## A Brief Report on the Competitiveness of India in the UK with respect to the various broad commodity groups (ITC-HS two-digit chapters)

The United Kingdom constitutes an important trading partner of India, consistently ranking among the top 10 destination countries in terms of its share/contribution to India's exports. In FY 2020-21, she was the seventh largest market for India's exports, with a share of $2.8 \%$ (or $\$ 8.16 \mathrm{bn}$ in absolute terms) of the export trade value of India (of $\$ 291.16 \mathrm{bn}$ ).Average share of UK in India's exports from January 2021 to November 2021 is $2.62 \%$. With India having already achieved a little more than $\$ 300$ USD in exports in the nine months from AprDec 2021 against the merchandise export target of $\$ 400$ bn in FY 2021-22, UK is predicted to comfortably breach the $\$ 8$ billion mark it crossed last year and hit $\$ 10-12$ bn in FY 2021-22. Being a very important destination of India's exports and in light of the ongoing bilateral negotiations between India and UK, it is important to probe into commodity groups that India should look into to increase her absolute exports to the UK and improve her market share. The market shares of India's merchandise in the USA may be seen at Annexure-I.

It is in this context that two indices, described below, have been used to examine the competitiveness of India in the UK as regards the various broad commodity groups (ITC-HS two-digit chapters). The first, $\mathrm{r}_{1}$, is a measure of the market share of India in the UK for a particular commodity group compared to the market share of India in the world for the same commodity group. Algebraically,

$$
\mathrm{r}_{1}=\left\{\left(\mathrm{M}_{\mathrm{UIj}}\right) /\left(\mathrm{M}_{\mathrm{Uj}}\right)\right\} /\left\{\left(\mathrm{M}_{\mathrm{wij}_{\mathrm{j}}}\right) /\left(\mathrm{M}_{\mathrm{w}_{\mathrm{j}}}\right)\right\}
$$

where $\mathrm{M}=$ imports,
and the subscripts $\mathrm{I}=\mathrm{India}, \mathrm{U}=\mathrm{UK}, \mathrm{W}=$ world, $\mathrm{j}=\mathrm{jth}$ commodity group.
Therefore, $\mathrm{M}_{\mathrm{UIj}}$ is UK imports of j from India,
$\mathrm{M}_{\mathrm{Uj}}$ is UK imports of j from the world,
$\mathrm{M}_{\mathrm{wjj}}$ is world imports of j from India,
$\mathrm{M}_{\mathrm{w}} \mathrm{is}$ istal world imports of j .
The other measure, $\mathrm{r}_{2}$, computes the market share of India in the UK for a particular commodity group in comparison with the market share of India in the UK as regards all commodity groups taken together.

$$
\mathrm{r}_{2}=\left\{\left(\mathrm{M}_{\mathrm{UIj}}\right) /\left(\mathrm{M}_{\mathrm{Uj}}\right)\right\} /\left\{\left(\mathrm{M}_{\mathrm{UI}}\right) /\left(\mathrm{M}_{\mathrm{U}}\right)\right\}
$$

Here, MUI is total UK imports from India,
$\mathrm{M}_{\mathrm{U}}$ is total world imports.

