of products of iron and steel are also reeling under the impact of COVID-19 pandemic

#### ➤ Slump in Copper and Products Exports

**Figure 6: Slump in Copper and Products Exports in March 2020 v/s March 2019 (in USD million)**

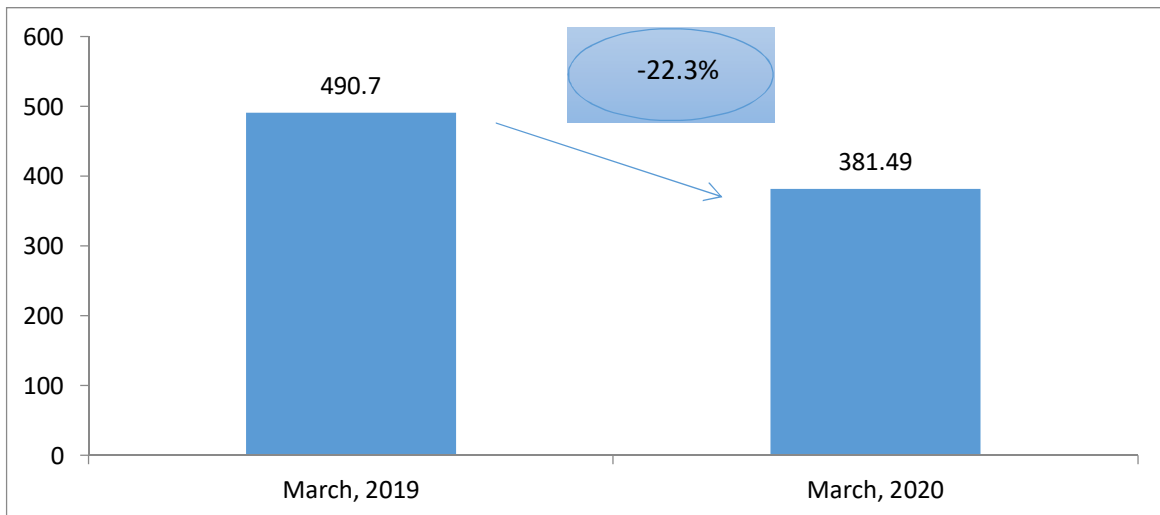


### Reason for fall

India's copper export has been on the decline during the last year mainly due to the closure of the Starlight Smelting plant in Tamil Nadu. However, since the last two to three months copper exports were improving in the country. This month's slump can be attributed to the global COVID-19 pandemic.

#### ➤ Slump in Aluminium and products exports

**Figure 7: Slump in Aluminium Exports in March 2020 v/s March 2019 (in USD million)**

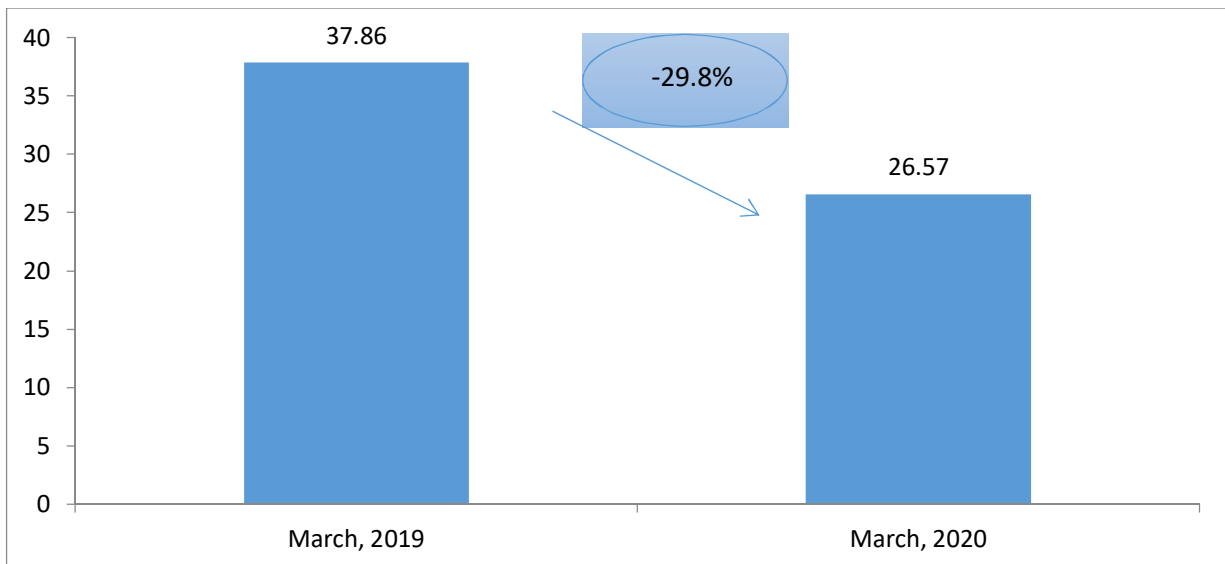


### Reason for fall

The global COVID-19 pandemic and subsequent disruption of the global value chain is primarily accountable for the falling aluminium exports in March 2020. In fact, the LME prices of aluminium have been on the decline since sometime, which implies lesser gains from trade.

