



COTTON EXPORT PERFORMANCE IN INDIA

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Cite This Article: B. Madhan Kumar & S. Visveswaran, "Cotton Export Performance in India", International Journal of Computational Research and Development, Volume 7, Issue 1, Page Number 70-74, 2022.

Abstract:

The cotton export is the main part of textile industries. It is one of the primary parts 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 Total, Average, Growth rate and Trend analysis.

Key Words: Cotton, Textile, Export

Introduction:

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.

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 assess the exporting details of cotton product to the 15 countries in exports.
- 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 years and 15 countries. That year is 2009-2010 to 2021-2022.

Review of Literature:

Akilandeswari (2008) undertook a survey on “Marketing practices of readymade garments units in Salem District”. The main aim of the study is to analyze the problems in marketing that Salem garment manufacturing units faced in the new era.

Bedi (2009) in his article had prepared detailed report on Indian textile industry covering various sector of textile industry. This is one of the most comprehensive reports coveting all aspects of textile industry, performance and hindrances in the growth of it.

Gayathri (2010) has pointed out that Government export delivery schedule in the country are going awry on accounting of soaring prices of cotton yarns and its scarcity in the market.

Sukant Misra & Suwen Pan (2011) The partial equilibrium Indian fibre model was developed using a theoretically consistent framework and incorporated regional supply response, substitutability between cotton and man-made fibres, and appropriate linkage between cotton and textile sectors. Baseline projections were developed for supply, demand and prices of cotton, man-made fibres and textiles under a set of exogenous assumptions. The effects of MFA textile quota eliminations were introduced into the model by conducting three scenarios, i.e. increasing textile exports by 10, 20 and 30% from the baseline level. The results suggest that on an average, cotton imports rise by 4–8% annually, while the man-made fibre exports from India decline with the opening of textile markets in the developed countries. The higher domestic cotton prices encourage acreage expansion in cotton in all the three regions in India, but not enough to meet rising mill demand under the scenarios of higher textile exports. The rise in cotton imports from India has little effect on world cotton prices.

Fibre 2 Fashion News Desk (2018) - Rise in output is expected to raise India’s cotton export by 15 per cent to 67 lakh bales (of 170 kg each) in the 2017-18 marketing year, beginning October over the previous year’s figure of 58.21 lakh bales, according to the Cotton Advisory Board. Average prices have decreased by 2-4.8 per cent for various cotton varieties compared to the previous year. As on December 20, 97.59 lakh bales of cotton had arrived, out of which 3.66 lakh bales had been procured from farmers by the Cotton Corporation of India Limited under minimum support price (MSP) operations, he added.

Jayashree Bhosale (2018) The Cotton Advisory Board (CAB) has estimated that during the current cotton season of October, 2017 to September, 2018, the export of cotton from India is likely to increase by 20% over last year and is expected to touch 70 lakh bales by September, 2018, a release from the Press Information Bureau said. From October, 2017 to April 2018, the total amount of cotton exported from India was 51.21 lakh bales. CAB has estimated that the cotton production for the current cotton season will be 370 lakh bales. Domestic prices of cotton are ruling below the International cotton prices. domestic sale prices of the representative variety of S-6 cotton vis-à-vis international prices of its equivalent variety was lower by 7.18% as on July 14.

Henry Dsouza (2018) India's textile and clothing exports in 2017-18 grew marginally by 0.7% totalling to US\$ 36737.93 million over the previous fiscal as per data released by the Ministry of Commerce, India. But the textile and clothing exporters have failed to meet the target US\$ 45000 million set by the government of India. The T&C exports account for 12% of the country's total exports for the last fiscal year, whereas for 2016-17 it was 13% and 14% for 2015-16. Apparel exports have been dominating the sector for quite a long time now and currently apparels stake 46% of the total T&C exports share, but has witnessed a negative growth.

Export of Cotton from India:

Table 1

* Values in USD

Year	Belgium	Growth Rate	China P RP	Growth Rate	Canada	Growth Rate	France	Growth Rate	Denmark	Growth Rate	Germany	Growth Rate
2009	35.16		1265.67		8.39		7.24		3.49		64.35	
2010	41.51	18.06	1891.46	49.44	9.3	10.85	9.36	29.28	3.64	4.3	103.64	61.06
2011	52.76	27.1	4020.71	112.57	13.97	50.22	15.85	69.34	4.72	29.67	122.39	18.09
2012	40.55	-23.14	3410.51	-15.18	9.93	-28.92	12.09	-23.72	5.19	9.96	103.51	-15.43
2013	45.66	12.6	3833.41	12.4	9.34	-5.94	13.53	11.91	4.97	-4.24	99.2	-4.16
2014	39.87	-12.68	2277.87	-40.58	9.11	-2.46	12.77	-5.62	5.21	4.83	87.62	-11.67
2015	39.55	-0.8	1688.53	-25.87	7.77	-14.71	10.77	-15.66	5.21	0	80.58	-8.03
2016	35.74	-9.63	1342.55	-20.49	6.2	-20.21	9.45	-12.26	5.6	7.49	92.25	14.48
2017	38.44	7.55	1003.28	-25.27	6.41	3.39	9.77	3.39	7.48	33.57	98.03	6.27
2018	33.94	-11.71	1786.77	78.09	6.5	1.4	9.13	-6.55	4.75	-36.5	84.29	-14.02
2019	18.5	-45.49	777.96	-56.46	6.51	0.15	8.38	-8.21	5.12	7.79	76.29	-9.49
2020	21.92	18.49	1277.24	64.18	6.91	6.14	9.21	9.9	8.37	63.48	82.68	8.38
2021	32.54	48.45	1225.03	-4.09	9.66	39.8	9.02	-2.06	6.5	-22.34	88.4	6.92
Total	476.13		25800.99		110		136.57		70.25		1183.23	
Ave	36.63		1984.69		8.46		10.51		5.4		91.02	
Trend Analysis												
2022	25.51		917.28		6.41		8.98		7.23		83.32	
2023	21.8		450.57		5.77		7.88		7.42		75.82	
2024	18.55		-26		5.18		6.79		7.56		72.84	

2025	17.22		-184.31		5.44		6.66		7.8		73.62	
2026	14.45		-353.04		5.34		6.12		8.1		72.91	

(Source in – Exim Data Bank – Ministry of Commerce)

Export of Cotton from India:

Table 2

* Values in USD

Year	Indonesia	Growth Rate	Mauritius	Growth Rate	Brazil	Growth Rate	Pakistan IR	Growth Rate	Australia	Growth Rate	Singapore	Growth Rate
2009	106.75		31.6		102.08		242.77		8.88		20.15	
2010	128.73	20.59	45.43	43.77	145.79	42.82	423.69	74.52	9.48	6.76	14.35	-28.78
2011	105.88	-17.75	43.12	-5.08	91.82	-37.02	87.12	-79.44	13.68	44.3	10.21	-28.85
2012	109.21	3.15	33.38	-22.59	80.13	-12.73	471.93	441.7	8.14	-40.5	27.39	168.27
2013	147.35	34.92	39.22	17.5	61.3	-23.5	467.3	-0.98	7.46	-8.35	5.62	-79.48
2014	92.77	-37.04	32.82	-16.32	40.83	-33.39	200.22	-57.15	7.16	-4.02	5.46	-2.85
2015	128.25	38.25	31.6	-3.72	12.62	-69.09	782.34	290.74	6.35	-11.31	17.09	213
2016	129.22	0.76	40.24	27.34	29.95	137.32	477.46	-38.97	6.43	1.26	11.57	-32.3
2017	158.82	22.91	57.01	41.67	32.12	7.25	544.4	14.02	5.73	-10.89	3.99	-65.51
2018	104.21	-34.38	45.36	-20.44	20.49	-36.21	550.33	1.09	6.34	10.65	3.29	-17.54
2019	105.99	1.71	36.14	-20.33	17.29	-15.62	64.25	-88.33	4.75	-25.08	1.98	-39.82
2020	118.06	11.39	38.91	7.66	35.12	103.12	0	-100	6.9	45.26	1.55	-21.72
2021	186.89	58.3	44.98	15.6	21.36	-39.18	0		4.79	-30.58	2.37	52.9
Total	1622.13		519.81		690.9		4311.81		96.09		125.02	
Ave	124.78		39.99		53.15		331.68		7.39		9.62	

(Source in – Exim Data Bank – Ministry of Commerce)

Trend Analysis												
2022	142.95		43.78		7.77		216.3		4.21		-0.88	
2023	145.07		43.34		17.11		163.7		3.52		-2.09	
2024	150.68		44.95		16.69		130.72		2.9		-3.97	
2025	152.99		46.69		20.24		32.88		3.14		-6.6	
2026	154.94		47.02		22.97		-22.75		2.8		-6.19	

Interpretation:

The above table shows the Cotton (52) product export from India to Belgium during the year 2009 to 2021. From the growth rate analysis the Belgium has showed 6 years negative values and balance years are positive value. Total value is 476.13, Average value is 36.63. The Belgium's trend analysis is make a next 5 years was decreasing the export in year by year. The above table shows the Cotton (52) product export from India to China during the year 2009 to 2021. From the growth rate analysis the China has showed 7 years negative values and balance years are positive value. Total value is 25800.99, Average value is 1984.69. The China's trend analysis is make a next 5 years was decreasing the export in year by year. The above table shows the Cotton (52) product export from India to Canada during the year 2009 to 2021. From the growth rate analysis the Canada has showed 5 years negative values and balance years are positive value. Total value is 110, Average value is 8.46. The Canada's trend analysis is make a next 5 years was decreasing the export in year by year. The above table shows the Cotton (52) product export from India to France during the year 2009 to 2021. From the growth rate analysis the France has showed 7 years negative values and balance years are positive value. Total value is 136.57, Average value is 10.51. The Franz's trend analysis is make a next 5 years was decreasing the export in year by year. The above table shows the Cotton (52) product export from India to Denmark during the year 2009 to 2021. From the growth rate analysis the Denmark has showed 3 years negative values and balance years are positive value. Total value is 70.25, Average value is 5.40. The Denmark's trend analysis is make a next 5 years was increasing the export in year by year. The above table shows the Cotton (52) product export from India to Germany during the year 2009 to 2021. From the growth rate analysis the Germany has showed 6 years negative values and balance years are positive value. Total value is 1183.23, Average value is 97.02. The Germany's trend analysis is make a next 5 years was fluctuation the export in year by year. The above table shows the Cotton (52) product export from India to Indonesia during the year 2009 to 2021. From the growth rate analysis the Indonesia has showed 3 years negative values and balance years are positive value. Total value is 1622.13, Average value is 124.78. The Indonesia's trend analysis is make a next 5 years was increasing the export in year by year. The above table shows the Cotton (52) product export from India to Mauritius during the year 2009 to 2021. From the growth rate analysis the Mauritius has showed 6 years negative values and balance years are positive value. Total value is 519.81, Average value is 39.99. The Mauritius's trend analysis is make a next 5 years was increasing the export in year by year. The above table shows the Cotton (52) product export from India to Brazil during the year 2009 to 2021. From the growth rate analysis the Brazil has showed 8 years negative values and balance years are positive value. Total value is 690.9, Average value is 53.15. The Brazil's trend analysis is make a next 5 years was increasing the export in year by year. The above table shows the Cotton (52) product export from India to Pakistan during the year 2009 to 2021. From the growth rate analysis the Pakistan has showed 6 years negative values and balance years are

positive value. Total value is 4311.81, Average value is 331.68. The Pakistan's trend analysis is make a next 5 years was decreasing the export in year by year. The above table shows the Cotton (52) product export from India to Australia during the year 2009 to 2021. From the growth rate analysis the Australia has showed 7 years negative values and balance years are positive value. Total value is 96.09, Average value is 7.39. The Australia's trend analysis is make a next 5 years was increasing the export in year by year. The above table shows the Cotton (52) product export from India to Singapore during the year 2009 to 2021. From the growth rate analysis the Singapore has showed 9 years negative values and balance years are positive value. Total value is 125.02, Average value is 9.62. The Singapore's trend analysis is make a next 5 years was decreasing the export in year by year.

Findings:

- Export of the Belgium's trend analysis is make a next 5 years was decreasing the export in year by year.
- Export of the China's trend analysis is make a next 5 years was decreasing the export in year by year.
- Export of the Canada's trend analysis is make a next 5 years was decreasing the export in year by year.
- Export of the Franz's trend analysis is make a next 5 years was decreasing the export in year by year.
- Export of the Denmark's trend analysis is make a next 5 years was increasing the export in year by year.
- Export of the Germany's trend analysis is make a next 5 years was fluctuation the export in year by year.
- Export of the Indonesia's trend analysis is make a next 5 years was increasing the export in year by year.
- Export of the Mauritius's trend analysis is make a next 5 years was increasing the export in year by year.
- Export of the Brazil's trend analysis is make a next 5 years was increasing the export in year by year.
- Export of the Pakistan's trend analysis is make a next 5 years was decreasing the export in year by year.
- Export of the Australia's trend analysis is make a next 5 years was increasing the export in year by year.
- Export of the Singapore's trend analysis is make a next 5 years was decreasing the export in year by year.

Suggestions:

- The Indian government is make a main focus for this Cotton export, when this is the main element of Textile industry and also the medical industry.
- The Government of India should enter into more trade agreements with other countries for Cotton exports.
- To mainly focus the most exporting countries of China and Pakistan to make a main focus for this exporting and provides a more incentives.
- To make some concession for Cotton export for the Indian exports.
- Government will provide an extra funds to the budget in Cotton business industries development purpose.
- Cotton is raw material for medical industries also to make a some special schemes are needed in this business industries.

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 domestic 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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