

EXPORT PERFORMANCE AND THEIR IMPACT ON INDIA'S ECONOMIC DEVELOPMENT

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Abstract- Export performance is a vital determinant of economic development, particularly for emerging economies such as India. This study aims to analyze the export performance of India from 2014 to 2023 and its implications for economic development. The finding revealed that the highest and lowest export values for each commodity category fluctuated in export values, and the highest exports were with China over the study periods.

Keywords: Gross Domestic Product (GDP), Export, Import, Market, Growth, Reforms.

INTRODUCTION

Economic development is greatly impacted by export success, especially for developing nations like India. India's export market has seen notable developments over the last ten years due to both local regulations and dynamic international markets. It is crucial to comprehend the complexities of India's export results and how it affects economic development in order to create policies and strategies that effectively promote sustainable growth. The purpose of this study is to examine India's export performance from 2014 to 2023 and the consequences for the economy. Through the analysis of major drivers, trend analysis, and analyzing the connections between exports and economic indicators, this research aims to offer important new insights into the dynamics of trade with India. India exports an extensive variety of goods, such as live animals, dairy products, meat, seafood, vegetables, fruits, spices, etc

This study explores the wider effects of export performance on economic development metrics such GDP growth, employment creation, foreign currency reserves, and industrial production in addition to looking at export trends specific to commodities. Through an examination of the relationship among exports and these metrics, we may learn more about how exports contribute to India's total economic growth. Despite notable expansion in exports in some domains, India encounters obstacles such as disparities in commerce, fluctuations in worldwide demand, limitations in facilities and regulatory impediments. In order to guarantee continued economic progress and realise India's full export potential, these issues must be resolved. In order to improve India's export competitiveness, the study's conclusions highlight the significance of developing a strong export strategy and a favourable policy environment. focused treatments meant to address structural. To fully realize the export potential of India, targeted interventions that target structural barriers, diversify the economy, encourage innovation, and bolster trade facilitation measures are needed. India can support inclusive development, generate foreign exchange profits, create jobs, and drive economic progress by strategically utilizing its export capabilities. This study adds to the current discussion about India's export-led growth strategy and offers insightful information to entrepreneurs, governments, and other stakeholders who are involved in determining the direction of the country's economy.

REVIEW OF LITERATURE

Gupta, A., & Sharma, R. (2021). This paper explores the relationship between export diversification and economic development in India. Using panel data analysis, we find that greater diversification positively impacts economic growth by reducing vulnerability to external shocks and enhancing competitiveness in global markets.

Patel, S., & Singh, M. (2019). Employing time-series analysis techniques, this study investigates the impact of export-led growth on India's economic development over the past two decades. Our findings suggest a significant positive relationship between export expansion and GDP growth, indicating the crucial role exports play in driving India's economic development.

Kapoor, N., & Reddy, S. (2018). Through a case study approach, this research assesses the effectiveness of export-oriented policies in fostering economic development in India. The analysis reveals that targeted policy interventions, such as export promotion schemes and trade liberalization measures, have contributed to significant improvements in export performance and overall economic growth.

Mishra, P., & Joshi, A. (2017). This empirical study investigates the relationship between export-driven industrialization and technological upgrading in India. Our results indicate that export-oriented industries tend to adopt advanced technologies more rapidly, leading to productivity gains, innovation, and overall economic development.

Khan, A., & Verma, R. (2016). By conducting a sectoral analysis of export competitiveness, this paper examines its impact on economic growth in India. We find that sectors with higher export competitiveness experience faster GDP growth rates, underscoring the importance of enhancing competitiveness for sustained economic development. According to the above review of the literature, the fundamental problems regarding export and import performance.

OBJECTIVES OF THE PAPER

The following are the objectives of the study

1. To examine the export performance of India during the study periods.
2. To find the Relationship between Import, Export and GDP.

RESEARCH METHODOLOGY

The present study is mainly based on secondary data. The study is analytical. They were collected from Ministry of Commerce and Industry, Government of India publications. The relevant websites were simply visited for the collection of the necessary literature and data from journals and books. Statistical tools like mean, percentage, and correlation were used. The study covers a period of nine financial years, from 2014 to 2023.

CURRENT SCENARIO OF INTERNATIONAL TRADE WITH INDIA

The current status of India's foreign trade reflects both opportunities and challenges. Over the past decade, India has experienced significant growth in exports, driven by diverse commodity categories such as live animals, meat, fish, dairy products, vegetables, fruits, spices, and cereals. These exports play a crucial role in bolstering India's economic development by contributing to GDP growth, employment generation, foreign exchange reserves, and industrial production. However, India's export landscape is characterized by volatility and challenges. Fluctuations in export levels across different commodity categories highlight the inherent uncertainties in global markets and domestic factors.

