

Engineering Exports and Imports Monitor

NOVEMBER 2021



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Engineering Exports and Imports Monitor

DECEMBER 2021



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**ANALYSIS OF INDIAN ENGINEERING EXPORTS AND IMPORTS FOR
NOVEMBER 2021**

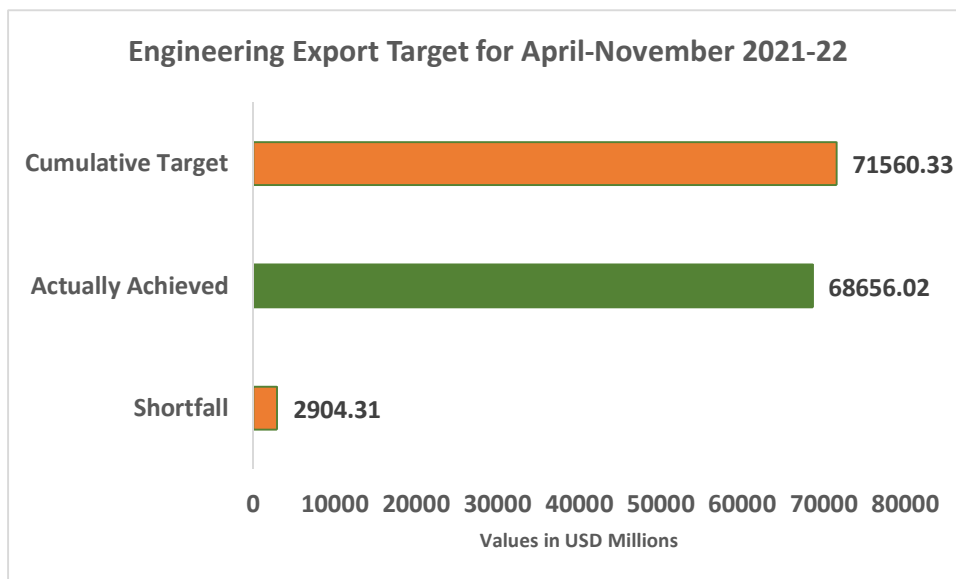
21st Dec 2021

Highlight

Engineering exports is likely to meet the target of USD 107 billion by end of FY 2022

- Total merchandise export target set by India for the fiscal 2021-22: USD 400 billion
- Total engineering export target set by India for fiscal 2021-22: USD 107 billion
- Cumulative engineering exports from India recorded 56.23 percent growth between April-November 2021-22 by rising to USD 68,656.02 million during April-November 2021-22 from USD 43,944.92 Million during April-November 2020-21.
- Percentage of target achieved during April-November 2021-22 is 64.2%. However, if we consider the target on a pro-rata basis, target for April-November is USD 71,560.33 million and actual exports is USD 68,656.02 million, leaving a marginal shortfall of USD 2904.31 million. The figure below depicts the present situation.

Figure 1: Engineering Export Target V/S Achieved for April-November 2021-22



Overall Scenario

Merchandise trade

Merchandise exports continued its growth-run for the twelfth straight month but pace of growth slowed down

- ✚ *Merchandise exports from India recorded year-on-year growth for the twelfth straight month to November 2021 and this was the ninth month in a row when exports were above USD 30 billion.*
- ✚ *Exports were USD 30.04 Billion in November 2021 as against USD 23.62 Billion in November 2020, exhibiting a positive growth of 27.16 percent. In Rupee terms, the growth was 27.64 percent. As compared to November 2019, exports in November 2021 exhibited a positive growth of 16.55 percent in dollar terms.*
- ✚ *The commodities/commodity groups that led the overall merchandise export growth in November 2021 were Petroleum Products, Coffee, Plastic and Linoleum, Cotton yarn/fabs./made-ups, handloom products etc. and Engineering goods among others.*
- ✚ *Commodity groups like Iron ore and Oil meals continued to see decline in year-on-year exports during November 2021.*
- ✚ *Cumulative merchandise exports for the period April-November 2021 was USD 263.57 Billion as against USD 174.16 Billion during the period April-November 2020, registering a positive growth of 51.34 percent. The growth was 50.33 percent in Rupee terms. As compared to April-November 2019, exports in April-November 2021 exhibited a positive growth of 24.82 percent.*
- ✚ *Merchandise imports in November 2021 were USD 52.94 Billion, which was an increase of 56.58 percent over that of November 2020 at USD 33.81 Billion. In rupee terms, the growth was 57.17 percent. Imports in November 2021 registered a positive growth of 37.44 percent in comparison to November 2019.*
- ✚ *Cumulative merchandise imports for the period April-November 2021 was USD 384.34 Billion as against USD 219.82 Billion during the period April-November 2020, registering a positive growth of 74.84 percent. The growth was 73.76 percent in rupee terms. Imports in April-November 2021 registered a positive growth of 18.41 percent in comparison to April-November 2019.*
- ✚ *Trade deficit in November 2021 widened by 124.77 percent to 22.91 Billion from USD 10.19 Billion in November 2020. Cumulative trade deficit also mounted by 164.49 percent to USD 120.76 Billion in April-November 2021 from USD 45.66 Billion in April-November 2020.*

Engineering Trade

India's Engineering exports continued to grow in November 2021 but a decline was observed in value of shipment

- ✚ India's engineering exports in November 2021 slowed down to USD 7706.42 million from 9039.69 million in October 2021. However, the growth was still substantial at 37.12 percent over the exports of November 2020 at USD 5620.26 million.
- ✚ Engineering exports in November 2021 was even higher by 25.74 percent as compared to exports in November 2019 when the economy was free of any Pandemic effect.
- ✚ Cumulative engineering exports during April-November 2021-22 stood at USD 68,656.02 Million, registering 56.23 percent growth over the exports of April-November 2020-21 at USD 43,944.92 Million.
- ✚ Share of engineering in total merchandise export was 26.89 percent in November 2021 as against 26.37 percent in October 2021, 26.65 percent in September 2021 and 27.68 percent in August 2021. On a cumulative basis, the share was 27.31 percent during April-November 2021-22.
- ✚ 28 out of 33 engineering panels witnessed positive year-on-year growth in exports during November 2021 while on a cumulative basis for April-November 2021-22, 31 out of 33 panels experienced a growth.
- ✚ Exports rose to 21 out of 25 top export destinations and all regions

India's engineering imports increased by 20.8 percent year-on-year in November 2021

- ✚ India's Engineering imports during November 2021 were valued at US\$ 9121.54 million compared to US\$ 7549.27 million in November 2020 registering a positive growth of 20.8 percent in dollar terms.
- ✚ All the engineering panels barring transport equipment, like iron & steel, non-ferrous metals, machine tools, machinery, electrical & non-electrical, medicinal & pharmaceutical products and professional instrument, optical goods witnessed an increase in import during November 2021 compared to November 2020
- ✚ The share of engineering imports in India's total merchandise imports declined to 17.2 percent in November 2021 when compared to the same period last year.

