

### India can promote 233 items whose exports have grown at 14% CAGR in 9 years

Government of India can provide specific policy thrust on 233 items whose exports have grown at a compounded annual growth rate (CAGR) of 14% in the last nine years (from 2010-11 to 2019-20). Exports of these goods have grown at double digit despite India's overall merchandise exports growing at hardly 3% during this period. India's export of these 233 items more than trebled from USD 26 billion in 2010-11 to USD 83.7 billion in 2019-20. On the other hand, overall merchandise exports grew hardly from USD 249 billion to USD 313 billion during this period. Thus, the share of these 233 items in India's overall exports more than doubled from 11% to 27% in the period under review.

These 233 products, classified at the 8-digit HS Code, fall under the broad categories of cotton textile, pharmaceuticals, iron and steel products, organic chemicals, processed food, electrical & mechanical equipments, vehicles and ships & floating structures. Some of these products also fall under plastic, leather products, carpets and essential oils categories.

#### Trade deficit to Surplus

Out of these 233 items, India had trade deficit of USD 6 billion in 71 items in 2010-11. However, by 2019-20, India managed to transform this deficit into surplus by growing exports of these 71 items more than four times from USD 4.6 billion to USD 20.07 billion in this period. Today, India has a trade surplus of USD 12 billion in these 71 items. These 71 items include mobile phones, auto-components, organic chemicals, iron & steel products, iron ore pellets and electrical equipments.

The following table provides the list of 10 auto-components and parts used in other transport vehicles. Exports of these items more than doubled from USD 2.29 billion to USD 4.8 billion in the last nine years and this helped us transform the trade deficit of USD 1.09 billion in these 10 goods to a surplus of USD 2.6 billion by 2019-20.

Autocomponents, Vessels and related goods with strong export growth (Fig. in USD million)								
S.No.	HSCode	Commodity	2010-11			2019-20		
			Export	Import	Trade Balance	Export	Import	Trade Balance
1	87089900	PARTS OF VEHICLES	1400.91	1485.31	-84.4	2469.97	1462.82	1007.15
2	84834000	GEARS AND GEARNG	77.82	275.18	-197.36	502.39	327.7	174.69
3	87083000	MOUNTED BRAKE LININGS	75.62	124.06	-48.44	492.76	177.11	315.65
4	87085000	DRIVE AXLES	81.53	218.57	-137.04	385.24	165.87	219.37
5	84082020	ENGINES OF CYLNR CPCTY>250 CC	34.17	423.31	-389.14	278.07	177.42	100.65
6	89019000	VESELS FOR TRANSPORT OF GOODS AND PERSONS	432.53	540.24	-107.71	271.75	60	211.75
7	84071000	AIR-CRAFT ENGINES	173	225.07	-52.07	235.55	160.22	75.33
8	87033291	MOTOR CAR CYLNR CPCTY>1500 CC BT<=2500 CCWTH CMPRSN IGNTN	8.17	52.22	-44.05	113.23	54.46	58.77
9	87169010	PARTS AND ACCESSORIES OF TRAILERS	6.44	29.28	-22.84	43.81	14.43	29.38
10	87042390	GOODS VEHICLES OF >20 TONS ENGINE CAPACITY	5.41	20.65	-15.24	41.64	0.33	41.31
<b>Total</b>			<b>2295.6</b>	<b>3393.89</b>	<b>-1098.29</b>	<b>4834.41</b>	<b>2600.36</b>	<b>2234.05</b>

Source: Ministry of Commerce & Industry; Compiled by MVIRDC

The other major sector that witnessed strong growth in exports is electronics and electrical equipments. As the following table shows, exports of seven items under this category grew around eight times from USD 270 million to USD 2.18 billion by 2019-20. Principal among them is mobile phones, whose exports has grown from hardly USD 16 million to USD 961 million. Growth in the export of mobile phone is the outcome of the sharp increase in the number of mobile phone manufacturing units in India in response to the Make in India campaign. According to Union Minister for Electronics and IT Mr. Ravi Shankar Prasad, India has emerged as the second largest mobile phone producer in the world with the number of manufacturing units growing from 2 to 200 in the last five years.

Electrical and Electronic Goods with strong export growth (Fig. in USD million)								
S.No.	HSCode	Commodity	2010-11			2019-20		
			Export	Import	Trade Balance	Export	Import	Trade Balance
1	85171210	PUSH BUTTON TYPE MOBILE PHONES	16.4	475.88	-459.48	961.33	329.51	631.82
2	85044030	BATTERY CHARGERS	6.6	24.52	-17.92	471.82	50.41	421.41
3	85044010	ELECTRIC INVERTERS	104.78	142.18	-37.4	244.83	180.74	64.09
4	85072000	OTHER LEAD-ACID ACCUMULATORS	43.67	130.2	-86.53	183.06	89.59	93.47
5	85446090	OTHER ELECTRIC CONDUCTORS	62.72	70.74	-8.02	160.09	46.6	113.49
6	85023100	OTHR GENERATING SETS; WIND POWERED	4.62	5.75	-1.13	109.52	6.72	102.8
7	85235210	SIM CARDS	32.19	128.85	-96.66	57.57	20.25	37.32
<b>Total</b>			<b>270.98</b>	<b>978.12</b>	<b>-707.14</b>	<b>2188.22</b>	<b>723.82</b>	<b>1464.4</b>

Source: Ministry of Commerce & Industry; Compiled by MVRDC

India has also enhanced export of organic chemicals, dyes & intermediates in the last nine years. The following table provides the list of 13 major chemical products that have registered more than six times growth in exports since 2010-11. Today, India exports USD 4.03 billion worth of these 13 chemical products.