### Slump in Lead and lead Products exports

**Figure 8: Slump in lead and lead products in March 2020 v/s March 2019 (in USD million)**

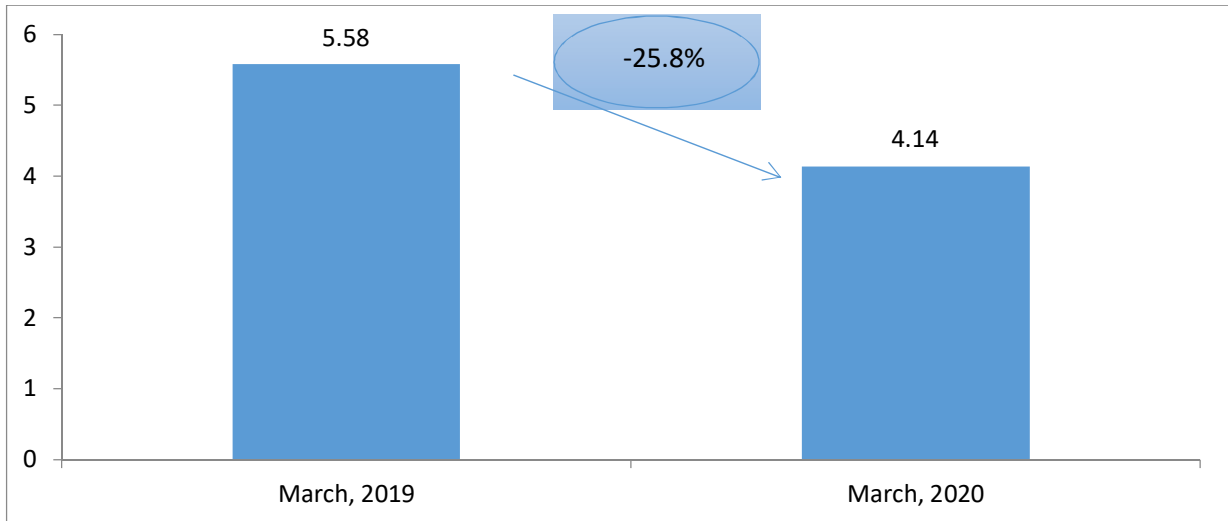


### Reasons for the fall

Globally all base metal markets have been reeling under COVID-19 pandemic, disruption of key value chains and falling LME prices.

### Slump in Nickel and Products exports

Figure 9: Slump in Nickel and products Exports in March 2020 v/s March 2019 (in USD million)

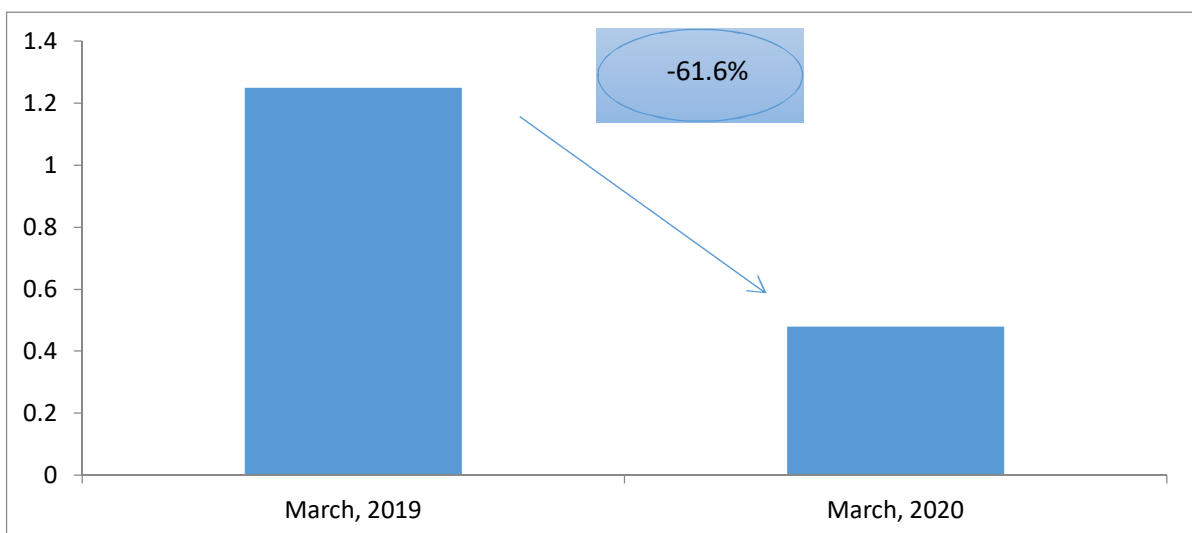


### Reasons for the fall

Globally all base metal markets have been reeling under COVID-19 pandemic, disruption of key value chains and falling LME prices.

### Slump in Tin and Products exports

Figure 10: Slump in Tin and products Exports in March 2020 v/s March 2019 (in USD million)



### Reason for fall

Globally all base metal markets have been reeling under COVID-19 pandemic, disruption of key value chains and falling LME prices.