Analysis of India's engineering exports

1. Engineering exports: Monthly trend

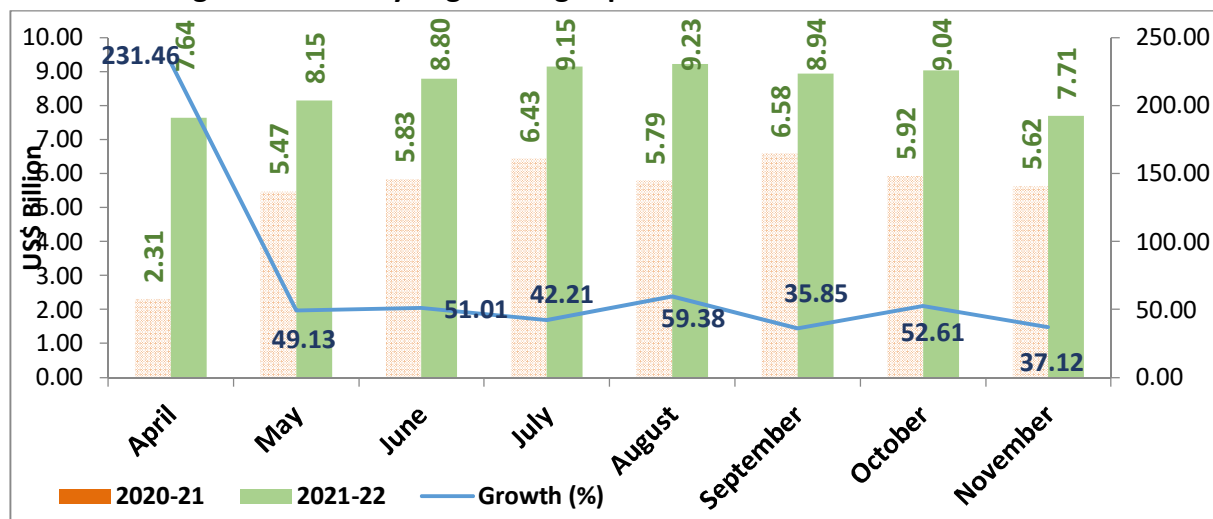
The monthly engineering figures for 2021-22 vis-à-vis 2020-21 are shown below as per the latest DGCIS estimates:

Table 1: Engineering Exports: Monthly trend in 2021-22
(US\$ million)

Month	2020-21	2021-22	Growth (%)
April	2306.35	7644.62	231.46
May	5466.82	8152.66	49.13
June	5825.88	8797.85	51.01
April-June	13599.06	24595.13	80.86
July	6432.18	9146.95	42.21
August	5790.82	9229.60	59.38
September	6579.26	8938.24	35.85
July-September	18802.27	27314.78	45.27
October	5923.34	9039.69	52.61
November	5620.26	7706.42	37.12
April-November	43944.92	68656.02	56.23

Source: DGCIS, Govt. of India.

Figure 2: Monthly Engineering Exports in 2021-22 vis-à-vis 2020-21



Source: DGCIS&S, EEPC research

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.

Engineering exports growth and manufacturing output growth moved in the same direction in as many as nine out of twelve months in each of the fiscal years 2019-20 and 2020-21. April 2021 also saw both moving in the same direction by registering unprecedentedly high growth, but that was purely due to imposition of nationwide lockdown in 2020. The month of May 2021 saw decelerated growth for both but June 2021 saw them moving in opposite direction with slightly accelerating engineering export growth but moderating manufacturing growth. The month of July again saw both engineering exports growth and manufacturing output growth decelerated while August 2021 witnessed higher growth of engineering exports but deceleration in manufacturing output growth. September 2021 again saw both engineering export growth and manufacturing growth decelerated but a rise in engineering export growth and drop in manufacturing growth was seen in October 2021. As we move forward with time and data for later months in fiscal 2021-22, the correlation will be established more clearly.

Table 2: Engineering exports growth vis-à-vis manufacturing growth from April 2020

Months/ Year	Engg. Export Growth (%)	Manufacturing Growth (%)
April 2020	-63.05	-66.6
May 2020	-22.17	-37.8
June 2020	-5.18	-17.0
July 2020	10.56	-11.4
August 2020	-7.01	-7.6
September 2020	4.09	-0.4
October 2020	-5.01	4.5
November 2020	-8.37	-1.6
December 2020	-0.93	2.7
January 2021	16.66	-0.9
February 2021	-4.94	-3.4
March 2021	67.75	28.3
April 2021	231.46	196.0
May 2021	49.13	32.1
June 2021	51.01	13.2

Months/ Year	Engg. Export Growth (%)	Manufacturing Growth (%)
July 2021	42.21	10.5
August 2021	59.38	9.9
September 2021	35.85	3.0
October 2021	52.61	2.0
November 2021	37.12	N A

(Source: Department of Commerce and CSO)

We also present the month-wise **revised engineering exports for 2020-21 as compared to 2019-20**.

Table 3: Revised engineering exports for 2020-21 as against 2019-20 (US\$ million)

Month	2019-20	2020-21	Growth (%)
April	6410.79	2306.35*	-64.02
May	7159.43	5466.82*	-23.64
June	6274.90	5825.88*	-7.16
April-June	19845.12	13599.06*	-31.47
July	5877.95	6432.18*	9.43
August	6273.83	5790.82*	-7.70
September	6257.50	6579.26*	5.14
July-September	18409.28	18802.27*	2.13
October	6171.31	5923.34*	-4.02
November	6129.02	5620.26*	-8.30
December	6731.46	6669.06	-0.93
October-December	19031.79	18212.66*	-4.30
January	5941.41	6931.20	16.66
February	6908.79	6567.77	-4.94
March	5208.01	8736.56	67.75
January-March	18058.21	22235.53	23.13
April-March	75344.41	72849.52*	-3.31

Source: DGCI&S * Revised figures

Impact of Exchange Rate

How did the exchange rate fare during November 2021 and what was the recent trend in Re-Dollar movement? In order to get a clearer picture of the recent Re-Dollar trend, not only we took the exchange rate of November 2021, but also considered monthly average exchange rate of Rupee vis-à-vis the US Dollar for each month of fiscal 2021-22 as well as 2020-21 as mere one month figure does not reflect any trend. Later on, we would also provide the monthly trend of Re-dollar for each month of 2021-22 as we move forward with time. The tables and the charts below depict the short-term trend clearly:

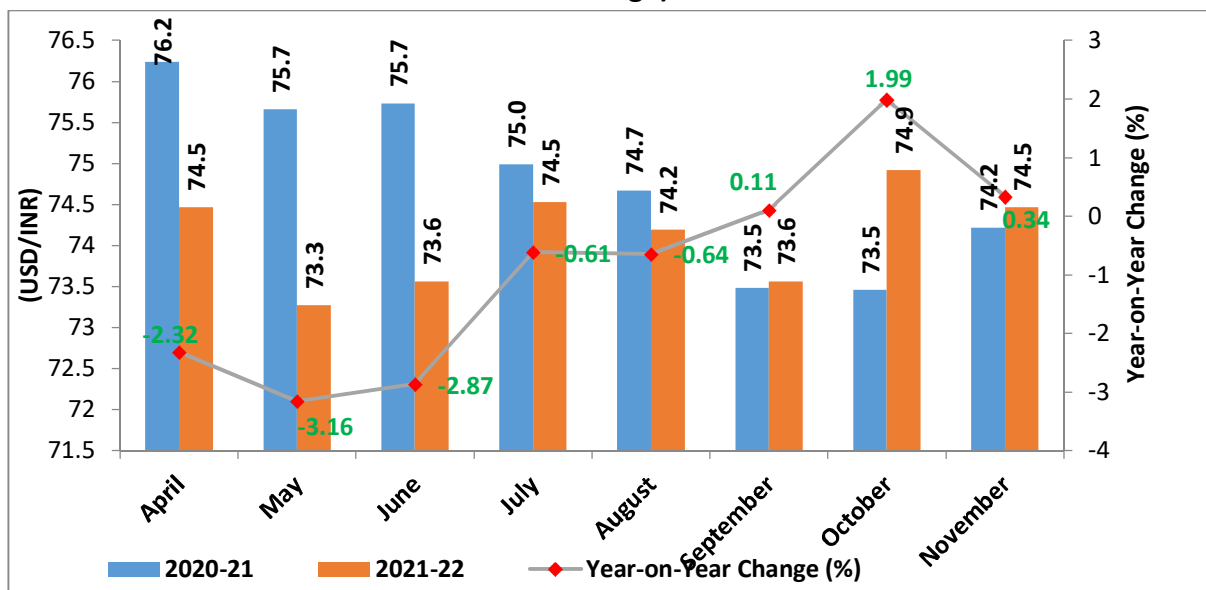
Table 4A: USD-INR monthly average exchange rate in 2021-22

(As per latest data released by FBIL)

