



## TOP 15 COMMODITIES EXPORT PERFORMANCE IN INDIA

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**Cite This Article:** Dr. N. Bhuvanesh Kumar & M. Dinesh, "Top 15 Commodities Export Performance in India", International Journal of Scientific Research and Modern Education, Volume 7, Issue 1, Page Number 103-106, 2022.

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### **Abstract:**

Exports have played an increasingly important role in India's economic growth in the last two decades. This paper analyses the performance of India's exports and the various economic factors which have contributed to its growth. Since manufactured exports comprise a significant share of India's aggregate (merchandise) exports, the paper also provides an overview of the export performance of top 15 commodities; namely, petroleum products, pearl and precious stones, RMG cotton include accessories, gold and other precious metal jewellery, iron and steel, products of iron and steel, drug formulations biological, motor vehicles/cars, organic chemicals, ship boat and floating structure, oil meals, manmade yarn, gold, marine products, electric machinery and equipment. Main objective of study is to analysis the export performance of top 15 commodities from India during the period of 2010-11 to 2021-22. The study makes use of statistical techniques such as percentage analysis, growth analysis, average, standard deviation, AAGR and CAGR in analysing the data for finding the result.

**Key Words:** Export, Commodity, Analysis

### **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. India's major exports included petroleum products, gems and jewellery, and drug formulations. Oil-based products and crude oil giants such as Hindustan Petroleum Corporation Limited, Bharat Petroleum, Reliance Petroleum, ONGC and et al have contributed largely to the export sector of India. Although the country is hugely dependent on oil imports, export of oil-based products has supported the economy to a large extent. The term 'jewellery' here includes gold, gemstones and similar materials. India consumes around 20 per cent of the global gold production and 75 per cent of that amount goes into making jewellery. The jewellery sector is also supported by banks and government policies so that the industry does not fall drastically. Around 30 per cent of Indian jewellery gets exported to the United States alone. Other such countries include Hong Kong, UAE, Singapore and Belgium.

There has been a 10.5 per cent increase in the export of heavy machinery from India. These include cars, pumps, heavy machines, building construction tools, agricultural equipment and so on. Before Independence, India used to depend on its import of iron and steel. But now, the country has gone through such an industrial growth that it has become the fourth largest steel producer in the world. Steel tycoons such as TISCO, IISCO, Bhilai Iron and Steel Centre, and Visveswaraya Iron And Steel Limited play a major role in the iron and steel export from India. India's export value changes in year by year. some years export values are increase at the same time some years export values are decrees. When it comes to manufacturing electronic equipment, India is still seen as an importing country.

However, the export part of this sector thrives silently yet largely. India has the third largest pool of electronic scientists and engineers and the domestic demand of electronic goods propels the industry to grow faster and stronger, making export all the more important. If you import more than you export, more money is leaving the country than is coming in through export sales. On the other hand, the more a country exports, the more domestic economic activity is occurring. More exports means more production, jobs and revenue. Exporting can be profitable for businesses of all sizes. On average, sales grow faster, more jobs are created, and employees earn more than in non-exporting firms. Competitive Advantage. The United States is known worldwide for high quality, innovative goods and services, customer service, and sound business practices. Exports help a nation grow. As a trading component, they assume importance in diplomatic and foreign policies. Countries export goods and services in which they have a competitive or comparative advantage. Governments encourage exports because they increase revenues, jobs, foreign currency reserves, and liquidity.

**Statement of the Problem:**

India is a leading exporter of many products. Export and import in India develops day by day. There is the problem of overall exports goods when it requires large capital investment which a developing country like India cannot afford. Some products that occupy the first 15 places in a year and that products will not come in the same 15 places next year. Because that products will not samely perform for the previous year. The reasons for poor quality image, high costs, unreliability, infrastructure bottlenecks, inadequacy of trade information system, supply problems, faceless presence, uncertainties, procedural complexities and institutional rigidities, etc.

**Objectives of the Study:**

The research aims at enriching the knowledge understanding role of export performance of top 15 commodities. The following are the objective of the study.

- To analysis the export performance of top 15 commodities from India.
- To provide a necessary suggestions for analysis the country wise exporting details of the top 15 product.

**Scope of the Study:**

The objective of this project is to cover the export performance of the top 15 products from India. The export performance of India's top 15 products is affected by high competition. This study also gives growth rate and trend percentage of the top 15 commodities for the year by year wise and also country wise. The study gives information about the top 15 commodities export. The study provides suggestions to improve their performance.