## 7. Engineering panels – country-wise analysis

We now analyse the performance of some of the important products during March2020. We have taken the major panels and computed the top importers and sharp declines to get an idea of the current trade pattern. (Tables 15-23)

**Table 15: Export of Iron & Steel**

US\$ Million

(Source: Department of Commerce, Government of India)

COUNTRY	MARCH2019	MARCH2020	Growth (%)	APRIL 2018- MARCH2019	APRIL 2019- MARCH2020	Growth (%)
<b>Top Five Importers</b>						
VIETNAM	77.39	59.47	-23.15	486.22	1098.14	125.85
NEPAL	75.50	82.61	9.42	1140.02	982.89	-13.78
U A E	83.74	71.43	-14.70	733.35	774.53	5.61
ITALY	154.89	61.90	-60.04	884.33	727.25	-17.76
CHINA	45.97	19.79	-56.96	318.91	513.90	61.15
<b>High cumulative growth</b>						
VIETNAM	77.39	59.47	-23.15	486.22	1098.14	125.85
CHINA	45.97	19.79	-56.96	318.91	513.90	61.15
EGYPT	4.67	7.81	67.39	45.27	69.98	54.58
BHUTAN	7.18	5.75	-19.85	55.09	81.61	48.13
RUSSIA	8.17	7.54	-7.63	80.99	112.99	39.51
OMAN	3.67	4.92	33.86	84.31	114.15	35.40
<b>Sharp cumulative decline</b>						
ETHIOPIA	8.08	3.08	-61.90	85.79	49.13	-42.73
SAUDI ARABIA	3.86	8.47	119.13	158.72	98.96	-37.65
KOREA	29.67	17.44	-41.22	448.98	284.22	-36.70
MEXICO	8.16	5.19	-36.32	105.53	70.88	-32.84
U S A	20.52	10.40	-49.31	247.40	170.58	-31.05
SPAIN	25.11	4.46	-82.25	310.76	215.47	-30.66

- ❖ Vietnam, Nepal and UAE were the three top three importers of Indian Iron and Steel during April 2019- March2020 with market shares of 11.86percent, 10.61 percent and 8.36 percent respectively.

- ❖ Vietnam, China and Egypt recorded more than 50 percent year-on-year growth in exports of Indian Iron and Steel during April 2019- March 2020 compared to April 2018- March 2019.
- ❖ Ethiopia, Saudi Arabia and Korea experienced sharp downfall to the extent of more than 35% drop in exports during April 2019- March 2020 compared to same period last fiscal.

**Table 16: Export of Products of Iron & Steel**

US\$ Million

COUNTRY	MARCH 2019	MARCH 2020	Growth (%)	APRIL 2018- MARCH 2019	APRIL 2019- MARCH 2020	Growth (%)
<b>Top Five Importers</b>						
U S A	158.14	98.60	-37.65	1692.91	1589.07	-6.13
U A E	46.95	32.35	-31.09	453.81	419.98	-7.46
GERMANY	34.26	23.50	-31.40	423.53	376.08	-11.20
CANADA	20.01	14.83	-25.87	272.66	373.58	37.01
U K	28.39	17.02	-40.04	318.50	296.54	-6.89
<b>High cumulative growth</b>						
PERU	1.33	4.25	218.82	6.59	70.02	961.69
LIBYA	0.14	0.75	416.12	4.03	25.19	525.56
CAMEROON	0.13	3.86	2894.29	4.56	26.34	478.06
ETHIOPIA	0.78	4.24	440.61	13.43	51.03	279.95
OMAN	6.60	4.57	-30.77	77.67	120.50	55.15
INDONESIA	6.20	7.10	14.57	58.75	90.20	53.52
<b>Sharp cumulative decline</b>						
MAURITANIA	3.53	0.80	-77.42	39.30	6.39	-83.75
IRAQ	0.32	0.82	156.60	32.00	6.29	-80.33
TANZANIA	5.42	0.85	-84.28	80.89	30.07	-62.83
EGYPT	5.34	1.25	-76.64	89.72	34.51	-61.53
CHILE	68.89	0.93	-98.65	123.83	52.47	-57.62
KUWAIT	4.65	3.67	-21.10	103.16	63.62	-38.33
SOUTH AFRICA	5.22	4.76	-8.95	88.08	58.70	-33.36

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

- ❖ USA, UAE and Germany were the top three importers of India's 'Products of Iron & Steel' during April 2019- March 2020 with 22.69 percent, 6.00 percent and 5.37 percent shares respectively in India's global import of the same.
- ❖ Peru, Libya, Cameroon and Ethiopia experienced more than 250% growth in import of 'Products of Iron and Steel' during April 2019- March 2020.

- ❖ Iraq, Mauritania, Egypt and Tanzania conceded substantial decline in imports by more than 60% for the said product group from India during April 2019- March2020.