Monthly Average Exchange Rate (1 USD to INR)			Year-on- Year Change (%)	Direction	Month-on- Month Change (%)	Direction
Month	2020-21	2021-22				
April	76.24	74.47	-2.32	Appreciation	2.31	Depreciation
May	75.66	73.27	-3.16	Appreciation	-1.61	Appreciation
June	75.73	73.56	-2.87	Appreciation	0.40	Depreciation
July	74.99	74.63	-0.48	Appreciation	1.45	Depreciation
August	74.67	74.19	-0.64	Appreciation	-0.59	Appreciation
September	73.48	73.56	0.11	Depreciation	-0.85	Appreciation
October	73.46	74.92	1.99	Depreciation	1.85	Depreciation
November	74.22	74.47	0.34	Depreciation	-0.60	Appreciation

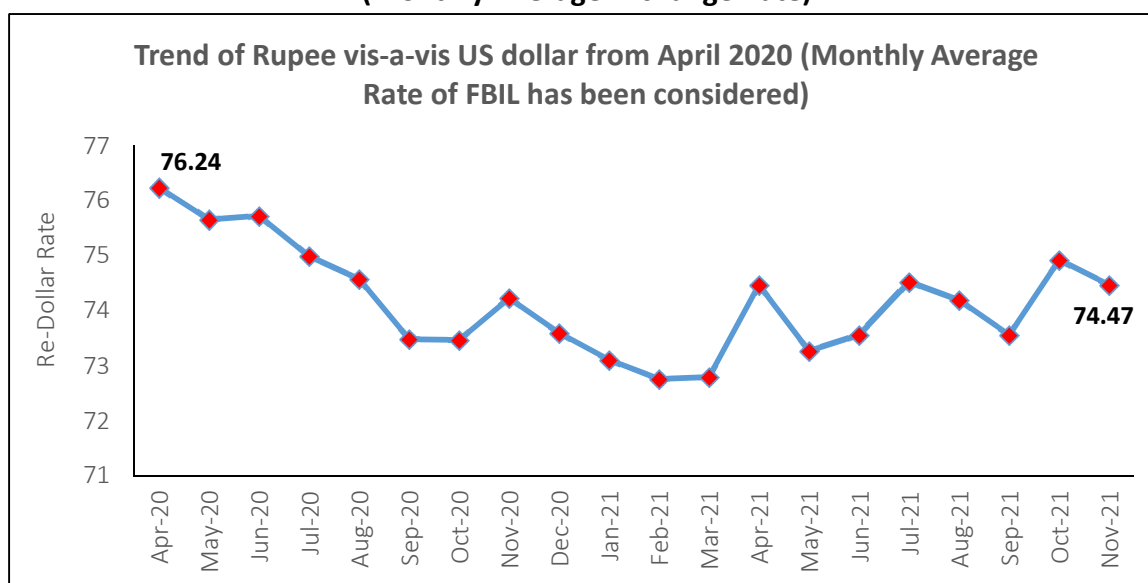
Source: FBIL, EEP Research

Figure3A: Performance of Rupee against US Dollar in 2021-22 vis-à-vis 2020-21 (Monthly Average)



Source: FBIL, EEP Research

**Figure3B: Movement of Rupee vis-à-vis the US Dollar during from April 2020
(Monthly Average Exchange Rate)**



Source: FBIL

Rupee vis-à-vis the US Dollar in November 2021 appreciated by 0.60 percent over the previous month but depreciated by 0.34 percent over the same month last fiscal: After The sudden downward spiraling of Rupee in October 2021 led by rise in energy prices in the global market, subsequent concern on inflation on the domestic front and selling of Indian equities by Foreign Institutional Investors (FIIs), some recovery was seen in the Indian currency.

Note: For the purpose of both y-o-y and m-o-m trend analysis, monthly average of the USDINR exchange rate as obtained from FBIL was considered.

Performance of Rupee over US Dollar in 2020-21 vis-à-vis 2019-20

Table 4B: USD-INR average exchange rate in 2020-21

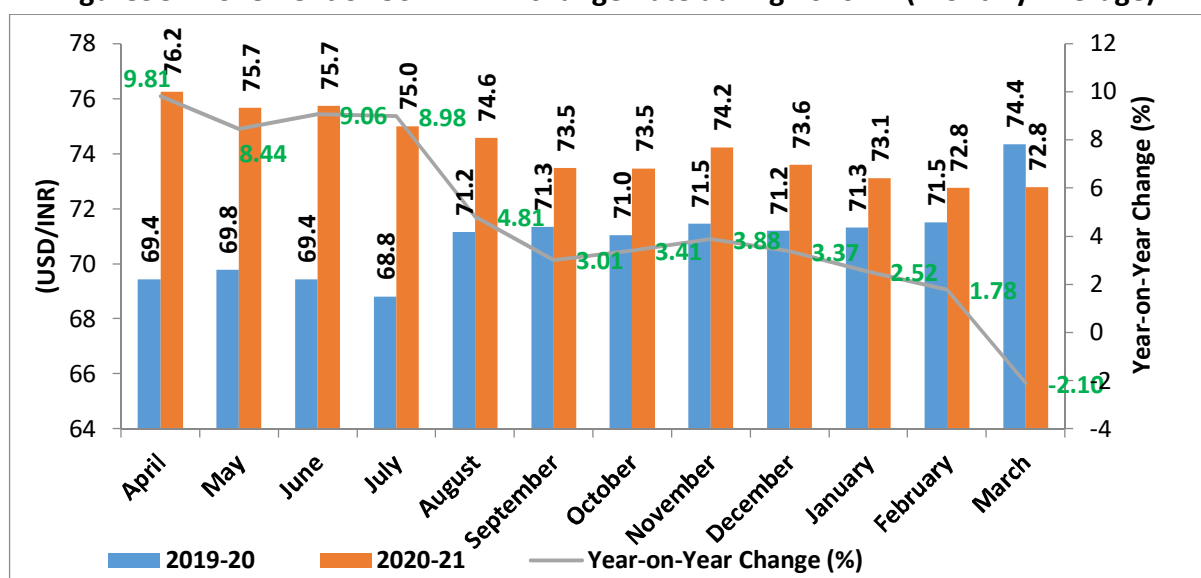
Month	Monthly Average Exchange Rate (1 USD to INR)		Year-on- Year Change (%)	Direction	Month-on- Month Change (%)	Direction
	2019-20	2020-21				
April	69.43	76.24	9.81	Depreciation	2.54	Depreciation
May	69.77	75.66	8.44	Depreciation	-0.76	Appreciation
June	69.44	75.73	9.06	Depreciation	0.09	Depreciation
July	68.81	74.99	8.98	Depreciation	-0.98	Appreciation
August	71.15	74.57	4.81	Depreciation	-0.56	Appreciation
September	71.33	73.48	3.01	Depreciation	-1.46	Appreciation
October	71.04	73.46	3.41	Depreciation	-0.03	Appreciation
November	71.45	74.22	3.88	Depreciation	1.03	Depreciation
December	71.19	73.59	3.37	Depreciation	-0.85	Appreciation
January	71.31	73.11	2.52	Depreciation	-0.65	Appreciation

Monthly Average Exchange Rate (1 USD to INR)			Year-on- Year Change	Direction	Month-on- Month	Direction
Month	2019-20	2020-21	(%)		Change (%)	
February	71.49	72.76	1.78	Depreciation	-0.48	Appreciation
March	74.35	72.79	-2.10	Appreciation	0.04	Depreciation

Source: RBI, FBIL

Rupee dollar trend during 2020-21: Economic lockdowns imposed across the globe to arrest the spread of Corona virus made the global economy virtually standstill and Rupee experienced a sudden slump in April 2020. However, rupee started strengthening vis-à-vis the greenback from May 2021 and ended the fiscal at 72.79 per US Dollar as economies across the world started stabilizing gradually.