There can be 4 possibilities in the real world:
(a) Possibility 1 : $\mathrm{r}_{1}<1, \mathrm{r}_{2}<1$. It implies that commodity group j does not enjoy the market share (for India in the UK) as it does in the rest of the world. But is it because trade between the two countries is hamstrung owing to some non-economic reason - political, geographical, cultural, historical and so on? Not necessarily, because the India's total market share in the UK is higher than the share of this particular commodity group. So, industry-specific export drives are required definitely, whether accompanied by country-specific measures or not, we will see to subsequently. Seemingly, a blend of both product specific intervention and market-
oriented research may be required to improve the market share of this commodity in the UK versus the world and also against all commodities' in the UK market.
(b) Possibility 2: $r_{1}>1, r_{2}<1$. This implies that, even though market share for a particular commodity group is lower than India's total market share in the UK, it is higher than India's share in the world market (for this commodity group). Maybe, India's overall penetration in the US market has pulled the market share of this commodity group there above the share in the world market. Even if India's exposure in UK market is better, on an average, still the product share within UK market is less compared to all product's share. Hence, more product specific approach may have to be adopted.
(c) Possibility 3: $r_{1}<1, r_{2}>1$. This implies that though India's market share in the UK for this group is more than India's total market share, it cannot surpass the India's share in world market for this commodity. Probably, a significant improvement in India's overall market penetration in the UK may increase exports. Market-research and customer segmentation approaches within the UK market for the product in terms of quality enhancement and targeting the right customer mix (say high population, affluent states with taste for more product differentiation) may enhance market share of this commodity in UK with respect to the world.
(d) Possibility 4: $r_{1}>1, r_{2}>1$. The situation is encouraging for the product group or industry.

In theory, there can be 5 other possibilities wherein either or both of the r's equal(s) 1 , but they are improbable in real life and hence, ignored (shaded in grey). The matrix below, provides a visual aid to the combinations as discussed in the preceding section which allude to the four real world possibilities with competitiveness indices (r1\&r2) combinations.

The complete range of possibilities (theoretically and observationally) are highlighted in the figure below.

Figure 1: List of Exhaustive Possibilities, in theory and real-world for the values of competitiveness indices (r1\&r2)

|  | $\mathrm{r} 1<1$ | r1=1 | r1>1 |
| :---: | :---: | :---: | :---: |
| r2<1 | Definite product promotion policy needed with some market-oriented outreach |  | More vigorous product promotion needed |
| r2=1 |  |  |  |
| r2>1 | More vigorous market promotion needed |  | Product-group's performance satisfactory; no action prescribed |

In the subsequent section, (Tables 1 to 8 ) we examine the values of these index-value pairs between India and UK from 2016 to 2020, ITC-HS chapter-wise, colour-coded in yellow ( $\mathrm{r} 1<1, \mathrm{r} 2<1$ ), green ( $\mathrm{r} 1>1, \mathrm{r} 2<1$ ), red ( $\mathrm{r} 1<1, \mathrm{r} 2>1$ ) and blue ( $\mathrm{r} 1>1, \mathrm{r} 2>1$ ). The computation of these indices are based on the updated bilateral trade data from UN Comtrade.

Table1:Values of Competitiveness Indices pair (r1 and r2) between India and UK from 2016 to 2020 for Agricultural and Related Products (Chapters 01-24)