**Table 17: Export of Industrial Machinery**

US\$ Million

COUNTRY	MARCH2019	MARCH2020	Growth (%)	APRIL 2018- MARCH2019	APRIL 2019- MARCH2020	Growth (%)
<b>Top Five Importers</b>						
U S A	221.76	142.80	-35.61	2324.52	2125.33	-8.57
THAILAND	64.25	53.39	-16.90	634.60	688.95	8.56
BANGLADESH	109.96	38.91	-64.61	727.14	642.18	-11.68
GERMANY	71.83	35.66	-50.36	662.49	591.70	-10.69
CHINA	53.81	50.18	-6.76	518.07	577.49	11.47
<b>High cumulative growth</b>						
RUSSIA	17.04	11.12	-34.76	134.91	269.35	99.66
UGANDA	8.15	5.19	-36.31	60.25	85.01	41.09
SINGAPORE	27.21	19.76	-27.40	229.26	313.39	36.70
MYANMAR	8.21	3.24	-60.51	55.76	69.95	25.45
NIGERIA	71.30	37.17	-47.86	431.39	538.72	24.88
<b>Sharp cumulative decline</b>						
IRAN	4.61	5.55	20.20	166.23	57.60	-65.35
VIETNAM	38.63	11.29	-70.78	207.77	125.18	-39.75
INDONESIA	39.93	17.36	-56.54	405.69	275.89	-31.99
KENYA	13.68	9.60	-29.82	196.20	135.41	-30.98
SAUDI ARABIA	33.73	17.86	-47.04	382.56	269.48	-29.56
SPAIN	21.01	14.48	-31.08	248.80	182.76	-26.54

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

- ❖ USA was the largest importer of Indian 'Industrial machinery' during April 2019- March2020 with 15.64 percent share in India's global import of the product group. Thailand and Bangladesh were the two immediate followers of USA with 5.07 percent and 4.73 percent shares respectively.
- ❖ Russia and Uganda were among the major importing nations witnessing growth of 99.66% and 41.09% respectively in imports of Industrial machinery from India during April 2019- March2020 over the same period last fiscal.
- ❖ Among the major importers, Iran, Vietnam, Indonesia and Kenya recorded over 30 percent year-on-year declines in imports during April 2019- March2020.

**Table 18: Automobiles**

US\$ Million

COUNTRY	MARCH2019	MARCH2020	Growth (%)	APRIL 2018- MARCH2019	APRIL 2019- MARCH2020	Growth (%)
<b>Top Five Importers</b>						
<b>MEXICO</b>	122.50	70.30	-42.61	1343.64	1400.42	4.23
<b>U S A</b>	116.14	116.18	0.03	1178.07	1008.85	-14.36
<b>SOUTH AFRICA</b>	49.24	65.46	32.93	708.40	920.31	29.92
<b>SAUDI ARABIA</b>	46.50	85.14	83.10	335.14	726.68	116.83
<b>NIGERIA</b>	46.13	39.99	-13.32	432.65	543.65	25.65
<b>High cumulative growth</b>						
<b>SAUDI ARABIA</b>	46.50	85.14	83.10	335.14	726.68	116.83
<b>U A E</b>	28.39	19.84	-30.11	225.55	330.88	46.70
<b>PERU</b>	11.88	11.86	-0.20	120.78	160.94	33.25
<b>SOUTH AFRICA</b>	49.24	65.46	32.93	708.40	920.31	29.92
<b>KUWAIT</b>	9.57	1.69	-82.38	67.30	87.16	29.50
<b>NIGERIA</b>	46.13	39.99	-13.32	432.65	543.65	25.65
<b>Sharp cumulative decline</b>						
<b>BELGIUM</b>	5.98	0.00	-100.00	62.64	10.19	-83.73
<b>EGYPT</b>	14.66	3.34	-77.20	149.20	36.54	-75.51
<b>ALGERIA</b>	41.81	0.00	-100.00	287.06	80.74	-71.87
<b>SPAIN</b>	4.22	0.18	-95.76	66.60	20.74	-68.86
<b>INDONESIA</b>	20.12	10.06	-50.02	373.95	177.79	-52.46
<b>CANADA</b>	16.18	6.56	-59.44	137.80	70.46	-48.87

*(Source: Department of Commerce, Government of India)**Automobiles include Motor Vehicles/cars and Two and Three Wheelers*

- ❖ Mexico, USA and South Africa were top three importers of India's Automobiles during April 2019- March2020 with 14.12, 10.17 and 9.28 percent share in India's global exports respectively over the same period last fiscal.
- ❖ Saudi Arabia recorded over 100 percent growth in imports of the product group from India during April 2019- March2020 over the same period last fiscal.
- ❖ Countries like Belgium, Egypt, Spain and Algeria saw their imports of automobile lower by more than 65% during April 2019- March2020 compared to same period last fiscal.