Figure3C: Movement of USD-INR Exchange Rate during 2020-21 (Monthly Average)



Source: RBI, FBIL, EEP Research

3. Top 25 engineering export destinations in November 2021

We now look at the export scenario of the top 25 nations that had highest demand for Indian engineering products during November 2021 over November 2020. The data clearly indicates that monthly as well as cumulative growth is witnessed in most countries and regions.

Table-5: Engineering exports country wise
US\$ million

Row Labels	November 2020	November 2021	Growth (%)	April-November 2020	April-November 2021	Growth (%)
USA	875.4	1196.1	36.6	6425.3	9845.5	53.2

Row Labels	November 2020	November 2021	Growth (%)	April-November 2020	April-November 2021	Growth (%)
CHINA	205.3	434.6	111.7	3572.3	4130.7	15.6
UAE	247.5	404.4	63.4	2112.1	3652.8	72.9
ITALY	156.1	272.7	74.7	984.6	2804.7	184.9
GERMANY	188.7	260.7	38.2	1599.8	2220.6	38.8
NEPAL	227.6	247.8	8.8	1125.6	2171.9	93.0
TURKEY	93.4	247.0	164.4	662.1	2057.1	210.7
SINGAPORE	132.5	190.4	43.7	1960.6	1921.0	-2.0
KOREA RP	133.5	263.3	97.2	1330.6	1910.5	43.6
U K	137.3	173.0	26.0	1037.8	1844.5	77.7
VIETNAM	122.1	188.0	54.0	1235.3	1799.3	45.7
MEXICO	155.8	195.3	25.3	1166.7	1797.8	54.1
BELGIUM	71.6	106.6	48.9	553.9	1728.9	212.2
SOUTH AFRICA	88.7	143.6	61.8	585.5	1660.4	183.6
BANGLADESH	190.2	219.7	15.5	1129.9	1650.6	46.1
THAILAND	118.9	183.5	54.3	894.9	1505.9	68.3
INDONESIA	70.6	152.7	116.3	946.7	1405.3	48.4
JAPAN	65.4	165.0	152.5	566.1	1150.2	103.2
SAUDI ARAB	231.3	167.0	-27.8	971.7	1100.7	13.3
FRANCE	138.6	107.1	-22.7	715.7	1012.8	41.5
BRAZIL	97.8	93.1	-4.8	548.9	995.9	81.4
NETHERLAND	69.2	99.4	43.6	499.3	989.7	98.2
MALAYSIA	187.2	114.3	-39.0	1674.5	982.6	-41.3
SPAIN	66.0	118.8	79.9	438.5	959.3	118.7
NIGERIA	122.0	151.5	24.2	721.0	957.5	32.8
Total engineering exports to top 25 countries	4192.8	5895.4	40.6	33459.5	52256.2	56.2
Total engineering exports	5620.3	7706.4	37.1	43944.9	68656.0	56.2
Share (%)	74.6	76.5		76.1	76.1	

Source: DGCI&S

4. Region wise India's engineering exports

The following table depicts region wise India's engineering exports for April-November 2021 as opposed to April-November 2020.

Table 6: Region wise engineering exports in April-November 2021

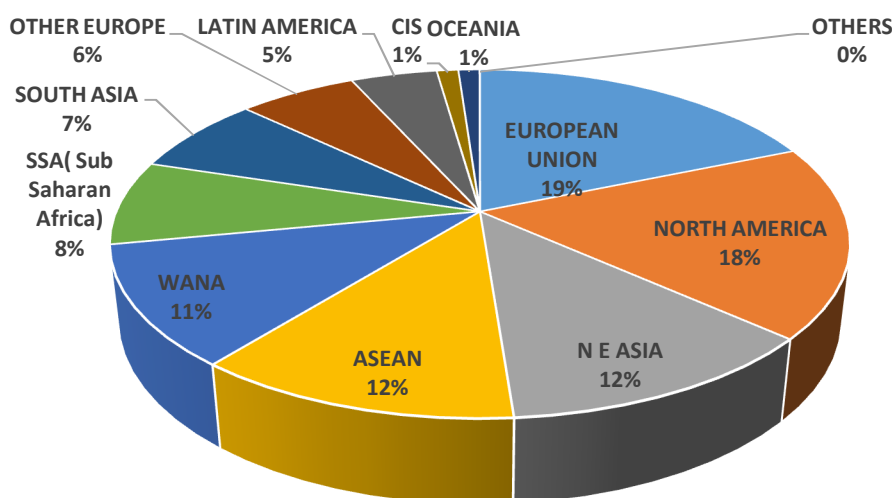
US\$ million

Region	November-2020	November-2021	Growth (%)	April-November 2020	April-November 2021	Growth (%)
EUROPEAN UNION	894.9	1252.2	39.9	6530.3	12851.3	96.8
NORTH AMERICA	1093.4	1472.3	34.7	8062.7	12267.8	52.2
N E ASIA	453.2	959.4	111.7	6155.5	8373.6	36.0
ASEAN	706.1	887.5	25.7	7200.8	8257.7	14.7
WANA	797.8	938.4	17.6	5073.9	7663.3	51.0
SSA(Sub Saharan Africa)	481.1	623.5	29.6	3128.0	5383.6	72.1
SOUTH ASIA	512.6	596.6	16.4	3166.0	4971.1	57.0
OTHER EUROPE	248.9	464.9	86.8	1841.1	4246.1	130.6
LATIN AMERICA	293.5	315.5	7.5	1535.6	3093.8	101.5
CIS	68.9	102.0	48.0	552.9	773.3	39.9
Grand Total	5620.3	7706.4	37.1	43944.9	68656.0	56.2

Source: DGCI&S

Note: *Figures have been rounded off. Source: DGCI&S; **Myanmar has been included in ASEAN and not in South Asia, since ASEAN is a formal economic grouping.

Figure 4: Region-wise shares of India's engineering exports during April-November 2021



Regional Highlights with respect to Engineering export Target achieved

a. North America

Cumulative export target for North America has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Achieved till April-Nov 2021-22 (In USD Billion)	Percentage Achieved %
North America	20.26	12.26	60.5%

Country wise export in North America	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
CANADA	470.69	624.60	33%
MEXICO	1166.67	1797.76	54%
U S A	6425.29	9845.46	53%
Total Exports	8062.65	12267.81	52%

Source: DGCI&S

b. European Union (EU)

Cumulative export target for EU has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Set for 2021-22 (in USD Billion)	Percentage Achieved %
EU	17.13	12.86	75.1%

Top 10 export destinations in EU	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
GERMANY	1599.75	2220.59	38.8%
ITALY	984.60	2804.66	184.9%
FRANCE	715.72	1012.80	41.5%
BELGIUM	553.87	1728.94	212.2%
NETHERLAND	499.31	989.74	98.2%
SPAIN	438.53	959.28	118.7%
POLAND	313.08	916.86	192.9%
PORTUGAL	245.24	239.20	-2.5%
SWEDEN	158.35	270.03	70.5%
MALTA	117.48	5.27	-95.5%
Total exports	5625.93	11147.37	98.1%
Share of top 10 export destinations	86.2%	86.7%	

Source: DGCI&S

c. Other Europe

Cumulative export target for Other Europe has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Achieved till April-Nov 2021-22 (In USD Billion)	Percentage Achieved %
Other Europe	5.74	4.24	73.9%

Top 10 export destinations in other Europe	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
TURKEY	662.14	2057.13	210.7%
U K	1037.78	1844.49	77.7%
SWITZERLAND	79.66	269.95	238.9%
NORWAY	34.71	36.71	5.8%
SERBIA	10.91	17.90	64.1%
ALBANIA	5.83	7.60	30.4%
MACEDONIA	0.95	3.99	320.1%
BOSNIA-HRZGOVIN	3.50	3.96	13.4%
ICELAND	3.55	2.76	-22.1%
MONTENEGRO	1.89	1.58	-16.6%
Total exports	1840.92	4246.07	130.6%
Share of top 10 export destination	99.9%	99.9%	

Source: DGCI&S

d. ASEAN

Cumulative export target for ASEAN has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Achieved till April-Nov 2021-22 (In USD Billion)	Percentage Achieved %
ASEAN	15.66	8.26	52.75%

Since Oceania accounts for very small share in India's export basket, we have included and given the exports figures of Australia and New Zealand in the following table along with ASEAN.

