

INDIA'S EXPORT-IMPORT TRENDS DURING PRE AND POST COVID PERIOD

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Abstract: The study attempts to examine the export-import trends during Pre and Post COVID period in relation to export growth, also researcher attempt to study total trade and trade balance of the country. Further this research paper analyses the % Share of Top countries in the export and import during 2017 to 2022.

Key words: Export, import, trade, trade balance, GDP, trends, international trade, economic growth, liberalization, globalization.

Introduction: Exports lead to increased investment, technological advance and import expansion, all of which contribute to economic growth. In turn, economic growth can lead to further export expansion by fostering the adoption of technology and increasing the level of imports used as inputs for export-oriented production. However, the degree to which exports positively affect economic growth and, in turn, further expansion of exports, depends on the categories of exports and imports in which the expansion occurs. For many countries, extant evidence suggests that the expansion of primary exports can impede economic growth, while manufactures offer positive externalities and knowledge spillovers to non-export sectors. In contrast, primary imports can accelerate economic growth, as they can be used as inputs in domestic production. In addition, imports of manufactured goods can contribute to economic growth through technology transfer and know-how.

INDIA'S GROWTH STORY India's GDP growth rate before 1991 was 3.5%. This was associated with export contribution of ~4.5%. Trade liberalization reforms increased GDP growth rate (to >6%) are 1991, with exports contributing >11% to the GDP. Thus, international trade emerged as a viable engine for economic growth in India. Most of this export-led growth in the GDP can be attributed to free-trade policies, rise in public spending, favorable taxation policies, growth in private investments and reforms in the financial sector that increased FDI inflow. Contribution of exports to India's GDP stood at 31.5% in 2018- 19 and recorded marginal decline to 27.8% in 2019-20. In real value terms, India's foreign trade was worth Rs. 75,751 crore (US\$ 10.2 billion) in 1990-91. The total value of foreign trade gradually increased to Rs. 374,624 crore (US\$ 50.4 billion) in 1999-2000 and then surged to Rs. 5,902,401 crore (US\$ 795.2 billion) in 2018-19, as per the Economic Survey of India 2019-20. The total value of merchandise exports from India amounted to Rs. 2,396,337 crore (US\$ 323 billion) in 2018-19. Overall, commodity exports from India decreased by 14.7% in 2019-20 compared with 2018-19. The decline was a direct result of the global economic slowdown, aggravated by the COVID-19 pandemic. Total merchandise exports from India were valued at Rs. 2,040,225 crore (US\$ 275 billion) in 2019-20. However, exports and economy bounced back and showed recovery in the later half of 2020. More recently, India's merchandise exports India's merchandise exports in June 2021 were US\$ 32.46 billion, an increase of 47.34% over US\$

22.03 billion in June 2020 and an increase of 29.7% over US\$ 25.03 billion in June 2019. India's merchandise exports in Apr-June 2021 were US\$ 95.36 billion, an increase of 85.36% over US\$ 51.44 billion in Apr-June 2020 and an increase of 17.85% over US\$ 80.91 billion in Apr-June 2019.

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India's Top Exports in June 2021: In June 2021, total merchandise exports stood at US\$ 32.50 billion, an increase of 70% YoY. The top five merchandise exports which have recorded positive growth during June 2021 vis-à-vis June 2020 are Other Cereals (237.96%), Petroleum Products (105.2%), Man-made Yarn/Fabrics/Made-ups etc (81.62%), Gems and Jeweler (80.49%), and Meat, Dairy and Poultry Products (61.8%). The cumulated value of non-petroleum and non-gems and jeweler exports in April-June 2021 was US\$ 73.28 billion, an increase of 66.61% over US\$ 43.98 billion in April-June 2020 and an increase of 21.46% over US\$ 60.33 billion in April-June 2019.

Objectives of research paper:

1. To study export-import trends of top ten countries during COVID period.
2. To analyse the trade balances of top ten countries during COVID Period.

Research Methodology:

Types of research: This is purely descriptive research based on secondary data collected from various sources.

Source of data collection: Required data for the research has been collected from secondary source like directorate general of foreign trade, ministry of commerce and industry, research journal, articles and extensive use of related websites.

Duration of data: for this research paper data has been gathered considered from 2017 to 2022.

Tabulation and data Interpretation:

Table-1: Year: 2017-2018

Values in Rs. Crore

Rank	Country / Region	Export	Import	Total Trade	Trade Balance
1.	CHINA P RP	85,994.30	492,236.17	578,230.47	-406,241.87
2.	U S A	308,602.69	171,564.48	480,167.17	137,038.21
3.	U ARAB EMTS	181,456.93	140,095.89	321,552.82	41,361.04
4.	SAUDI ARAB	34,867.98	142,240.74	177,108.72	-107,372.76
5.	HONG KONG	94,677.35	68,777.02	163,454.37	25,900.33
6.	GERMANY	55,993.63	85,700.20	141,693.84	-29,706.57
7.	KOREA RP	28,751.44	105,422.84	134,174.28	-76,671.40
8.	INDONESIA	25,561.76	105,961.12	131,522.87	-80,399.36
9.	SWITZERLAND	6,986.98	122,017.81	129,004.79	-115,030.83
10	IRAQ	9,422.65	113,452.67	122,875.32	-104,030.01
	<i>Total of Top countries</i>	<i>832,315.71</i>	<i>1,547,468.94</i>	<i>2,379,784.65</i>	<i>-715,153.23</i>
	India's Total	1,956,514.52	3,001,028.71	4,957,229.16	1,044,514.20
	<i>% Share of Top countries</i>	<i>42.54</i>	<i>51.56</i>	<i>48.01</i>	<i>68.47</i>