**Table 19: Export of Non-Ferrous metals**

US\$ Million

COUNTRY	MARCH2019	MARCH2020	Growth (%)	APRIL 2018- MARCH2019	APRIL 2019- MARCH2020	Growth (%)
<b>Top Five Importers</b>						
<b>MALAYSIA</b>	78.10	129.12	65.33	965.47	1317.54	36.47
<b>KOREA</b>	80.96	67.07	-17.15	860.38	1149.65	33.62
<b>U S A</b>	101.32	57.50	-43.25	1069.34	919.88	-13.98
<b>CHINA</b>	68.43	22.29	-67.43	332.98	458.36	37.65
<b>TAIWAN</b>	11.92	15.07	26.39	341.96	256.15	-25.09
<b>High cumulative growth</b>						
<b>TANZANIA</b>	1.38	2.32	68.56	19.87	31.06	56.27
<b>EGYPT</b>	1.74	3.28	88.94	37.14	54.95	47.94
<b>CHINA</b>	68.43	22.29	-67.43	332.98	458.36	37.65
<b>MALAYSIA</b>	78.10	129.12	65.33	965.47	1317.54	36.47
<b>KOREA</b>	80.96	67.07	-17.15	860.38	1149.65	33.62
<b>ISRAEL</b>	5.20	5.15	-1.00	49.34	62.12	25.90
<b>Sharp cumulative decline</b>						
<b>TURKEY</b>	3.85	4.45	15.73	507.22	51.57	-89.83
<b>SPAIN</b>	14.09	7.24	-48.61	216.88	85.71	-60.48
<b>MEXICO</b>	14.80	11.90	-19.63	318.73	143.12	-55.10
<b>ITALY</b>	22.35	18.90	-15.42	276.54	126.71	-54.18
<b>NETHERLAND</b>	12.15	5.58	-54.07	179.73	94.96	-47.16
<b>BANGLADESH</b>	15.18	12.34	-18.68	251.75	171.91	-31.72

*(Source: Department of Commerce and CSO)*

- ❖ Malaysia, Korea, and USA were the top three importers of India's Non-ferrous metals and products' during April 2019- March2020 with 17.27 percent, 15.07 percent and 12.06 percent shares respectively in India's global import of the same.
- ❖ Tanzania and Egypt experienced more than 45% growth in import of Non-ferrous metals and products ' during April 2019- March2020.
- ❖ Turkey, Mexico and Spain conceded substantial decline in imports by more than 55% for the said product group from India during April 2019- March2020 vis-à-vis same period last fiscal.

**Table 20: Export of Electrical Machinery and Components**

US\$ Million

COUNTRY	MARCH2019	MARCH2020	Growth (%)	APRIL 2018- MARCH2019	APRIL 2019- MARCH2020	Growth (%)
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<b>Top Five Importers</b>						
<b>U S A</b>	190.42	280.32	47.22	1997.49	2796.10	39.98
<b>GERMANY</b>	55.47	65.66	18.38	880.72	881.20	0.05
<b>U K</b>	86.60	39.42	-54.48	557.74	639.97	14.74
<b>SINGAPORE</b>	19.61	16.01	-18.34	512.40	422.38	-17.57
<b>FRANCE</b>	32.02	10.18	-68.20	260.63	297.05	13.97
<b>High cumulative growth</b>						
<b>NIGERIA</b>	20.79	28.95	39.26	99.64	268.78	169.76
<b>SOUTH AFRICA</b>	4.53	12.18	169.03	39.07	76.22	95.09
<b>TURKEY</b>	8.24	22.40	171.73	109.96	193.15	75.65
<b>POLAND</b>	9.12	4.08	-55.22	80.56	123.97	53.89
<b>U S A</b>	190.42	280.32	47.22	1997.49	2796.10	39.98
<b>Sharp cumulative decline</b>						
<b>BELGIUM</b>	11.76	2.00	-83.02	330.03	99.74	-69.78
<b>INDONESIA</b>	6.41	3.10	-51.58	166.69	50.60	-69.64
<b>EGYPT</b>	4.21	2.21	-47.45	54.98	23.36	-57.51
<b>JAPAN</b>	5.17	4.45	-13.97	238.97	116.92	-51.07
<b>SWITZERLAND</b>	3.26	0.84	-74.35	46.12	24.42	-47.06

(Source: Department of Commerce and CSO)

- ❖ USA, Germany and UK were the three top importers of Indian Electrical Machinery and Components during April- March2020 with market shares of 31.21 percent, 9.84 percent and 7.14 percent respectively. Out of these top five importers, Singapore experienced a drop in imports during April 2019- March2020 compared to April 2018- March2019.
- ❖ Nigeria, South Africa, Turkey and Poland recorded more than 50% growth in imports of India's Electrical Machinery and Components during April 2019- March2020 vis-a-vis April 2018-March2019.
- ❖ Belgium and Indonesia experienced the sharp decline of about 70% in its imports in April 2019- March2020 when compared to April 2018-March2019. It is also the case for Egypt and Japan which experienced more than 50 percent drop.

**Table 21: Export of Aircrafts and Space crafts**

US\$ million

<b>COUNTRY</b>	<b>MARCH2019</b>	<b>MARCH2020</b>	<b>Growth (%)</b>	<b>APRIL 2018- MARCH2019</b>	<b>APRIL 2019 - MARCH2020</b>	<b>Growth (%)</b>
<b>Top Five Importers</b>						

<b>U S A</b>	70.10	29.20	-58.34	557.49	502.38	-9.88
<b>U K</b>	29.79	9.06	-69.59	229.49	172.37	-24.89
<b>SINGAPORE</b>	12.85	6.99	-45.62	226.49	168.10	-25.78
<b>FRANCE</b>	27.69	8.31	-69.98	238.52	165.79	-30.50
<b>GERMANY</b>	7.09	5.02	-29.22	109.07	76.42	-29.93
<b>High cumulative growth</b>						
<b>MAURITIUS</b>	0.08	0.00	-99.74	0.58	4.53	680.03
<b>U A E</b>	0.27	0.52	92.91	8.17	22.51	175.53
<b>MEXICO</b>	0.70	1.29	83.66	5.98	12.64	111.33
<b>SPAIN</b>	0.55	0.34	-37.70	2.41	4.74	96.28
<b>RUSSIA</b>	0.33	0.59	77.77	16.25	31.67	94.88
<b>VIETNAM</b>	0.13	0.00	-100.00	3.17	5.93	86.81
<b>Sharp cumulative decline</b>						
<b>SEYCHELLES</b>	0.31	0.00	-100.00	26.39	0.15	-99.44
<b>BELGIUM</b>	0.04	0.13	212.61	13.15	1.91	-85.47
<b>IRELAND</b>	0.14	0.02	-83.06	12.94	2.15	-83.37
<b>SWITZERLAND</b>	0.80	0.15	-81.45	22.33	7.64	-65.77
<b>POLAND</b>	0.51	0.35	-30.22	12.45	4.45	-64.30