Country-wise exports in ASEAN+2	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
SINGAPORE	1960.64	1921.02	-2.0
VIETNAM	1235.35	1799.32	45.7

Country-wise exports in ASEAN+2	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
THAILAND	894.90	1505.95	68.3
INDONESIA	946.71	1405.26	48.4
MALAYSIA	1674.52	982.65	-41.3
PHILIPPINES	285.01	523.44	83.7
MYANMAR	149.06	84.61	-43.2
BRUNEI	27.95	16.60	-40.6
CAMBODIA	14.47	11.86	-18.1
LAO PD RP	12.23	7.00	-42.8
AUSTRALIA	421.0	681.9	62.0
NEW ZEALAND	92.3	74.1	-19.7
Total Exports	7714.04	9013.78	16.8

Source: DGCI&S

e. North East Asia

Cumulative export target for North East Asia has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Achieved till April-Nov 2021-22 (In USD Billion)	Percentage Achieved %
NE Asia	10.64	8.37	78.66%

Country-wise exports in North East Asia	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
CHINA	3572.3	4130.7	15.6
HONG KONG	235.9	378.3	60.3
JAPAN	566.1	1150.2	103.2
NORTH KOREA	0.1	0.1	6.4
SOUTH KOREA	1330.6	1910.5	43.6
MACAO	8.1	11.3	39.1
MONGOLIA	2.0	1.9	-7.0
TAIWAN	440.4	790.7	79.5
CHINA	3572.3	4130.7	15.6
HONG KONG	235.9	378.3	60.3
JAPAN	566.1	1150.2	103.2
NORTH KOREA	0.1	0.1	6.4
Total Exports	7714.04	9013.78	16.8

Source: DGCI&S

f. South Asia

Cumulative export target for South Asia has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Achieved till April-Nov 2021-22 (In USD Billion)	Percentage Achieved %
South Asia	9.76	4.96	50.8%

Country-wise exports in South Asia	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
AFGHANISTAN	48.57	22.81	-53.0%
BANGLADESH PR	1129.92	1650.59	46.1%
BHUTAN	133.53	187.55	40.4%
IRAN	53.11	36.15	-31.9%
MALDIVES	24.12	44.04	82.6%
NEPAL	1125.58	2171.93	93.0%
PAKISTAN IR	7.13	2.86	-59.9%
SRI LANKA DSR	644.01	849.74	31.9%
Total Exports	3165.98	4965.66	56.8%

Source: DGCI&S

g. Latin America and Caribbean (LAC)

Cumulative export target for Latin America and Caribbean (LAC) has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Achieved till April-Nov 2021-22 (In USD Billion)	Percentage Achieved %
LAC	4.57	3.09	67.7%

Top 10 export destinations in LAC	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
BRAZIL	548.95	995.79	81.4%
COLOMBIA	192.95	408.43	111.7%
CHILE	183.86	389.88	112.1%
PERU	114.69	211.92	84.8%
ARGENTINA	75.44	210.78	179.4%
GUATEMALA	81.19	156.29	92.5%
ECUADOR	37.41	97.37	160.2%
PARAGUAY	37.76	77.27	104.6%

Top 10 export destinations in LAC	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
HONDURAS	25.67	70.87	176.1%
DOMINIC REP	27.40	64.46	135.2%
Total exports	1325.33	2683.05	102.4%
Share of top 10 export destination	86.3%	86.7%	

Source: DGCI&S

h. West Asia and North Africa (WANA)

- Exports to WANA

Cumulative export target for WANA has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Achieved till April-Nov 2021-22 (In USD Billion)	Percentage Achieved %
WANA	13.21	7.66	58%

Top 10 export destinations in WANA	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
UAE	2112.09	3652.75	73%
SAUDI ARAB	971.70	1100.68	13%
EGYPT A RP	383.87	667.66	74%
OMAN	405.17	418.32	3%
QATAR	206.77	350.90	70%
ISRAEL	191.16	272.36	42%
KUWAIT	128.67	182.04	41%
ALGERIA	108.55	182.01	68%
IRAQ	144.69	178.88	24%
MOROCCO	88.02	139.71	59%
Total exports	4740.69	7145.31	51%
Share of top 10 countries export	93.4%	93.2%	

Source: DGCI&S

i. Sub-Saharan Africa (SSA)

- Exports to SSA

Cumulative export target for SSA has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Achieved till April-Nov 2021-22 (In USD Billion)	Percentage Achieved %
SSA	8.72	5.36	61.53%

Top 10 export destinations in SSA	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
SOUTH AFRICA	585.48	1660.38	183.59
NIGERIA	720.97	957.54	32.81
KENYA	368.27	561.39	52.44
TANZANIA REP	159.95	291.57	82.28
GHANA	153.00	225.53	47.40
UGANDA	143.74	178.64	24.28
ETHIOPIA	171.37	156.48	-8.69
CONGO D. REP.	55.77	133.99	140.23
MOZAMBIQUE	57.90	123.10	112.62
GUINEA	59.89	109.43	82.71
Total exports	2476.34	4398.05	77.6%
Share of top 10 countries export	93.4%	93.2%	

Source: DGCI&S

j. Commonwealth of Independent States (CIS)

Cumulative export target for CIS has been calculated based on the share percentage of the given region w.r.t all the region as a whole)

Region	Target Set for 2021-22 (in USD Billion)	Target Achieved till April-Nov 2021-22 (In USD Billion)	Percentage Achieved %
CIS	1.44	0.77	53.23%

Top 5 export destinations in CIS	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
RUSSIA	419.35	554.37	32.20
UKRAINE	33.08	61.35	85.46
TURKMENISTAN	3.96	46.22	1068.57
UZBEKISTAN	31.85	38.84	21.97
GEORGIA	14.96	35.86	139.71

Top 5 export destinations in CIS	APRIL,2020 - NOV,2020(US\$ Million)	APRIL,2021 - NOV,2021(US\$ Million)	Growth %
Total exports	503.2	736.64	46.4%
Share of top 5 countries export	93.4%	93.2%	

Source: DGCI&S

5. Panel Wise Engineering Exports

We begin by looking at the Engineering Panel wise exports for the month of November 2021 vis-a-vis November 2020 as well as the cumulative exports during April-November 2021-22 vis-à-vis April-November 2020-21. The data is given in Table 7 below:

Table 7: Trends in engineering panel Exports for November 2021 compared to November 2020 as well as April- November 2021-22 compared to April- November 2020-21