Source: <https://tradestat.commerce.gov.in/eidb/iecnttopn.asp>

The above table indicated that, USA stood first rank, U Arab second, Hon Kong third, China fourth and Germany stood fifth rank amongst top ten importing country from India.

Further it shows that, Trade balance of India is positive only with UAS, U Arab and Hon Kong where as China, Germany, Iraq, Switzerland Indonesia, Korea RP shows negative trade balance, India's Export percentage share of top countries 42.52 where as import percentage is 51.56 and the trade balance is 68.47.

Table-2: Year: 2018-2019

Values in Rs. Crore

Rank	Country / Region	Export	Import	Total Trade	Trade Balance
1.	U S A	366,480.39	248,553.77	615,034.17	117,926.62
2.	CHINA P RP	117,289.11	492,079.28	609,368.39	-374,790.17
3.	U ARAB EMTS	210,210.93	208,550.77	418,761.70	1,660.17
4.	SAUDI ARAB	38,854.24	199,394.90	238,249.15	-160,540.66
5.	HONG KONG	91,117.42	125,971.91	217,089.33	-34,854.50
6.	SINGAPORE	80,942.25	113,918.75	194,861.00	-32,976.50
7.	IRAQ	12,506.50	156,600.99	169,107.49	-144,094.49
8.	GERMANY	62,200.63	106,130.52	168,331.15	-43,929.89
9.	KOREA RP	32,877.97	117,255.31	150,133.28	-84,377.34
10.	INDONESIA	36,871.06	111,148.53	148,019.59	-74,277.46
	<i>Total of Top countries</i>	1,049,350.51	1,879,604.75	2,928,955.25	-830,254.24
	India's Total	2,307,726.18	3,594,674.22	5,902,345.17	1,286,948.04
	<i>% Share of Top countries</i>	45.47	52.29	49.62	64.51

Source: <https://tradestat.commerce.gov.in/eidb/iecnttopn.asp>

The above table highlighted that, USA is topmost country to import various goods and services from India and capture first rank amongst the top ten importing country in the world, , U Arab capture second, china capture third China, Hon Kong capture fourth and whereas

Singapore placed at fifth rank amongst the top ten importing country in the world. Further it shows that, Trade balance of India is positive only with UAS and U Arab amongst the top five importing country whereas and China, Hong Kong, Singapore, Germany, Iraq, Switzerland Indonesia, Korea RP shows negative trade balance, India's Export percentage share of top countries 45.47 where as import percentage is 52.29 and the trade balance for the year 2018-19 is 68.47.

Table-3: Year: 2019-2020

Values in Rs. Crore

Rank	Country / Region	Export	Import	Total Trade	Trade Balance
1.	U S A	376,165.54	253,363.46	629,529.00	122,802.08
2.	CHINA P RP	117,673.31	461,524.77	579,198.08	-343,851.45
3.	U ARAB EMTS	204,237.82	214,447.02	418,684.84	-10,209.20
4.	SAUDI ARAB	44,266.86	190,245.23	234,512.09	-145,978.37
5.	HONG KONG	77,752.43	119,998.98	197,751.42	-42,246.55
6.	IRAQ	13,286.60	168,354.48	181,641.08	-155,067.88
7.	SINGAPORE	63,026.92	104,394.10	167,421.02	-41,367.18
8.	GERMANY	58,722.62	96,928.35	155,650.97	-38,205.73
9.	KOREA RP	34,337.65	110,883.44	145,221.09	-76,545.79
10.	INDONESIA	29,299.38	106,727.27	136,026.65	-77,427.88
	<i>Total of Top countries</i>	1,018,769.15	1,826,867.10	2,845,636.25	-808,097.95
	India's Total	2,219,854.17	3,360,954.45	5,580,708.38	1,141,100.28
	<i>% Share of Top countries</i>	45.89	54.36	50.99	70.82

Source: <https://tradestat.commerce.gov.in/eidb/iecnttopn.asp>

The above table reveals that, USA is topmost country for importing various goods and services from India and capture first rank amongst the top ten importing country in the world, U Arab capture second rank, China, Hon Kong and Singapore third, fourth and fifth rank respectively. Further it shows that, Trade balance of India is positive only with UAS and U Arab amongst the top five importing country whereas and China, Hong Kong, Singapore, Germany, Iraq, Switzerland Indonesia, Korea RP shows negative trade balance, India's Export percentage share of top countries 45.89 where as import percentage is 54.36 and the trade balance for the year 2019-20 is 70.82