*(Source: Department of Commerce and CSO)*

- ❖ USA, UK and Singapore were the top three importers of India's 'Aircrafts and Spacecrafts' during April 2019- March2020 with around 35.20, 12.08 and 11.78 percent shares respectively in India's total global exports of the product.
- ❖ Mauritius, UAE and Mexico registered substantial growths of more than 100% in import of the product group from India during April 2019- March2020 as compared with the same period last fiscal.
- ❖ On the flipside, demand for India's 'Aircrafts &Spacecrafts' from Seychelles, Ireland, Belgium and Switzerland dropped more than 65 percent on a year-on-year basis during April 2019- March2020 when compared to April 2018-March2019.

**Table 22: Export of Ships, Boats and Floating Structures and parts**

US\$ million

COUNTRY	MARCH 2019	MARCH 2020	Growth (%)	APRIL 2018- MARCH2019	APRIL 2019- MARCH2020	Growth (%)
<b>Top Five Importers</b>						
<b>U A E</b>	34.44	119.37	246.64	1357.70	1307.85	-3.67
<b>SINGAPORE</b>	1283.95	27.35	-97.87	1989.65	931.30	-53.19
<b>INDONESIA</b>	504.08	19.95	-96.04	734.61	527.45	-28.20
<b>CYPRUS</b>	0.00	0.00	-	0.00	349.98	-
<b>OMAN</b>	0.00	62.45	1604545.94	276.46	236.56	-14.43
<b>High cumulative growth</b>						
<b>NORWAY</b>	0.00	0.00	-	0.00	58.33	7879122.47
<b>U K</b>	0.00	0.00	-	0.01	209.36	1810300.53
<b>NETHERLAND</b>	0.00	0.02	-	0.03	74.63	218931.12
<b>MALAYSIA</b>	0.00	0.00	-	8.52	198.93	2235.47
<b>FRANCE</b>	0.00	0.00	-	2.97	22.55	658.17
<b>Sharp cumulative decline</b>						
<b>NAMIBIA</b>	0.00	0.00	-	24.01	0.00	-100.00
<b>SOUTH AFRICA</b>	0.00	0.00	-	198.48	0.00	-100.00
<b>BELGIUM</b>	0.00	0.00	-	150.05	0.01	-100.00
<b>NIGERIA</b>	0.00	0.00	-	24.87	0.00	-99.99
<b>QATAR</b>	0.00	0.00	-	29.39	0.01	-99.97
<b>SAUDI ARABIA</b>	0.03	0.00	-	104.63	4.71	-95.50
<b>BAHARAIN</b>	0.00	9.25	-	63.63	9.25	-85.47

**Note:** Export figures in case of some nations are showing zero due to rounding off but actually they are very small in value.

*(Source: Department of Commerce and CSO)*

- ❖ UAE, Singapore and Indonesia became the largest importer of ships, boats and floating structures followed by Cyprus and Sri Lanka. Their respective shares are 28.66 percent, 20.41percent, 11.56 percent, 7.67 percent and 5.18 percent.
- ❖ Imports to Norway, UKand Netherlands recorded meteoric increase as they had practically no import in April 2018-March2019. Malaysiaregistered substantial growth of 2235.5% in import of the product group from India during April 2019- March2020 as compared with the same period last fiscal.
- ❖ However, sharp decline was noticed in exports to Saudi Arabia. In fact exports to these countries have been less than US\$ 5 million in April 2019- March2020 except Baharain.

Whereas the exports dropped to zilch for Namibia, South Africa, Belgium, Nigeria and Qatar.