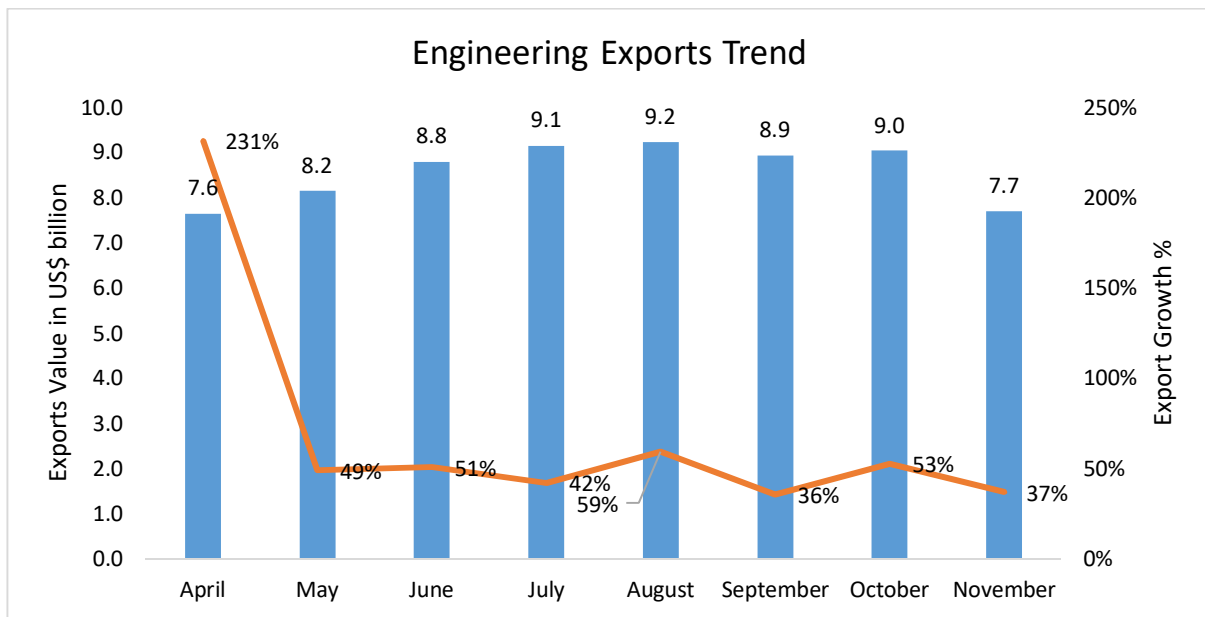
Engineering Panels		NOVEMBER, 2020	NOVEMBER, 2021	Growth	APRIL,2020 - NOVEMBER,2020	APRIL,2021 - NOVEMBER,2021	Growth %
US\$ Million							
1. Iron and Steel and Products made of Iron and Steel							
A	Iron and Steel	727.9	1583.9	117.6	7713.9	15909.5	106.2
B	Products of Iron and Steel	550.6	699.0	27.0	3874.3	5443.3	40.5
Sub Total		1278.4	2282.9	78.6	11588.2	21352.8	84.3
2. Non-Ferrous Metals and Products made of Non-Ferrous Metals							
A	Copper and products	84.7	174.2	105.5	775.2	1630.1	110.3
B	Aluminium and products	451.5	734.4	62.7	3596.9	6079.7	69.0
C	Zinc and products	57.7	76.1	32.0	466.0	548.5	17.7
D	Nickel and products	5.1	5.3	4.0	31.6	64.5	104.0
E	Lead and products	21.3	42.4	99.4	228.9	312.9	36.7
F	Tin and products	0.5	1.6	204.2	5.3	12.3	134.0
G	Other Non-Ferrous Metals	52.2	57.4	10.1	317.4	515.6	62.5
Sub Total		672.9	1091.4	62.2	5421.2	9163.7	69.0
3. Industrial Machinery							
A	Industrial Machinery like Boilers, parts, etc	46.2	28.0	-39.6	328.4	393.1	19.7
B	IC Engines and Parts	196.2	221.4	12.8	1429.7	2128.4	48.9
C	Pumps of all types	80.2	86.5	7.8	538.1	803.0	49.2
D	Air condition and Refrigerators	87.5	111.9	27.9	623.8	886.8	42.2

Engineering Panels		NOVEMBER, 2020	NOVEMBER, 2021	Growth	APRIL,2020 - NOVEMBER ,2020	APRIL,2021 - NOVEMBER ,2021	Growth %
E	Industrial Machinery for dairy, food processing , textiles etc	428.5	504.9	17.8	2723.6	4267.6	56.7
F	Machine Tools	38.5	51.2	33.0	238.5	416.5	74.7
G	Machinery for Injecting moulding, valves and ATMs	139.0	147.9	6.4	981.0	1206.7	23.0
Sub Total		1016.1	1151.7	13.3	6863.2	10102.0	47.2
4	Electrical Machinery	530.2	723.8	36.5	5089.5	6373.1	25.2
5. Automobiles							
A	Motor Vehicle/cars	451.7	593.6	31.4	2885.0	4661.4	61.6
B	Two and Three Wheelers	202.1	226.7	12.2	1078.0	1942.3	80.2
C	Auto Components/Part	458.5	494.1	7.8	2684.1	4410.6	64.3
Sub Total		1112.2	1314.5	18.2	6647.2	11014.3	65.7
6	Aircrafts and Spacecraft parts and products	121.2	99.6	-17.8	765.7	748.6	-2.2
7	Ships Boats and Floating products and parts	164.2	141.4	-13.9	2877.0	2640.7	-8.2
8. Other engineering products							
A	Medical and Scientific instruments	151.5	151.2	-0.2	1046.7	1311.5	25.3
B	Railway Transport	7.4	35.4	379.6	62.5	179.5	187.3
C	Hand Tools & Cutting Tools	61.9	75.1	21.3	413.8	641.8	55.1
D	Electrodes Accumulators	3.9	4.4	12.4	26.1	36.0	37.9
E	Accumulator and Batteries	35.7	56.8	59.2	223.8	406.1	81.5
F	Bicycle & Parts	30.7	35.0	14.2	198.1	295.5	49.2
G	Cranes Lifts & Winches	53.6	45.4	-15.4	276.9	425.4	53.6
H	Office Equipments	9.6	13.2	37.3	80.8	118.7	46.9
I	Other Construction Machinery	111.0	195.2	75.9	688.4	1351.0	96.2
J	Prime Mica & Mica Products	1.9	2.4	27.4	15.4	23.6	52.7
K	OTHER MISC. ITEMS	257.8	287.0	11.3	1660.3	2471.6	48.9
Sub total		724.9	901.1	24.3	4693.0	7260.7	54.7
Total engineering exports		5620.3	7706.4	37.1	43944.9	68656.0	56.2

Source: DGCI&S

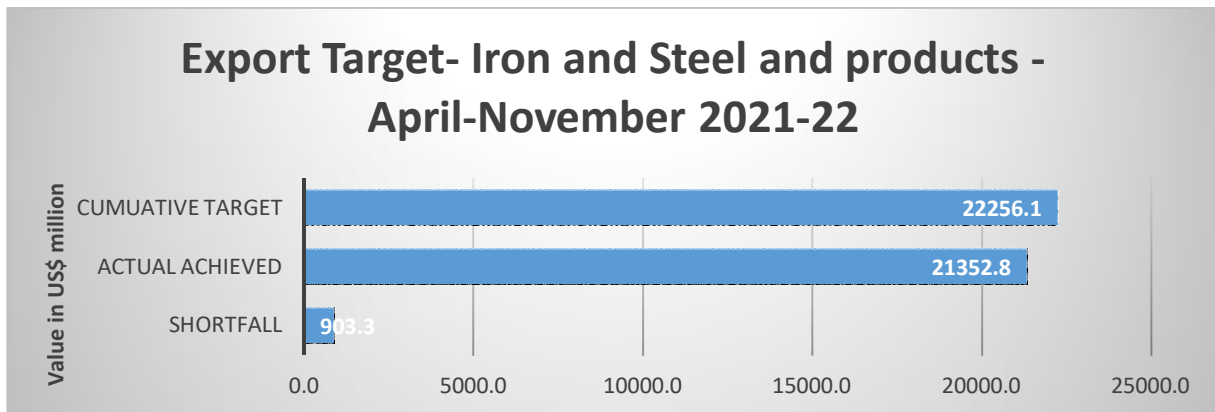
Brief snapshot of major engineering sector wise export target for 2021-22

Figure 5: Month-wise Engineering Export Trend for the Current FY



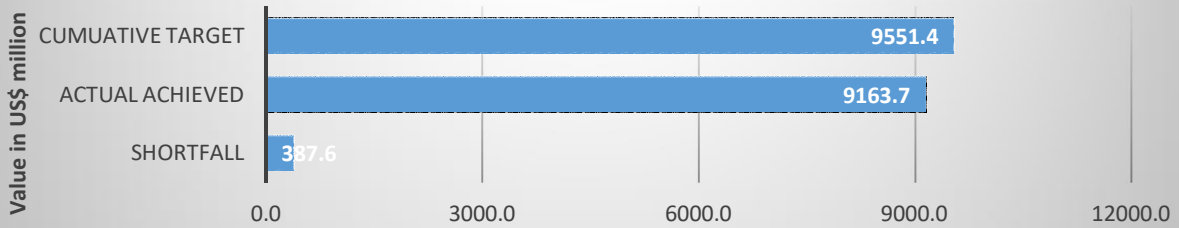
a) Exports achieved 37% growth in the eighth straight month
 b) All 28 engineering panels witnessed positive growth during Nov 2021