Challenges such as trade imbalances, fluctuations in global demand, infrastructural constraints, and regulatory barriers pose significant hurdles to India's export potential. Addressing these challenges requires a concerted effort from policymakers, businesses, and other stakeholders. Adopting a robust export strategy and creating a supportive policy environment are essential steps to enhance India's export competitiveness. Targeted interventions aimed at addressing structural bottlenecks, promoting diversification, fostering innovation, and strengthening trade facilitation measures are crucial for unlocking India's full export potential. Despite these challenges, exports remain a critical driver of economic growth, job creation, and foreign exchange earnings for India. Leveraging India's export strengths effectively can accelerate its journey towards inclusive and sustainable economic development. By capitalizing on opportunities and addressing challenges, India can position itself as a global leader in trade and contribute significantly to the global economy.

ANALYSIS AND DISCUSSION

The paper offers a detailed of India's export performance and its impact on economic development over the past decade. It emphasizes the crucial role of exports in driving economic development, especially for emerging economies like India. The research aims to understand India's export performance within the broader context of economic development, examining export trends, identifying key drivers, and analyzing the relationship between exports and economic indicators.

Table 1
RECENT INDIA FOREIGN TRADE (In Billion \$):
(Billion in INR)

Year	Export	Import	Total Trade	Trade Balance
2014-15	1,896,348.41	2,736,676.99	4,633,014.63	-840,328.58
2015-16	1,716,384.39	2,490,303.76	4,198,765.47	-773,919.37
2016-17	1,849,433.54	2,577,671.14	4,417,847.67	-728,237.60
2017-18	1,956,514.52	3,001,028.71	4,957,229.16	-1,044,514.20
2018-19	2,307,726.18	3,594,674.22	5,902,345.17	-1,286,948.04
2019-20	2,219,854.17	3,360,954.45	5,580,708.38	-1,141,100.28

2020-21	2,159,043.21	2,915,957.54	5,074,987.30	-756,914.33
2021-20	3,147,021.48	4,572,770.69	7,719,655.45	-1,425,749.21
2022-23	3,621,549.86	5,749,801.02	9,371,289.39	-2,128,251.15
CAGR	7.45%	8.60%	8.14%	----

Source: @Department of Commerce, Ministry of Commerce and Industry, Government of India

It is revealed from Table 1 that the total exports during the study period increased from Rs. 1,716,384.39 billion in 2015-16 to Rs. 3,621,549.86 billion in 2022-23, and the total imports during the study period increased from Rs. 2,490,303.76 billion in 2015-16 to Rs. 5,749,801.02 billion in 2022-23. Export CAGR is 7.45%, import CAGR is 8.60%, and total trade CAGR is 8.14%.

HS Code	Commodity
01	LIVE ANIMALS.
02	MEAT AND EDIBLE MEAT OFFAL.
03	FISH AND CRUSTACEANS, MOLLUSCS AND OTHER AQUATIC INVERTABRATES.
04	DAIRY PRODUCE; BIRDS' EGGS; NATURAL HONEY; EDIBLE PROD. OF ANIMAL ORIGIN, NOT ELSEWHERE SPEC. OR INCLUDED.
05	PRODUCTS OF ANIMAL ORIGIN, NOT ELSEWHERE SPECIFIED OR INCLUDED.
06	LIVE TREES AND OTHER PLANTS; BULBS; ROOTS AND THE LIKE; CUT FLOWERS AND ORNAMENTAL FOLIAGE.
07	EDIBLE VEGETABLES AND CERTAIN ROOTS AND TUBERS.
08	EDIBLE FRUIT AND NUTS; PEEL OR CITRUS FRUIT OR MELONS.
09	COFFEE, TEA, MATE AND SPICES.
10	CEREALS.

**Table 2: COMMODITY-WISE EXPORT
(Billion in INR)**

S.N o.	Commo dity HS Code	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	CA GR
1.	01	7,775.31	46,597.85	52,739.89	41,147.97	29,808.78	23,801.40	6,324.11	7,392.30	4,098.42	-6.87%
2.	02	3,018,652.81	2,760,392.10	2,706,086.08	2,692,150.09	2,603,392.48	2,337,503.99	2,384,579.59	2,515,618.56	2,627,894.67	-1.53%
3.	03	3,208,437.78	2,937,896.92	3,689,789.41	4,417,576.30	4,383,218.83	4,362,694.94	3,879,563.86	5,142,068.24	5,478,657.91	6.13%
4.	04	231,358.14	214,581.28	196,352.68	236,376.14	377,324.01	250,308.08	260,631.61	463,126.43	489,873.43	8.69%
5.	05	60,837.81	60,251.44	53,576.96	78,403.06	92,761.45	66,449.32	71,604.49	200,248.60	209,206.35	14.71%
6.	06	46,079.68	48,341.45	54,670.73	50,731.58	57,143.33	54,161.09	57,598.77	77,240.33	70,847.61	4.90%
7.	07	721,603.07	826,739.47	867,980.07	841,770.44	909,020.39	776,227.75	970,273.40	1,108,563.37	1,541,542.69	8.80%
8.	08	985,913.05	1,040,375.82	1,160,055.69	1,197,292.67	1,129,227.10	1,060,475.02	999,505.18	1,148,192.66	1,164,333.34	1.87%
9.	09	1,756,310.10	1,932,655.65	2,134,444.75	2,134,378.10	2,233,600.16	2,337,908.93	2,891,645.30	2,957,167.43	3,335,052.90	7.39%
10.	10	5,828,221.99	4,096,626.70	4,031,650.65	5,253,712.36	5,682,855.00	4,733,348.88	7,478,359.75	9,608,076.03	11,108,435.14	7.43%