**Table 23: Export of Auto Components**

US\$ Million

COUNTRY	MARCH 2019	MARCH 2020	Growth (%)	APRIL 2018- MARCH 2019	APRIL 2019- MARCH 2020	Growth (%)
<b>Top Five Importers</b>						
<b>U S A</b>	116.01	75.43	-34.98	1269.36	1164.95	-8.23
<b>BANGLADESH</b>	32.18	23.46	-27.10	315.13	283.45	-10.05
<b>BRAZIL</b>	31.84	20.51	-35.57	298.58	271.90	-8.94
<b>TURKEY</b>	21.52	19.26	-10.52	308.66	267.33	-13.39
<b>GERMANY</b>	27.42	17.82	-35.01	272.72	258.14	-5.35
<b>High cumulative growth</b>						
<b>SLOVENIA</b>	0.53	1.49	182.48	6.65	15.07	126.54
<b>PHILIPPINES</b>	5.71	6.36	11.33	51.57	91.30	77.03
<b>CZECH REPUBLIC</b>	2.86	2.06	-28.07	22.05	34.03	54.34
<b>MOROCCO</b>	1.19	1.23	3.54	11.58	16.85	45.47
<b>TAIWAN</b>	2.39	2.14	-10.61	19.57	25.35	29.53
<b>Sharp cumulative decline</b>						
<b>SINGAPORE</b>	0.91	1.25	36.58	30.78	15.21	-50.60
<b>ROMANIA</b>	7.48	1.99	-73.37	97.68	63.92	-34.57
<b>KENYA</b>	0.81	1.52	88.50	23.13	16.85	-27.16
<b>RUSSIA</b>	9.76	4.08	-58.18	92.46	67.54	-26.96
<b>PERU</b>	2.09	0.68	-67.28	25.74	18.87	-26.66

(Source: Department of Commerce and CSO)

- ❖ USA remained the top importer of auto components in April 2019- March2020 with a share of 21.96 percent. It is followed by Bangladesh, Brazil, Turkey and Germany with respective shares of 5.34 percent, 5.13 percent, 5.04 percent and 4.87 percent.
- ❖ Slovenia and Philippines recorded maximum increase of more than 75 percent in imports from April 2019- March2020 when compared to April 2018-March2019.
- ❖ However, Singapore and Romania recorded significant decline of more than 30 percent in April 2019- March2020 when compared to April 2018-March2019.

## Analysis of India's engineering imports

India's Engineering imports during March 2020 were valued at US\$ 7132.2 million compared to US\$ 9402.1 million in March 2019 registering a negative growth of 24.1 percent in dollar terms.

Cumulative engineering imports during April-March 2019-20 was recorded at US\$ 100.55 billion as against US\$ 111.21 billion during the same period last fiscal registering a fall of 9.6 percent.

The share of engineering imports in India's total merchandise imports during April-March 2019-2020 has been estimated at 21.5%.

The monthly engineering import figures for fiscal April-March 2019-20 vis-a-vis April-March 2018-19 is depicted below as per the latest availability of figure:

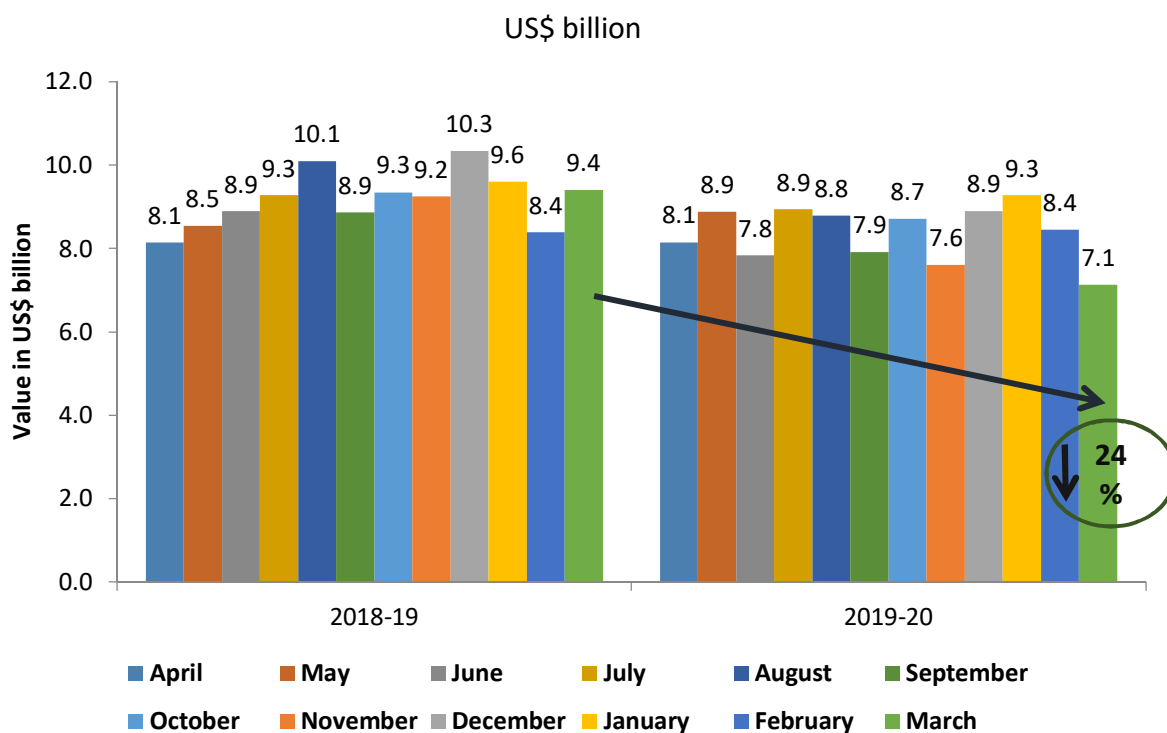
**Table 24: Engineering Imports**  
(US\$ Million)