Panel-wise Export Target



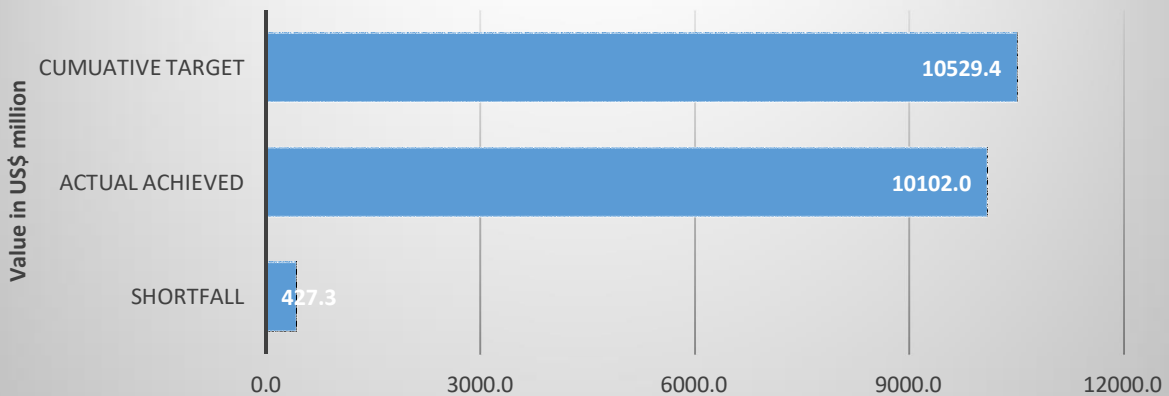
a) Exports Target for Iron and Steel and Products Already Achieved more than 90%
 b) Shortfall to the tune of US\$ 903 million witnessed till April-Nov 2021-22

Export Target- Non-ferrous Metals and products -April-November 2021-22



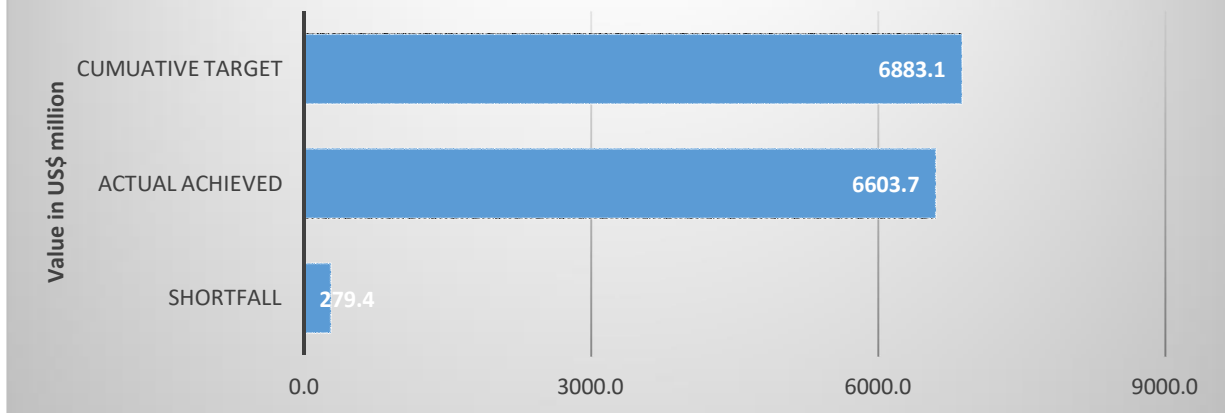
- a) Exports Target for Non-Ferrous Metal and Products Already Achieved more than 90%
- b) Shortfall to the tune of US\$ 387.6 million witnessed till April-Nov 2021-22

Export Target- Industrial Machinery and parts- April-November 2021-22



- a) Exports Target for Industrial Machinery and Parts Already Achieved more than 90%
- b) Shortfall to the tune of US\$ 427.3 million witnessed till April-Nov 2021-22

Export Target- Automobiles-April-November 2021-22



- a) Exports Target for Automobiles Already Achieved more than 90%
b) Shortfall to the tune of US\$ 279.4 million witnessed till April-Nov 2021-22

Source: DGCI&S (Note: Cumulative sector wise target has been calculated based on the share percentage of the given sector w.r.t engineering sector as a whole)

6. Engineering panels – country-wise analysis

We now analyse the performance of some of the important products during November 2021. We have taken the major panels and computed the top importers to get an idea of the current trade pattern. (Tables 8)

Table 8: Export of Different Panels (US\$ Million)

PANEL	TOP 5 NATIONS	APRIL - NOVEMBER 2020	APRIL - NOVEMBER 2021	Growth (%)
Iron and Steel	ITALY	425.15	1557.73	266.39
	CHINA	2263.23	1213.73	-46.37
	BELGIUM	233.12	1210.55	419.29
	VIETNAM	791.97	1127.65	42.39
	U A E	540.15	996.08	84.41
Products of Iron and Steel	U S A	845.80	1598.09	88.94
	GERMANY	190.19	289.52	52.23
	U K	145.84	281.95	93.33
	U A E	200.71	267.67	33.36

PANEL	TOP 5 NATIONS	APRIL - NOVEMBER 2020	APRIL - NOVEMBER 2021	Growth (%)
	NETHERLAND	98.47	185.33	88.21
Industrial Machinery	U S A	1075.26	1835.39	70.69
	THAILAND	386.00	660.56	71.13
	CHINA	363.17	541.48	49.10
	GERMANY	370.47	528.26	42.59
	U A E	302.03	357.11	18.24
Automobiles	SOUTH AFRICA	310.01	754.77	143.46
	MEXICO	687.77	753.47	9.55
	NEPAL	169.60	376.39	121.93
	NIGERIA	254.08	375.21	47.68
	SAUDI ARABIA	277.60	312.83	12.69
Non-Ferrous metals	CHINA	637.33	1900.45	198.19
	SOUTH KOREA	939.07	1164.86	24.04
	U S A	468.67	830.94	77.29
	TURKEY	24.98	488.02	1853.80
	ITALY	40.22	392.96	877.01
Electrical Machinery and Components	U S A	1753.85	1771.97	1.03
	GERMANY	430.45	398.75	-7.36
	POLAND	81.54	357.07	337.93
	FRANCE	129.80	300.83	131.77
	U K	169.99	300.48	76.76
Aircrafts and Space crafts	U S A	266.88	261.01	-2.20
	FRANCE	129.77	128.45	-1.02
	U K	52.85	68.37	29.38
	SINGAPORE	73.02	51.27	-29.78
	GERMANY	30.18	40.67	34.74
Ships, Boats and Floating Structures and parts	U A E	366.34	900.02	145.68
	SINGAPORE	978.37	590.84	-39.61
	MALAYSIA	244.02	362.77	48.66
	SOUTH AFRICA	0.00	257.61	-
	INDONESIA	385.05	246.64	-35.95
Auto Components	U S A	609.96	1087.92	78.36
	BANGLADESH	155.06	262.93	69.57
	TURKEY	163.41	239.22	46.39
	GERMANY	153.52	232.45	51.42
	MEXICO	108.54	222.11	104.63

(Source: Department of Commerce, Government of India)

- ✚ Italy, China and Belgium were the top three importers of Indian Iron and Steel during April - November 2021 whereas USA, Germany and UK were the top three importers of India's 'Products of Iron & Steel' during the same period as compared to April - November 2020.
- ✚ USA was the largest importer of Indian 'Industrial machinery' during April- November 2021 in India's global import of the product group. Thailand and China were the two immediate followers of USA.
- ✚ South Africa, Mexico and Nepal were top three importers of India's Automobiles during April- November 2021 in India's global exports respectively over the same period last fiscal.
- ✚ China, South Korea and USA were the top three importers of India's Non-ferrous metals and products' during April- November 2021 whereas USA, Germany and Poland were the three top importers of Indian Electrical Machinery & Components during the same period.
- ✚ USA, France and UK were the top three importers of India's 'Aircrafts and Spacecrafts' during April- November 2021 in India's total global exports of the product followed by Singapore and Germany.
- ✚ UAE, Singapore and Malaysia became the largest importer of ships, boats and floating structures followed by South Africa and Indonesia. While for the auto components' product group, USA remained the top importer in April- November 2021 followed by Bangladesh, Turkey, Germany and Mexico.