Table-4: Year: 2020-2021

Values in Rs. Crore

Rank	Country / Region	Export	Import	Total Trade	Trade Balance
1.	CHINA P RP	157,201.59	482,495.80	639,697.39	-325,294.21
2.	U S A	381,844.53	213,724.71	595,569.24	168,119.82
3.	U ARAB EMTS	123,333.92	196,350.54	319,684.46	-73,016.62
4.	HONG KONG	75,201.43	112,218.27	187,419.70	-37,016.84
5.	SAUDI ARAB	43,358.89	119,758.62	163,117.51	-76,399.74
6.	SINGAPORE	64,382.17	98,219.58	162,601.75	-33,837.41
7.	GERMANY	60,112.71	101,104.82	161,217.54	-40,992.11
8.	SWITZERLAND	9,340.61	133,867.52	143,208.12	-124,526.91
9.	INDONESIA	37,156.69	92,325.28	129,481.97	-55,168.59
10.	KOREA RP	34,694.23	94,476.22	129,170.45	-59,781.98
<i>Total of Top countries</i>		<i>986,626.77</i>	<i>1,644,541.35</i>	<i>2,631,168.12</i>	<i>-657,914.58</i>
	<i>India's Total</i>	<i>2,159,043.21</i>	<i>2,915,957.54</i>	<i>5,074,987.30</i>	<i>756,914.33</i>
	<i>% Share of Top countries</i>	<i>45.70</i>	<i>56.40</i>	<i>51.85</i>	<i>86.92</i>

Source: <https://tradestat.commerce.gov.in/eidb/iecnttopn.asp>

The above table depicted that, only USA is topmost country for importing various goods and services from India and capture first rank amongst the top ten importing country in the world whereas China capture second rank, U Arab, Hon Kong and Singapore place third, fourth and fifth rank respectively. Further it shows that, Trade balance of India is positive only with UAS and U Arab, China, Hong Kong, Singapore, Germany, Iraq, Switzerland Indonesia, Korea RP shows negative trade balance, India's Export percentage share of top countries 45.70 where as import percentage is 56.40 and the trade balance for the year 2020-21 is 86.92

Table-5: Year: 2021-2022

Values in Rs. Crore

Rank	Country / Region	Export	Import	Total Trade	Trade Balance
1.	U S A	567,961.19	323,033.01	890,994.20	244,928.18
2.	CHINA P RP	158,215.48	705,123.13	863,338.61	-546,907.66
3.	U ARAB EMTS	209,158.28	334,469.80	543,628.09	-125,311.52
4.	SAUDI ARAB	65,310.14	254,677.67	319,987.81	-189,367.53
5.	IRAQ	17,969.58	238,418.04	256,387.61	-220,448.46
6.	SINGAPORE	83,012.95	141,573.62	224,586.56	-58,560.67
7.	HONG KONG	81,834.53	142,400.80	224,235.32	-60,566.27
8.	INDONESIA	63,196.50	132,049.14	195,245.64	-68,852.64
9.	KOREA RP	60,349.57	130,299.35	190,648.91	-69,949.78
10.	AUSTRALIA	61,841.05	125,029.83	186,870.88	-63,188.79
	<i>Total of Top countries</i>	1,368,849.26	2,527,074.38	3,895,923.64	-1,158,225.12
	India's Total	3,147,021.48	4,572,770.69	7,719,655.45	1,425,749.21
	<i>% Share of Top countries</i>	43.50	55.26	50.47	81.24

Source: <https://tradestat.commerce.gov.in/eidb/iecnttopn.asp>

The above table depicted that, In the year 2021-22 only the USA is topmost country for importing various goods and services from India and capture first rank amongst the top ten importing country in the world whereas U Arab, China, Singapore and Hon Kong placed at second, third, fourth and fifth position respectively. Further it shows that, Trade balance of India is positive only with UAS whereas U Arab, China, Hong Kong, Singapore, Germany, Iraq, Switzerland Indonesia, Korea RP shows negative trade balance, India's Export percentage share of top countries 45.70 where as import percentage is 56.40 and the trade balance for the year 2021-22 is 81.24.

Conclusion: This research paper studies the dynamics of Export and Imports performance of India. After studying the export import trends of top ten importing country in the world, it is observed that, USA is always placed at first rank amongst the top ten countries in the world with positive trade balance. Other nine country shows fluctuation in their export and import trends with trade balance. Countries all over the world try to promote exports. Almost every country offers financial incentives to exporters. Countries like China have Special Economic Zones wherein exporters are not charged any tax. Similarly, other countries have special banks and insurance agencies promoted by the government to facilitate export growth.

The government should focus more on introducing structural reforms to enhance the competitiveness of Indian products in the international markets. The focus should be on designing a new strategy for technology-driven export-oriented sectors as export stability is positively associated with economic growth. The export sector in India is experiencing the problems like high cost of credit, inadequate labour skills and innovation, rigid labour markets and high tax component etc. Government should take appropriate measures to address the problems of export sector in order to improve the competitiveness of India's export sector in global markets. There is a need to focus more on exploring the possibilities of having bilateral, multilateral trade agreements with countries/regional blocks by the government.

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