| $\begin{gathered} \text { ITC-HS } \\ \text { CHAPTER } \end{gathered}$ | COMMODITY NAME | 2016 | 2017 | 2018 | 2019 | 2020 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| HS-3 | Fish, crustaceans, molluscs, aquatic invertebrates nes | 0.98,3.77 | 0.89,4.05 | - | - | - |
| HS-4 | Dairy products, eggs, honey, edible animal product nes | 0.00,0.00 | 0.00,0.00 | - | - | - |
| HS-5 | Products of animal origin, nes | 1.12,0.90 | 1.13,0.87 | - | - | - |
| HS-6 | Live trees, plants, bulbs, roots, cut flowers etc | 0.82,0.25 | 0.84,0.23 | - | - | - |
| HS-7 | Edible vegetables and certain roots and tubers | 0.72,0.91 | 0.74,0.89 | - | - | - |
| HS-8 | Edible fruit, nuts, peel of citrus fruit, melons | 0.69,0.79 | 0.65,0.82 | - | - | - |
| HS-9 | Coffee, tea, mate and spices | 1.09,5.94 | 1.00,5.40 | - | - | - |
| HS-10 | Cereals | 1.47,6.85 | 1.80,9.90 | 0.47,2.30 | 1.09,5.43 | 1.17,7.31 |
| HS-11 | Milling products, malt, starches, inulin, wheat gluten | 1.78,1.82 | 1.58,1.65 | 1.24,1.47 | 1.51,1.71 | 1.40,2.30 |
| HS-12 | Oil seed, oleagic fruits, grain, seed, fruit, etc, nes | 1.08,1.56 | 1.41,1.81 | 1.49,1.72 | 1.25,1.64 | 1.30,1.87 |
| HS-13 | Lac, gums, resins, vegetable saps and extracts nes | 0.60,5.72 | 0.40,4.20 | 0.56,5.29 | 0.66,5.53 | 0.89,6.91 |
| HS-14 | Vegetable plaiting materials, vegetable products nes | 0.71,4.92 | 1.59,7.53 | 2.10,7.94 | 0.89,3.26 | 1.27,3.74 |
| HS-15 | Animal, vegetable fats and oils, cleavage products, etc | 1.04,0.80 | 0.78,0.69 | 0.86,0.76 | 0.97,0.98 | 0.71,0.86 |
| HS-16 | Meat, fish and seafood food preparations nes | 0.43,0.22 | 0.36,0.27 | 0.49,0.28 | 0.27,0.17 | 0.24,0.24 |
| HS-17 | Sugars and sugar confectionery | 0.09,0.28 | 0.12,0.24 | 0.37,0.78 | 0.51,1.83 | 1.12,0.70 |
| HS-18 | Cocoa and cocoa preparations | 0.00,0.00 | 0.05,0.01 | 0.11,0.03 | 0.00,0.00 | 0.00,0.00 |
| HS-19 | Cereal, flour, starch, milk preparations and products | 0.45,0.26 | 0.48,0.26 | 0.57,0.29 | 0.61,0.29 | 0.65,0.40 |
| HS-20 | Vegetable, fruit, nut, etc food preparations | 2.66,1.64 | 1.93,1.33 | 0.85,0.56 | 1.75,1.20 | 1.75,1.61 |
| HS-21 | Miscellaneous edible preparations | 0.62,0.43 | 0.55,0.42 | 0.51,0.36 | 0.67,0.50 | 0.91,0.81 |
| HS-22 | Beverages, spirits and vinegar | 0.08,0.01 | 0.06,0.01 | 0.06,0.01 | 0.10,0.01 | 0.07,0.01 |
| HS-23 | Residues, wastes of food industry, animal fodder | 0.20,0.17 | 0.25,0.39 | 0.22,0.34 | 0.36,0.50 | 0.55,0.87 |
| HS-24 | Tobacco and manufactured tobacco substitutes | 1.50,2.83 | 0.70,1.17 | 0.35,0.54 | 0.27,0.41 | 0.01,0.02 |

Source: UN Comtrade
From table 1, we see that for Agricultural and Related Products (Chapters 1 to 24), India's export competitiveness in UK market is satisfactory for ITC-HS chapters $9,10,11,12,13,14$, and 20 (shaded in teal blue). For HS-3 and HS-13, more vigorous market promotion is needed as seen by index values shaded in red. For HS-5 and HS-17 (index values in green), vigorous product promotion is needed. Serious product and market based intervention is required for product groups whose value-pairs are shaded in yellow, and there are several such chapters.

Table2:Values of Competitiveness Indices pair (r1 and r2) between India and UK from 2016 to 2020 for Mineral
Products (Chapters 25-27)

| Products (Chapters 25-27) |  |  |  |  |  |  |
| :--- | :--- | :---: | :---: | :---: | :---: | :---: |
| CHAP-HS | COMMODITY NAME | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ | $\mathbf{2 0 1 9}$ | $\mathbf{2 0 2 0}$ |
| HS-25 | Salt, sulphur, earth, stone, plaster, lime and <br> cement | $2.43,9.24$ | $3.06,12.28$ | $2.51,9.00$ | $2.84,9.50$ | $3.64,14.62$ |
| HS-26 | Ores, slag and ash | $0.12,0.08$ | $0.38,0.29$ | $2.31,1.35$ | $0.41,0.40$ | $0.79,1.19$ |
| HS-27 | Mineral fuels, oils, distillation products, etc | $0.31,0.47$ | $0.48,0.87$ | $0.45,0.71$ | $1.03,1.64$ | $0.51,0.86$ |

