



COTTON EXPORT PERFORMANCE IN INDIA

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Abstract:

The cotton export is the main part of textile industries. It is one of the primary part of economic development of a country. The cotton products has been export from India is make a increase in the level of export to infrastructural development and rapid industrialization of the country. History of cotton is the history of our civilization. The spinning of cotton thread and weaving of cotton cloth is one of the oldest human custom. The Cotton Textile Export Promotion Council is the international face of cotton textiles in India, facilitating global exports. The study makes use of statistical techniques such as Percentage analysis, Growth analysis, Standard Deviation, CAGR and AAGR in analyzing the data for finding the result.

Key Words: Cotton, Textile, Export

Introduction:

Export is play a major role of development and growth of the countries. Exports are goods and services that are produced in one country and sold to buyers in another. Exports are incredibly important to modern economies because they offer people and firms many more markets for their goods. One of the core functions of diplomacy and foreign policy between governments is to foster economic trade, encouraging exports and imports for the benefit of all trading parties. The largest producers of cotton in the world are China, India, USA, Pakistan, Uzbekistan, Brazil and Australia. During the year, 2006-07, total world production of cotton is 26,640 thousand tons. Largest producer of cotton is China, followed by India and U.S.A Cotton yarn and fabrics export account for about 23% of India's total textiles and apparel export. In 2019-20*, India's cotton production was 36.04 million bales of 170 kg's each. During 2019-20, export of cotton yarn, cotton fabrics, cotton made-ups and handloom products reached US\$ 10.01 billion. Mostly the cotton industry has make a major role in Indian textile exports also, when the cotton is main raw material of textile products. India's cotton export is one of the main exporting process it has been exports of cotton in India averaged 3962.62 USD Million from 1996 until 2020, reaching an all-time high of 9926.42 USD Million in 2013 and a record low of 800.13 USD Million in 2020. During the current season, owing to a substantial increase in demand and export of around 50 lakhs bales, the country is likely to face 30 to 40 lakh bales cotton shortage," said Southern India Mills' Association (SIMA) in a release. In general, the conditions required for the cultivation of cotton are met within the seasonally dry tropics and subtropics in the Northern and Southern hemispheres, but a large proportion of the cotton grown today is cultivated in areas with less rainfall that obtain the water from irrigation. In India, cotton is grown in 9 major cotton growing States viz. Punjab, Haryana and Rajasthan in Northern zone, Gujarat, Maharashtra and MP in Central zone and Andhra Pradesh, Karnataka and Tamil Nadu in Southern zone. Besides, cotton is also grown in Orissa.

Statement of the Problem:

India is a leading exporter of many products. Export and import in India develops day by day. In this case export of cotton products plays an important role in the development of economy of our country. There is the problem of the cotton textile industry of the country is thus facing both short-term and long-term problems. Former includes problems of high prices, shortage of raw materials, liquidity problems due to poor sales and accumulation of huge stocks due to poor demand in the market. Three major problems faced by the cotton textile industry in India are: 1. Competition from synthetic fibers which are cheaper and easy to maintain. 2. Old and obsolete machinery and technology of production. 3. It being an agro based industry is exposed to the vagaries of nature. Any year there is a crop failure.

Objectives:

The research aims at enriching the knowledge understanding role of export performance of cotton. The following are the objective of the study.

- To study about the exporting performances of cotton products in India.
- To provide necessary suggestions based on the findings of the study.

Scope of the Study:

The scope of this project is involved the export performance of cotton products in Indian. The export performance of Indian cotton products is affected by the high competition. This study also gives growth rate and

trend percentage of the export cotton products year wise and also country wise. The study provides suggestions to the cotton exporting industries to improve their performances.

Research Methodology:

Secondary Data:

The secondary data is collected to supplement the primary data. The annual reports of sample units, Publications of Cotton products, in the website of Ministry of Commerce and Industries, Bulletins Working and Occasional Papers of EXIM Bank were used as important sources of secondary data for the study.

Limitations of the Study:

- The analysis is made only by considering 12 Cotton and 15 major countries.
- Time constraint is one of the limitation

Period of Study:

The research data is collected in 13 financial years. That years is 2009-2010 to 2021-2022.