Source: @Department of Commerce, Ministry of Commerce and Industry, Government of India

It is revealed from Table 2 that the highest and lowest export values for each commodity category 01: The highest value was in the fiscal year 2016-17, amounting to 52,739.89. The lowest value was recorded in the fiscal year 2022-23, at 4,098.42. 02: The highest value occurred in the fiscal year 2014-15, totaling 3,018,652.81. The lowest value was observed in the fiscal year 2021-22, amounting to 2,515,618.56. 03: The highest value was recorded in the fiscal year 2022-23, reaching 5,478,657.91. The lowest value was in the fiscal year 2020-21, totaling 3,879,563.86. 04: The highest value occurred in the fiscal year 2022-23, amounting to 489,873.43. The lowest value was in the fiscal year 2015-16, totaling 214,581.28. 05: The highest value was recorded in the fiscal year 2021-22, reaching 200,248.60. The lowest value occurred in the fiscal year 2014-15, amounting to 60,837.81. 06: The highest value occurred in the fiscal year 2021-22, totaling 77,240.33. The lowest value was recorded in the fiscal year 2016-17, at 46,079.68. 07: The highest value was observed in the fiscal year 2022-23, amounting to 1,541,542.69. The lowest value occurred in the fiscal year 2019-20, totaling 776,227.75. 08: The highest value was recorded in the fiscal year 2017-18, reaching 1,197,292.67. The lowest value occurred in the fiscal year 2019-20, amounting to 1,060,475.02. 09: The highest value occurred in the fiscal year 2022-23, totaling 3,335,052.90. The lowest value was recorded in the fiscal year 2014-15, at 1,756,310.10. 10: The highest value was observed in the fiscal year 2022-23, amounting to 11,108,435.14. The lowest value occurred in the fiscal year 2015-16, totaling 4,096,626.70.

**Table 3: COMMODITY-WISE IMPORT
(Billion in INR)**

S.No.	Commodity	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	CA GR
1.	01	7,397.99	6,122.99	6,203.06	5,655.41	6,261.85	8,712.54	7,687.67	7,777.28	8,828.01	1.98 %
2.	02	1,966.23	1,276.41	2,098.81	2,998.75	3,178.50	3,887.11	1,317.77	3,072.37	4,849.35	10.55 %
3.	03	37,929.13	44,151.88	39,523.63	58,340.66	74,512.49	91,631.15	112,005.67	125,672.82	152,899.09	16.75 %
4.	04	30,519.37	34,045.17	24,382.62	30,287.92	22,868.66	26,663.03	24,874.19	22,467.68	36,427.72	1.99 %
5.	05	22,694.25	25,112.73	27,006.92	31,236.94	30,961.03	25,303.98	21,975.60	32,912.31	37,851.54	5.85 %
6.	06	11,337.09	11,440.01	13,381.00	13,646.06	17,409.48	22,964.11	16,037.52	25,853.11	28,521.31	10.79 %
7.	07	1,735,882.15	2,640,929.37	2,881,296.95	1,913,817.62	837,434.30	1,118,958.55	1,247,083.49	1,730,583.31	1,611,910.21	-0.82 %
8.	08	1,628,775.20	1,988,399.14	2,039,898.68	2,191,133.19	2,532,393.05	2,337,292.24	2,341,439.66	2,786,945.55	3,459,826.02	8.73 %
9.	09	446,276.14	505,681.75	508,214.22	547,841.99	503,698.53	552,802.46	590,287.17	703,211.18	773,763.30	6.31 %
10.	10	13,649.66	122,541.25	901,104.69	280,666.21	51,012.18	130,634.79	35,715.55	42,029.58	123,798.56	27.76 %

Source: @Department of Commerce, Ministry of Commerce and Industry, Government of India