Source: UN Comtrade
Let us now turn to table 2. For USA, we had seen that for Mineral Products (Chapters 25-27), for all ITC-HS codes, heavy product based intervention along with a scrutiny into market factors was needed for improving India's export competitiveness. However, for UK, for HS-25 ("Salt, sulphur, earth, stone, plaster, lime and cement"), India's exports to the UK look competitive.

Table3: Values of Competitiveness Indices pair (r1 and r2) between India and UK from 2016 to 2020 for Products of Chemical or
Allied Industries(Chapters 28-40)

| Allied Industries(Chapters 28-40) |  |  |  |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :---: |
| CHAPTER | COMMODITY NAME |  |  |  |  |  |  |
| HS-28 | Inorganic chemicals, precious metal compound, <br> isotopes |  | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ | $\mathbf{2 0 1 9}$ |  |
| HS-29 | Organic chemicals | $0.32,0.31$ | $0.35,0.39$ | $0.44,0.53$ | $0.56,0.62$ | $0.92,1.11$ |  |
| HS-30 | Pharmaceutical products | $1.07,2.60$ | $0.78,2.18$ | $0.69,2.14$ | $0.81,2.58$ | $0.81,3.23$ |  |
| HS-31 | Fertilizers | $0.58,1.12$ | $0.52,0.92$ | $0.82,1.49$ | $0.64,1.17$ | $0.78,1.83$ |  |
| HS-32 | Tanning, dyeing extracts, tannins, derivs,pigments etc | $0.72,1.79$ | $0.65,1.68$ | $0.63,1.77$ | $0.68,2.08$ | $0.75,2.40$ |  |
| HS-33 | Essential oils, perfumes, cosmetics, toileteries | $0.63,0.60$ | $0.59,0.60$ | $0.58,0.54$ | $0.52,0.56$ | $0.72,0.77$ |  |
| HS-34 | Soaps, lubricants, waxes, candles, modelling pastes | $0.83,0.61$ | $0.87,0.62$ | $0.70,0.49$ | $0.71,0.51$ | $0.71,0.62$ |  |
| HS-35 | Albuminoids, modified starches, glues, enzymes | $0.16,0.11$ | $0.09,0.05$ | $0.14,0.08$ | $0.32,0.17$ | $0.41,0.25$ |  |
| HS-36 | Explosives, pyrotechnics, matches, pyrophorics, etc | $0.07,0.11$ | $0.27,0.51$ | $0.08,0.16$ | $0.11,0.21$ | $0.06,0.16$ |  |
| HS-37 | Photographic or cinematographic goods | $0.19,0.01$ | $0.13,0.00$ | $0.00,0.00$ | - | $0.18,0.01$ |  |
| HS-38 | Miscellaneous chemical products | $0.51,0.69$ | $0.48,0.69$ | $0.49,0.75$ | $0.37,0.65$ | $0.34,0.65$ |  |
| HS-39 | Plastics and articles thereof | $0.94,0.66$ | $0.83,0.65$ | $2.14,4.59$ | $2.15,4.36$ | $2.27,5.06$ |  |
| HS-40 | Rubber and articles thereof | $1.39,1.52$ | $1.17,1.47$ | $0.46,0.04$ | $0.58,0.05$ | $0.55,0.10$ |  |