Review of Literature:

IANS (2022) during the period between April and December, 2021, total textiles and apparels exports, including handicrafts, stood at \$29.8 billion as compared to \$21.2 billion recorded for the corresponding period of the previous year. This implies a robust growth of approximately 41 per cent as compared to the year ago period, the Ministry of Textiles said in a statement on Wednesday. In FY 2020-21, there was a deceleration in textile exports due to the Covid-19 pandemic that disrupted the supply chain and demand. However, signs of recovery are visible in FY 2021-22 and this growth signals an economic rebound, the statement said.

Georgina safe (2022) Exports of cotton yarn, fabrics and handloom products in April to December 2021 reached \$11.29 billion, an increase of 66 percent over exports of \$6.8 billion in the corresponding period of the previous fiscal year. However, the rise in exports from the sector slowed in December 2021, according to data from India's ministry of commerce and industry. December cotton textile exports stood at \$ 1.44 billion, an increase of 46.19 percent over the \$987.76 million in exports seen in December 2020, and the government data showed. Apparel exports also grew in April to December 2021, up 35.62 percent year-on-year to \$11.12 billion. Growth in apparel exports also slowed in December 2021, rising by 22.63 percent to \$1.47 billion over \$1.2 billion in the same month of 2020.

Dr. K. Prince Paul Antony (2018) the cotton textile industry was concentrated in the cotton growing belt of Rajasthan, Maharashtra and Gujarat. Availability of raw materials, market, transport, labour, moist climate and other factors contributed to localisation. While spinning continues to be centralised in Maharashtra, Gujarat and Tamil Nadu, weaving is highly decentralised. India is second in global textile manufacturing and also second in silk and cotton production. India exports yarn to Japan, United States, United Kingdom, Russia, France, Nepal, Singapore, Sri Lanka and other countries. India has the second-largest installed capacity of spindles in the world after China.

Export of Cotton from India:

Table 1

* Values in USD

Year	Cotton, Not Carded Combed 5201	Growth Rate	Cotton Waste 5202	Growth Rate	Cotton, Carded or Combed 5203	Growth Rate	Cotton Sewing Thread 5204	Growth Rate	Cotton Yarn Containing 5205	Growth Rate
2009-10	2018.88		30.77		1.1		9.1		1553.9	
2010-11	2866.36	41.98	42.9	39.42	1.13	2.73	13.63	49.78	2773.74	78.50
2011-12	4258.01	48.55	69.66	62.38	0.27	-76.11	21.51	57.81	2941.25	6.04
2012-13	3658.98	-14.07	88.33	26.80	0.42	55.56	20.27	-5.76	3491.11	18.69
2013-14	3527.58	-3.59	108.68	23.04	1.27	202.38	19.57	-3.45	4520.96	29.50
2014-15	1846.58	-47.65	53.31	-50.95	0.31	-75.59	19.61	0.20	3901.79	-13.70
2015-16	1892	2.46	42.12	-20.99	1.54	396.77	16.22	-17.29	3558.93	-8.79
2016-17	1536.58	-18.79	83.81	98.98	0.72	-53.25	15.4	-5.06	3285.53	-7.68
2017-18	1760.29	14.56	130.9	56.19	3.06	325.00	18.07	17.34	3367.23	2.49
2018-19	2002.58	13.76	97.59	-25.45	4.24	38.56	14.93	-17.38	3805.84	13.03
2019-20	1001.35	-50.00	48.28	-50.53	7.72	82.08	13.88	-7.03	2699.97	-29.06
2020-21	1779.59	77.72	94.98	96.73	22.64	193.26	16.01	15.35	2708.61	0.32
2021-22	2464.55	38.49	86.97	-8.43	52.34	131.18	18.22	13.80	4760.34	75.75
A A G R	8.62		20.60		101.88		8.19		13.76	
C A G R	-0.016		-0.083		-0.275		-0.056		-0.089	

(Source in – Exim data bank – Ministry of commerce)

Interpretation:

The above table indicates that the Cotton product exporting from India. That verities has contain many , and it classified for HS code basis , in this table the export of Cotton, not carded combed (5201) has calculated the financial years from 2009-10 to 2021-22. This growth rate was making a positive and negative result. Totally 5 years of negative results are there and balance years are positive result. The Cotton, not carded combed (5201) annual average growth rate is 8.62. The compound growth rate will defines the negative value (-