Organic chemicals, dyes and other chemical products with strong export growth (Fig. in USD million)								
S.No.	HSCode	Commodity	2010-11			2019-20		
			Export	Import	Trade Balance	Export	Import	Trade Balance
1	29024300	P-XYLENE	429.01	450.06	-21.05	2259.15	734.96	1524.19
2	29335990	OTHER ORGANIC COMPOUNDS	88.14	166.78	-78.64	331.44	322.76	8.68
3	29242990	OTHER CYCLIC AMIDES AND DERIVATIVES	29.59	53.09	-23.5	266.57	143.26	123.31
4	38112900	OTHER ADDITIVES FOR LUBRICATING OILS	2.16	36	-33.84	189.86	23.34	166.52
5	29224990	OTHER AMINO ACIDS	13.75	67.39	-53.64	170.79	97.75	73.04
6	29091900	*OTHR ACYCLIC ETHRS	4.6	36.4	-31.8	121.75	30.4	91.35
7	29215990	OTHER AROMATIC POLYAMINES	25.08	42.75	-17.67	114.26	29.05	85.21
8	29012100	UNSATURATED ETHYLENE	0.07	113.69	-113.62	112.43	60.91	51.52
9	29189900	OTHER CARBOXYLC ACIDS	18.83	52	-33.17	111.61	42.4	69.21
10	29225090	OXYGEN-FUNCTION AMINO-COMPOUNDS	9.39	116.57	-107.18	109.45	56.31	53.14
11	29183090	OTHER CRBOXYLC ACIDS	3.66	39.09	-35.43	94.13	77.69	16.44
12	29143990	OTHER AROMATIC KETONES	6.68	22.34	-15.66	88.82	52.69	36.13
13	32041159	OTHER DISPERSE BLUE	12.1	17.6	-5.5	60.76	13.48	47.28
<b>Total</b>			<b>643.06</b>	<b>1213.76</b>	<b>-570.7</b>	<b>4031.02</b>	<b>1685</b>	<b>2346.02</b>

Source: Ministry of Commerce & Industry; Compiled by MVRDC

Iron and steel products is another category that witnessed sharp growth in exports in the last nine years ending 2019-20. The following table provides list of top nine iron and steel products whose exports grew more than 10 times in the last nine years, with annual export of USD 1.9 billion in 2019-20.

Iron and Steel products with strong export growth (Fig. in USD million)								
S.No.	HSCode	Commodity	2010-11			2019-20		
			Export	Import	Trade Balance	Export	Import	Trade Balance
1	72083930	SHEETS OF FLAT ROLLED PRODUCTS WITH CERTAIN THICKNESS	2.24	75.41	-73.17	662.88	126.9	535.98
2	73089090	IRON AND STEEL STRUCTURES	166.29	313.45	-147.16	438.37	287.54	150.83
3	72083830	FLAT-ROLD PRDCTS WITH CERTAIN THICKNESS	0.42	27.1	-26.68	208.46	21.43	187.03
4	72083740	STRIPS OF FLAT-ROLD PRDCTS WITH CERTAIN THICKNESS	0.17	0.23	-0.06	143.28	16.49	126.79
5	72106900	FLAT ROLLED PRODUCTS OF IRON AND NON ALLOY STEEL	0.16	20.72	-20.56	135.43	20.99	114.44
6	72071290	OTHER PRODUCTS OF IRON AND STEEL	12.38	185.53	-173.15	111.93	2.47	109.46
7	72083730	STRIPS OF FLAT-ROLD PRDCTS WITH CERTAIN THICKNESS	0.09	65.41	-65.32	111.52	26.29	85.23
8	72085120	PLATES OF FLAT-ROLD PRDCTS	0.95	4.56	-3.61	62.46	10.53	51.93
9	72091630	STRIPS OF FLAT-ROLD PRDCTS WITH CERTAIN THICKNESS	0.16	0.63	-0.47	56.13	3.18	52.95
<b>Total</b>			<b>182.86</b>	<b>693.04</b>	<b>-510.18</b>	<b>1930.46</b>	<b>515.82</b>	<b>1414.64</b>

Source: Ministry of Commerce & Industry; Compiled by MVRDC

There are products in other categories such as plastics, cotton textiles, machinery, essential oils, processed food, ships and floating structures, where India posted strong growth in exports. In the subsequent newsletters, we shall cover a detailed analysis of these sectors. Government of India, along with state governments, should identify small and medium enterprises (SMEs) in these sectors and support them in enhancing exports further. SMEs need support in adhering to global quality standards, common facility centers, timely access to trade finance and identification of potential markets. The District Industries Centers in every district should coordinate with local industry associations in addressing the challenges of small enterprises and make them globally competitive.

## Notifications

### PIB

Minister launches village industry products made by women artisans

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1692212>