Analysis of India's engineering imports

India's Engineering imports during November 2021 were valued at US\$ 9121.54 million compared to US\$ 7549.27 million in November 2020 registering a positive growth of 20.8 percent in dollar terms.

All the engineering panels barring transport equipment, like iron & steel, non-ferrous metals, machine tools, machinery, electrical & non-electrical, medicinal & pharmaceutical products and professional instrument, optical goods witnessed an increase in import during November 2021 compared to November 2020.

The share of engineering imports in India's total merchandise imports has dropped during November 2021 in comparison to November 2020 which has been estimated at 17.2%.

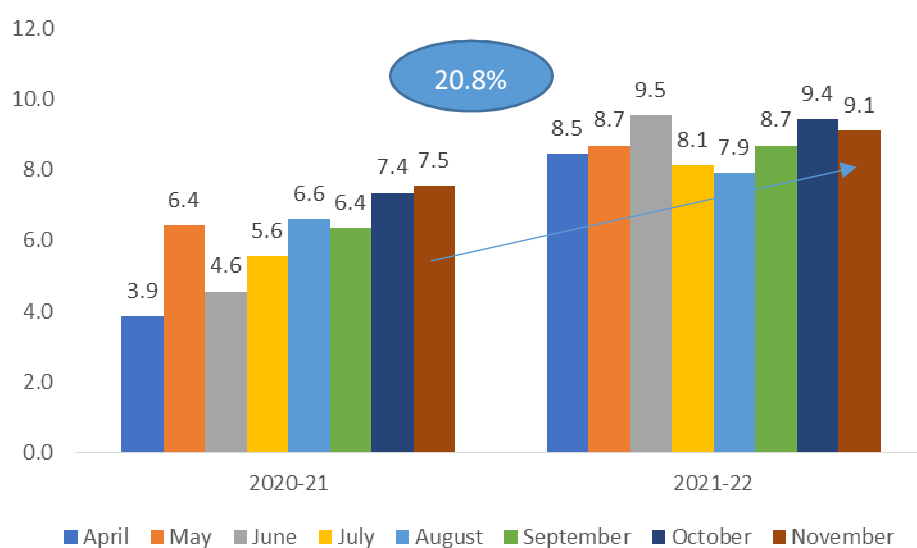
The monthly engineering import figures for fiscal April- November 2021 vis-a-vis April- November 2020 is depicted below as per the latest availability of figure:

Table 9: Monthly engineering Imports (US\$ Mn.)

Months	2020-21	2021-22	Growth (%)
April	3858.97	8454.25	119.1
May	6433.42	8697.51	35.2
June	4558.01	9533.91	109.2
July	5571.34	8119.31	45.73
August	6599.67	7908.45	19.8
September	6350.82	8697.24	36.9
October	7353.21	9444.26	28.4
November	7549.27	9121.54	20.8

The figure below depicts engineering imports for **April-November 2021 compared to April-November 2020**

Figure 6: Monthly Engineering Imports for April-November 2021 vis-a-vis April-November 2020



Source: EEPC India analysis

Trend in Engineering Trade Balance

We now present the trend in two way yearly trade for the engineering sector for this current fiscal 2020-21 (April-November) depicted in the table below:

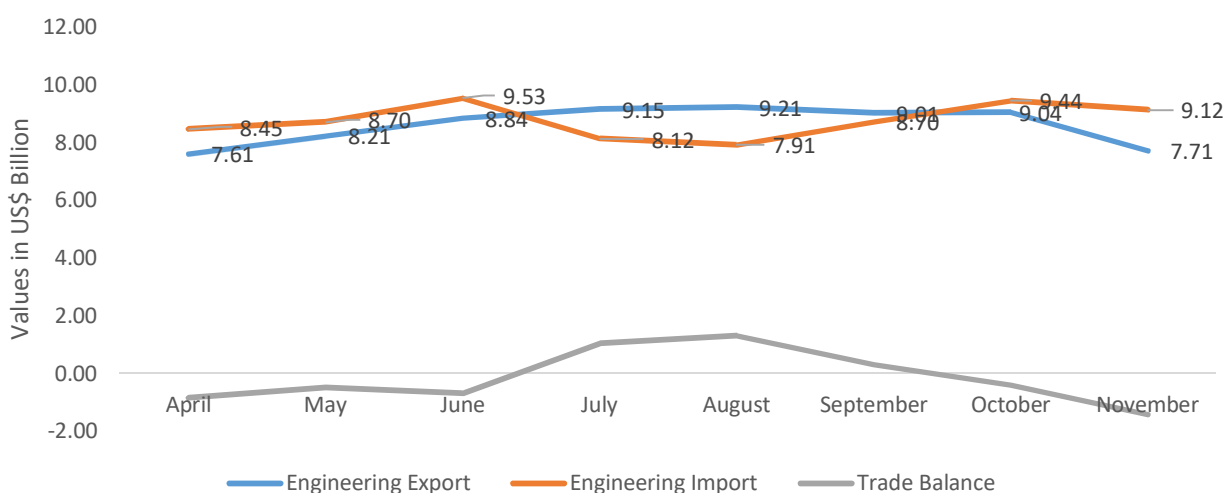
Table 10: Monthly Trend in Engineering Trade Balance for the current FY
(US\$ Billions)

Trade Flow	April	May	June	July	August	September	October	November
Engineering Export	7.61	8.21	8.84	9.15	9.21	9.01	9.04	7.71
Engineering Import	8.45	8.70	9.53	8.12	7.91	8.70	9.44	9.12
Trade Balance	-0.85	-0.49	-0.70	1.03	1.30	0.31	-0.40	-1.42

Source: DGCI&S, EEPIC India Analysis

Figure 6 below depicts the yearly trend in engineering trade for this current fiscal 2020-21 (April-November)

Figure 7: Trend in Yearly Engineering Trade



Conclusion

Indian engineering exports continued its growth momentum in November 2021 although the rate of growth has come down. Furthermore, after four months of continually hitting almost the USD 9 billion mark, this month, engineering exports have come down to around USD 7.7 billion. This may indicate the distress exporters are facing given volatility in world demand and the uncertainty regarding the pandemic. Experts around the globe have already predicted that while the global trade growth is remarkable it is not even across the countries. Recent reports by the WTO and the UNCTAD specifically mention factors of uncertainty such as China's 'below expectation' growth, large and unpredictable swings in major markets that may mar the growth momentum of global trade in the coming days. In this situation the exporters need complete support within the country such that they may remain competitive even during the upcoming uncertainties. We therefore urge the government to look into the

issues of growing inflation, rising raw material prices such as steel and logistics issues such as scarcity of container, with growing urgency. Also, disbursal of pending claims such as MEIS and announcement of important schemes such as the RoDTEP may alleviate the financial woes of our exporters. The government is already involving key Missions abroad to connect buyers in other markets. The exporting community is grateful for that and urges for further cooperation of the Missions. The Engineering export community strongly feels that with the assistance from the government in the above lines, India would be able to revive its position in global engineering trade.