**Research Methodology:**

**Secondary Data:**

The secondary data is collected to supplement the primary data. The annual reports of sample units, Publications of top 15 commodities, in Ministry of Commerce. Bulletins working and Occasional Papers of foreign trade performance analysis (FTPA) were used as important sources of secondary data for the study.

**Limitations of the Study:**

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

**Period of Study:**

The research data is collected in 12 financial years. That years is 2010-11 to 2021-22.

**Review of Literature:**

Biswajit Dhar (2022) After being impacted severely by the Covid-19 pandemic and recording the worst contraction of its economy in 2020-21, there were high expectations that India's economy would record a V-shaped recovery during the current year. However, in the three quarters of 2021 for which growth numbers are available, it is evident that sustained growth is still eluding the economy. As a result, the country's GDP continued to be below the pre-Covid level. The lack of recovery was largely because domestic demand was sluggish, with private final consumption expenditure, the mainstay of GDP, continuing to remain depressed through this phase of recovery.

By Isabelle Joumard, India Desk, OECD Economics Department (2020) The government aims at making India an export hub, to help boost job creation. The export-to-GDP ratio has risen fast since the early 1990s and now stands broadly at par with China. The large share of services in total exports however stands out: while India has performed very well in exporting IT services, exports of goods have lagged behind. Exports of labour-intensive manufacturing products could grow faster and contribute to job creation. The 2019 OECD Economic Survey of India discusses policies to make India's exports more competitive.

CA Saravanan Paramasivam (2020) India's export sector faced many challenges post 2013-14 period due to accentuation of the global economic / financial crisis. However, exports have been growing on a secular basis since 2016-17 for almost three years and total exports reached a new peak of more than half a trillion dollars for the first time in 2018-19. The sector-wise values of exports for 2018-19 and percentage change over the previous year 2017-18 are given at Annexure. The Foreign Trade Policy (2015-20), launched on 1 April 2015, provides a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in line with the 'Make in India', 'Digital India', 'Skill India', 'Start up India' and 'Ease of Doing Business' initiatives.

In this study, the various export related problems are identified and categorized, namely Procedural Problems, Informational Problems, Export oriented Production Problems, International Environmental problems in Export and Human Resource management problems in Expor

**Exports of Top 15 Commodities:**

Table 1

\* Values in lakhs

Year	Motor Vehicle/Cars	Growth Rate	Organic Chemicals	Growth Rate	Oil Meals	Growth Rate	Manmade Yarn	Growth Rate	Gold	Growth Rate
2010-2011	23,337.44		17,324.58		11,069.58		19,477.54		25,240.14	
2011-2012	24,504.75	5	24,921.66	44	11,796.46	7	24,294.59	25	22,921.84	-9

2012-2013	31,344.40	28	30,220.87	21	16,519.53	40	24,678.61	2	26,399.04	15
2013-2014	37,385.07	19	34,270.25	13	17,070.13	3	31,395.09	27	18,351.30	-30
2014-2015	40,898.49	9	32,970.90	-4	8,129.18	-52	32,254.61	3	17,447.83	-5
2015-2016	44,087.01	8	31,790.07	-4	3,599.56	-56	30,219.20	-6	36,481.80	109
2016-2017	50,605.32	15	32,491.35	2	5,410.10	50	30,558.82	1	41,031.09	12
2017-2018	54,615.63	8	46,040.74	42	7,043.15	30	31,107.61	2	15,434.74	-62
2018-2019	59,414.87	9	65,189.78	42	10,557.48	50	34,817.33	12	8,266.48	-46
2019-2020	55,244.02	-7	59,112.37	-9	5,861.35	-44	34,175.01	-2	9,602.57	16
2020-2021	37,718.91	-32	56,666.11	-4	11,688.56	99	28,112.13	-18	4,126.47	-57
2021-2022	56,490.88	50	81,554.05	44	7,693.14	-34	41,859.94	49	566.43	-86
AAGR	10		17		8		9		-13	
CAGR	-0.08		-0.13		0.03		-0.07		0.41	

(Source -FTPA Ministry of commerce)