0.016) because of decrease in year by year. The export of Cotton waste (5202) has calculated the financial years from 2009-10 to 2021-22. This growth rate was making a positive and negative result. Totally 5 years of negative results are there and balance years are positive result. The Cotton waste (5202) annual average growth rate is 20.60. The compound growth rate will defines the negative value (-0.083) because of decrease in year by year. The export of Cotton, carded or combed (5203) has calculated the financial years from 2009-10 to 2021-22. This growth rate was make a positive and negative results. Totally 3 years of negative results are there and balance years are positive result. The Cotton, carded or combed (5203) annual average growth rate is 101.88. The compound growth rate will defines the negative value (-0.275) because of decrease in year by year. The export of Cotton sewing thread (5204) has calculated the financial years from 2009-10 to 2021-22. This growth rate was make a positive and negative results. Totally 6 years of negative results are there and balance years are positive result. The Cotton sewing thread (5204) annual average growth rate is 8.19. The compound growth rate will defines the negative value (-0.056) because of decrease in year by year. The export of Cotton yarn containing (5205) has calculated the financial years from 2009-10 to 2021-22. This growth rate was make a positive and negative results. Totally 4 years of negative results are there and balance years are positive result. The Cotton yarn containing (5205) annual average growth rate is 13.76. The compound growth rate will defines the negative value (-0.089) because of decrease in year by year.

Export of Cotton from India:

Table 2

* Values in USD

Year	Cotton Yarn Containing Cotton 5206	Growth Rate	Cotton Yarn 5207	Growth Rate	Woven Fabrics of Cotton Containing 5208	Growth Rate	Woven Fabrics of Cotton, Containing 5209	Growth Rate	Woven Fabrics Containing 5210	Growth Rate
2009-10	11.32		47.43		586.59		240.43		13.84	
2010-11	21.19	87.19	37.03	-21.93	734.65	25.24	296	23.11	17.68	27.75
2011-12	30.74	45.07	13.9	-62.46	994.35	35.35	417.62	41.09	30.23	70.98
2012-13	27.45	-10.7	13.73	-1.22	887.74	-10.72	530.23	26.96	22.81	-24.55
2013-14	24.62	-10.31	4.68	-65.91	917.1	3.31	528.5	-0.33	26.72	17.14
2014-15	30.64	24.45	4.98	6.41	988.8	7.82	539.74	2.13	29.1	8.91
2015-16	46.39	51.4	2.8	-43.78	1024.14	3.57	472.29	-12.5	37.74	29.69
2016-17	50.53	8.92	1.43	-48.93	990.87	-3.25	426.7	-9.65	35.03	-7.18
2017-18	56.58	11.97	1.12	-21.68	1019.4	2.88	444.93	4.27	38.97	11.25
2018-19	88.05	55.62	1.62	44.64	1122.43	10.11	466.37	4.82	43.14	10.7
2019-20	59.35	-32.6	1.19	-26.54	1093.84	-2.55	456.52	-2.11	42.71	-1
2020-21	80.39	35.45	1.64	37.82	970.83	-11.25	380.74	-16.6	39.91	-6.56
2021-22	255.86	218.27	1.4	-14.63	970.83	0	607.11	59.46	70.92	77.7
A A G R	40.4		-18.18		5.04		10.05		17.9	
C A G R	-0.229		0.341		-0.041		-0.074		-0.127	

(Source in – Exim data bank – Ministry of commerce)

Interpretation:

The above table indicates that the Cotton product exporting from India. That verities has contain many , and it classified for HS code basis , in this table the export of Cotton yarn containing cotton (5206) has calculated the financial years from 2009-10 to 2021-22. This growth rate was making a positive and negative result. Totally 3 years of negative results are there and balance years are positive result. The Cotton yarn containing cotton (5206) annual average growth rate is 40.40. The compound growth rate will defines the negative value (-0.229) because of decrease in year by year. The export of Cotton yarn (5207) has calculated the financial years from 2009-10 to 2021-22. This growth rate was making a positive and negative result. Totally 9 years of negative results are there and balance years are positive result. The Cotton yarn (5207) annual average growth rate is -18.18. The compound growth rate will defines the positive value (0.341) because of increase in year by year. The export of Woven fabrics of cotton containing (5208) has calculated the financial years from 2009-10 to 2021-22. This growth rate was making a positive and negative result. Totally 4 years of negative results are there and balance years are positive result. The Woven fabrics of cotton containing (5208) annual average growth rate is 5.04. The compound growth rate will defines the negative value (-0.041) because of decrease in year by year. The export of Woven fabrics of cotton, containing (5209) has calculated the financial years from 2009-10 to 2021-22. This growth rate was making a positive and negative result. Totally 5 years of negative results are there and balance years are positive result. The Woven fabrics of cotton, containing (5209) annual average growth rate is 10.05. The compound growth rate will defines the negative value (-0.074) because of decrease in year by year. The export of Woven fabrics containing (5210) has calculated the financial years from 2009-10 to 2021-22. This growth rate was making a positive and negative result. Totally 4 years of negative results are there and balance years are positive result. The Woven fabrics containing (5210) annual average growth rate is 17.90. The compound growth rate will defines the negative value (-0.127) because of decrease in year by year.

Findings:

- The Cotton, not carded combed (5201) annual average growth rate is 8.62. The compound growth rate will defines the negative value (-0.016) because of decrease in year by year.
- The Cotton waste (5202) annual average growth rate is 20.60. The compound growth rate will defines the negative value (-0.083) because of decrease in year by year.
- The Cotton, carded or combed (5203) annual average growth rate is 101.88. The compound growth rate will defines the negative value (-0.275) because of decrease in year by year.
- The Cotton sewing thread (5204) annual average growth rate is 8.19. The compound growth rate will defines the negative value (-0.056) because of decrease in year by year.
- The Cotton yarn containing (5205) annual average growth rate is 13.76. The compound growth rate will defines the negative value (-0.089) because of decrease in year by year.
- The Cotton yarn containing cotton (5206) annual average growth rate is 40.40. The compound growth rate will defines the negative value (-0.229) because of decrease in year by year.
- The Cotton yarn (5207) annual average growth rate is -18.18. The compound growth rate will defines the positive value (0.341) because of increase in year by year.
- The Woven fabrics of cotton containing (5208) annual average growth rate is 5.04. The compound growth rate will defines the negative value (-0.041) because of decrease in year by year.
- The Woven fabrics of cotton, containing (5209) annual average growth rate is 10.05. The compound growth rate will defines the negative value (-0.074) because of decrease in year by year.
- The Woven fabrics containing (5210) annual average growth rate is 17.90. The compound growth rate will defines the negative value (-0.127) because of decrease in year by year.

Suggestions:

- This post explains export process of Cotton exports and the government rules to export Cotton products, different precautions to be taken care to export them, export documentation to export Cotton products.
- This tables are been indicate a Cotton product markets in internationally, to be make a some special schemes the Government of India will focus this cotton export.
- The government and exports are mainly focus on this product, when this product is a major raw material of textile. India's most exporting goods are textile products.
- The government to provide extra some subsidies and incentives for this exporters. The Cotton product has most demanded product in foreign market.
- India grown 9 major Cotton growing states that states will mainly focus the central government to provide special fund allocation for this product cultivation purpose.

Conclusion:

In this case the Cotton product export will studied. To know about the India's cotton production states and study about the exporting data. This study will using the methodology of secondary data, that data are collected in ministry of commerce and industries web page. To using some statics formulas of growth rate, annual average growth rate, compound annual growth rate. And some literature reviews are collected when to know about the trends and this products value range. This study has to been know about the cotton product's various varieties are exporting values, it will be make details of products foreign demands. When the exporting is a more profitable business comparing to the domestics business. The textile industries has been using the cotton for raw material, so this cotton industries exports are indirectly act as a main component. In this case to find out the major analysis of growth rate, annual average growth rate and compound annual growth rate. This case to using the thirteen years of export data will used that data are making a positive and negative results will there. Most of products will make a many negative growth rates, it will be makes a future analysis of decrease the growth but the demand will be a standard. So, these of above things are studied in this component.

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