Months	2018-19	2019-20	Growth (%)
April	8139.45	8143.84	0.1
May	8536	8875.2	4.0
June	8890.89	7827.95	-12.0
July	9272.5	8938.2	-3.6
August	10097.3	8779.3	-13.1
September	8858.41	7915.5	-10.6
October	9346.29	8711.71	-6.8
November	9245.44	7611.71	-17.7
December	10331.2	8896.1	-13.9
January	9594.17	9271.98	-3.4
February	8381.48	8446.97	0.8
March	9402.1	7132.2	-24.1

Source: Department of Commerce, Government of India

Figure below depicts the monthly trend in engineering imports **for April-March 2019- 2020 compared to April-March 2018-2019**

**Fig 11: Monthly Engineering Imports for 2019-20 vis-a-vis 2018-19**



### Trend in two-way engineering trade

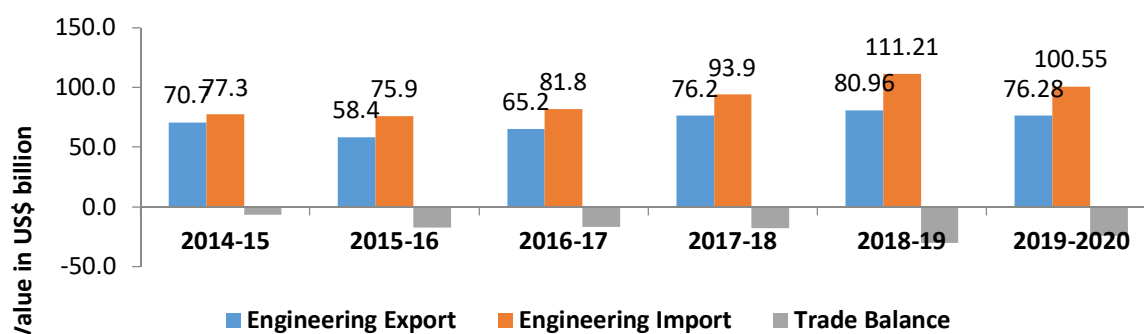
We now present the trend in two way yearly trade for the engineering sector from 2014-15 to 2018-19 as well as the current fiscal 2019-20 depicted in the table below:

**Table 25: Engineering Trade**  
(US\$ Billions)

Trade Flow	2014 -15	2015 -16	2016 -17	2017 -18	2018 -19	Growt h %	April- March 2019	April- March 2020	Growt h %
Engineerin g Export	70.7	58.4	65.2	76.2	81.0	6.3	80.96	76.28	-5.8
Engineerin g Import	77.3	75.9	81.8	93.9	104.2	10.9	111.21	100.5 5	-9.6
Trade Balance	-6.6	-17.5	-16.6	-17.7	-23.1		-30.25	-24.27	

Figure 7 below depicts the yearly trend in engineering trade **from 2014-15 to 2018-19 as well as April-March 2019-20 of the current fiscal**

**Figure 12: Trend in Monthly Engineering Trade**



## Conclusion

After experiencing a marginal increase last month, India's engineering exports have declined significantly this month owing to the global economic disruptions under the Novel COVID-19 Crisis. Almost all the major panels (33 out of 36) have experienced significant export decline in March 2020 when compared to the same period last year. Barring Zinc and Zinc products, all the base metal exports have fallen significantly.

India's engineering exports have been already performing weakly in the recent fiscal majorly due to global trade tensions, heavy protectionism among key markets and high raw material prices within the country. However the exporting community had been hopeful that the export performance will improve significantly in the last two months of the fiscal and India's engineering exports would continue to match up to last year's level of USD 81 billion. This hope however was shattered by the Novel COVID-19 pandemic which initiated in China in December 2019 and rapidly created a global health and economic crisis. The current global economic situation has been compared to the global recession during the Great Depression Era by both the World Bank and IMF. In her latest press conference, IMF Managing Director, Ms. Kristalina Georgieva, has clearly mentioned that the year 2020 could see the worst global economic fallout since the Great Depression in the 1930s with over 170 countries experiencing negative per capita income growth due to the pandemic. The pandemic has compelled countries including India to take tough decisions such as lockdowns and shutting up of economic activities. This has heavily impacted supply chains and global value chains. As per the recent WTO press release world trade is expected to fall between 13 percent and 32 percent in 2020 due to the pandemic. Given the disruptions the pandemic has caused in global supply chains, WTO further mentions that industries with complex supply chains including automobile and electronics would be hardest hit. All the regions around the world are expected to suffer a declining trade with exports from USA and Asian economies undergoing the worst impact.

In such times, the government of India has extended huge support to the exporting community by organizing repeated conferences with key industries to understand and solve issues affecting exports. They have also extended key benefits such as Foreign Trade Policy for the next fiscal which is of great importance for the exporting community. The recent RBI announcements on access to finance for the MSMEs during these difficult times have also benefited the engineering industry, a substantial percentage of who are MSMEs.

Since the lockdown in India, the supply chain has been significantly disrupted. While exporters have received orders for the month of March, they cannot procure raw materials or transport their products to the port due to lack of transporters and labourers. In such a scenario, exporters are worried that they may lose the markets to other competitors. With this background, the exporting community has requested the government to give exporters and manufacturing top priority and to permit engineering goods manufacturers and exporters to resume in a controlled manner during the lockdown phase keeping all safety measures in place. This will allow us to fulfill our existing orders and save the cancellations.