#### Exports of Top 15 Commodities:

Table 2

\* Values in lakhs

Year	Petroleum Products	Growth Rate	Pearl, Precs, Semiprecs Stones	Growth Rate	Rmg Cotton	Growth Rate	Iron And Steel	Growth Rate	Drug Formulations, Biologicals	Growth Rate
2010-2011	165594.7		133,884.19		39,089.04		32,532.30		28,700.68	
2011-2012	270941.2	64	136,064.68	2	46,193.28	18	39,759.24	22	38,509.56	34
2012-2013	330790.01	22	131,157.92	-4	45,938.39	-1	44,041.79	11	51,878.89	35
2013-2014	383,247.88	16	164,126.15	25	55,092.95	20	56,048.27	27	64,557.07	24
2014-2015	346082.49	-10	151,292.94	-8	56,763.03	3	53,075.14	-5	68,557.75	6
2015-2016	199637.76	-42	146,099.50	-3	59,549.30	5	35,828.95	-32	82,760.25	21
2016-2017	211509.03	6	167,012.48	14	57,089.89	-4	58,209.03	62	84,934.89	3
2017-2018	241434.52	14	166,756.51	0	54,835.41	-4	72,495.07	25	83,213.97	-2
2018-2019	325929.13	35	181,644.20	9	60,736.37	11	68,074.83	-6	100,681.60	21
2019-2020	292339.97	-10	146,438.81	-19	61,214.48	1	65,774.73	-3	113,003.65	12
2020-2021	190896.34	-35	133,844.84	-9	50,732.07	-17	89,928.15	37	141,207.04	25
2021-2022	503530.7	164	206,358.09	54	67,287.04	33	170,595.67	90	141,718.74	0
AAGR	20		6		6		21		16	
CAGR	-0.096		-0.039		-0.048		-0.14		-0.14	

(Source: FTPA from ministry of commerce)

#### Interpretation:

In the above table clearly mentioned a 12 years export performance of petroleum products, pearl semi-precious stones, RMG cotton, iron and steel and drug formulations biological. This exports performance analysing a during the period of 2010-2011 to 2021-2022. And calculating a growth rate for all the years. And also calculating an annual average growth rate and compound annual growth rate. The export performance of these products is seen with fluctuations. The petroleum products annual average growth rate 20 and compound annual growth rate -0.096. Pearl semi-precious stones annual average growth rate 6 and compound annual growth rate is -0.093. The RMG cotton's annual average growth rate is 6 and compound annual growth rate -0.048. The iron and steel's annual average growth rate value is 21 and the compound annual growth rate is -0.14. Drug formulations, biological's annual average growth rate is 16 and the compound annual growth rate is -0.14. So of these all products compound annual growth rate refers the negative values. The motor vehicle/cars annual average growth rate 10 and compound annual growth rate -0.08. Organic chemicals annual average growth rate 17 and compound annual growth rate is -0.13. The oil meal's annual average growth rate is 8 and compound annual growth rate 0.03. The manmade yarn's annual average growth rate value is 9 and the compound annual growth rate is -0.07. And gold's annual average growth rate is -13 and the compound annual growth rate is 0.41. The gold's annual average growth rate refers negative value and compound annual growth rate refers to positive value. Except for gold of other products compound annual growth rate refers a negative value.

#### Findings:

- The petroleum products' annual average growth rate is 18. The compound annual growth rate is negative value -0.096.
- The pearl semiprecious stones' annual average growth rate is 6. The compound annual growth rate is negative value -0.039.
- The RMG cotton annual average growth rate is 6. The compound annual growth rate is negative value -0.048.
- The iron and steel annual average growth rate is 21. The compound annual growth rate is negative value -0.14.
- The drug formulations, biologicals annual average growth rate is 16. The compound annual growth rate is negative value -0.14

- The motor vehicle/cars annual average growth rate is 10. The compound annual growth rate is negative value -0.08.
- The organic chemicals annual average growth rate is 17. The compound annual growth rate is negative value -0.13.
- The oil meals annual average growth rate is 8. The compound annual growth rate is negative value -0.03.
- The manmade yarn annual average growth rate is 9. The compound annual growth rate is negative value -0.07.
- The gold annual average growth rate is -13. The compound annual growth rate is positive value 0.41.

**Suggestions:**

- The exports performance are fluctuations in year by year. Export efficiency may increase or decrease in the futures.
- Expanding into new markets involves a great deal of market research in addition to target customers. When going into international markets, businesses need to be aware of the different cultures.
- Clearly defining your market may seem like a simple step, but before you identify who you want to sell your product to you must understand their needs.
- The government should pay more attention to export these products in large quantities.

**Conclusion:**

In this case the top 15 commodities exports from India will studied. To know about the India's exporting data. This study will using methodology of secondary data, and that data collected in FTPA Ministry of commerce web page. In this case to find out the major analysis. Most of products will make a many negative growth rate, so it's likely change in the near future. So, these of above things are studied in this component.

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