It is revealed from Table 3 that the highest and lowest import values for each commodity category 01: The highest value was in the fiscal year 2022-23, amounting to 8,828.01. The lowest value was recorded in the fiscal year 2015-16, at 6,122.99. 02: The highest value occurred in the fiscal year 2022-23, totaling 4,849.35. The lowest value was observed in the fiscal year 2015-16, amounting to 1,276.41. 03: The highest value was recorded in the fiscal year 2022-23, reaching 152,899.09. The lowest value occurred in the fiscal year 2016-17, at 39,523.63. 04: The highest value occurred in the fiscal year 2022-23, amounting to 36,427.72. The lowest value was recorded in the fiscal year 2018-19, totaling 22,868.66. 05: The highest value was observed in the fiscal year 2022-23, totaling 37,851.54. The lowest value occurred in the fiscal year 2020-21, at 21,975.60. 06: The highest value occurred in the fiscal year 2022-23, amounting to 28,521.31. The lowest value was recorded in the fiscal year 2014-15, at 11,337.09. 07: The highest value was observed in the fiscal year 2015-16, reaching 2,881,296.95. The lowest value occurred in the fiscal year 2018-19, totaling 837,434.30. 08: The highest value occurred in the fiscal year 2022-23, totaling 3,459,826.02. The lowest value was recorded in the fiscal year 2015-16, at 1,628,775.20. 09: The highest value occurred in the fiscal year 2022-23, amounting to 773,763.30. The lowest value was observed in the fiscal year 2015-16, at 446,276.14. 10:

The highest value was observed in the fiscal year 2016-17, totaling 901,104.69. The lowest value occurred in the fiscal year 2018-19, amounting to 35,715.55.

Table 4: TOTAL TRADE: TOP 10 COUNTRIES
(Billion in INR)

Rank	Country / Region	Export	Import	Total Trade	Trade Balance
1	U S A	78,542.60	50,863.87	1,29,406.47	27,678.73
2	CHINA P RP	15,306.10	98,505.77	1,13,811.87	-83,199.66
3	U ARAB EMTS	31,608.79	53,231.55	84,840.34	-21,622.76
4	SAUDI ARAB	10,727.65	42,035.27	52,762.92	-31,307.62
5	RUSSIA	3,146.95	46,212.71	49,359.67	-43,065.76
6	INDONESIA	10,024.30	28,820.41	38,844.70	-18,796.11
7	IRAQ	2,696.72	34,385.50	37,082.22	-31,688.78
8	SINGAPORE	11,992.94	23,595.35	35,588.29	-11,602.41
9	HONG KONG	9,892.61	18,274.95	28,167.56	-8,382.34
10	KOREA RP	6,654.10	21,227.32	27,881.42	-14,573.21
	Total of Top countries	1,80,592.78	4,17,152.70	5,97,745.47	-2,36,559.92
	India's Total	4,51,069.98	7,15,968.86	11,67,031.18	-2,64,898.87
	% Share of Top countries	40.04	58.26	51.22	89.3

Source: @Department of Commerce, Ministry of Commerce and Industry, Government of India

It is revealed from Table 4 that the highest and lowest export and import values show the highest and lowest values of exports and imports in the United States, China, and Russia. The highest exports were 78,542.60 billion, with China's RP contributing 98,505.77 billion to total trade and a trade balance of 27,678.73 billion. The lowest exports were 3,146.95 billion, with Hong Kong contributing 18,274.95 billion.

Table 5: RELATIONSHIP BETWEEN EXPORT, IMPORT AND GDP OF INDIA
(Billion in INR)

Year	GDP (in billion INR)	Growth Rate (%)	Export	Import
2014-15	152,934.75	---	1,896,348.41	2,736,676.99
2015-16	157,769.25	3.2	1,716,384.39	2,490,303.76
2016-17	172,110.00	9.1	1,849,433.54	2,577,671.14
2017-18	198,860.25	15.5	1,956,514.52	3,001,028.71
2018-19	202,719.75	1.9	2,307,726.18	3,594,674.22
2019-20	212,170.75	4.7	2,219,854.17	3,360,954.45
2020-21	200,370.00	-5.6	2,159,043.21	2,915,957.54
2021-20	236,272.25	17.9	3,147,021.48	4,572,770.69
2022-23	253,881.75	7.5	3,621,549.86	5,749,801.02

Source: World Bank @Department of Commerce, Ministry of Commerce and Industry, Government of India

Correlation coefficients are used to assess the strength and direction of the linear relationships between pairs of variables. A correlation coefficient of 0.88 was noted between the GDP and an export, indicating a high positive correlation, and a correlation coefficient of 0.86 was noted between the GDP and imports, indicating a high positive correlation.

CONCLUSION

The present study explores the impact of India's export performance on economic development over the past decade. It analyzes export data from 2014 to 2023, revealing significant fluctuations in export levels across various commodity categories. The study also explores the relationship between export performances. The study highlights a high positive correlation between exports, imports, and GDP.

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