Source: UN Comtrade
Even for Products of Chemical or Allied Industries (Chapters 28-40), Indian exports fared much better in USA compared to UK. Unlike for UK, where except for satisfactory performance of HS-39(plastics and related articles), all other chemical and allied products need heavy intervention on both fronts, product and market. For USA, several ITC-HS categories such as HS-29 (Organic chemicals), HS-30(Pharmaceutical products), HS-32(Tanning/Dyeing products) and HS-33(essential oils/perfumes/toiletries) exports had hit the required level of market penetration and competition by 2020 . For these categories of Indian merchandise which are doing well in the USA, market based promotional intervention (red shaded region) is required for most of these products to do well in the UK.

| Table 4 :Values of Competitiveness Indices pair (r1 and r2) between India and UK from 2016 to 2020 for Leather, Wood and Paper <br> Products (Chapters 41-49) |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| ITC-HS CHAPTER | COMMODITY NAME | 2016 | 2017 | 2018 | 2019 | 2020 |
| HS-41 | Raw hides and skins (other than furskins) and leather | 0.52,0.31 | 0.49,1.24 | 0.59,0.13 | 0.58,0.15 | 0.59,0.16 |
| HS-42 | Articles of leather, animal gut, harness, travel goods | 2.28,5.39 | 2.13,4.67 | 0.65,0.08 | 1.33,0.15 | 3.30,0.48 |
| HS-43 | Furskins and artificial fur, manufactures thereof | 2.30,0.24 | 1.40,0.12 | 1.20,1.12 | 1.05,1.32 | 0.75,1.01 |
| HS-44 | Wood and articles of wood, wood charcoal | 0.65,0.16 | 0.61,0.14 | 14.34,0.06 | 1.04,0.01 | 0.41,0.00 |
| HS-45 | Cork and articles of cork | 0.81,0.07 | 0.69,0.07 | 0.74,0.55 | 0.88,0.76 | 0.85,0.80 |
| HS-46 | Manufactures of plaiting material, basketwork, etc. | 3.12,1.17 | 1.26,0.83 | 1.81,1.28 | 2.24,1.55 | 3.05,1.93 |
| HS-47 | Pulp of wood, fibrous cellulosic material, waste etc | 1.16,0.01 | 16.06,0.04 | 1.24,3.20 | 3.40,10.13 | 2.16,12.05 |
| HS-48 | Paper \& paperboard, articles of pulp, paper and board | 1.11,0.63 | 0.92,0.54 | 4.75,4.31 | 6.33,6.43 | 6.12,6.27 |
| HS-49 | Printed books, newspapers, pictures etc | 2.75,1.49 | 2.97,1.47 | 0.49,4.95 | 0.71,5.59 | 0.50,5.38 |

Source: UN Comtrade
In Table 4, for Leather, Wood and Paper Products (Chapters 41-49), a mix of both product and market-based approaches is required. Perhaps product development with more end-use options and product variety with industry-based R\&D that are environmental friendly have to be developed to find buyers in a developed country like UK, for ITC-HS chapters 42 . For instance, primary products like raw hides, wood and paper pulp may have limited use or UK is able to source these primary, unprocessed products at better price, quality and terms from other trading partners. Similarly, for HS-43 (Fur and its manufactures) and HS-49(Printed books, Newspapers), market-research and customer profiling within UK market may be attempted in line with elite/rarefied tastes and preferences and better quality to enhance market share in the UK compared with the rest of the world.

| Table 5: Values of Competitiveness Indices pair (r1 and r2) between India and UK from 2016 to 2020 for r Textiles, Textile Articles, Footwear and Headgear (Chapters 50-65) |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{gathered} \text { ITC-HS } \\ \text { CHAPTER } \end{gathered}$ | COMMODITY NAME | 2016 | 2017 | 2018 | 2019 | 2020 |
| HS-50 | Silk | 5.06,15.90 | 3.91,10.66 | 1.10,9.08 | 1.39,10.32 | 1.21,14.09 |
| HS-51 | Wool, animal hair, horsehair yarn and fabric thereof | 5.02,4.60 | 5.31,4.62 | 1.09,3.41 | 1.11,3.53 | 1.12,3.79 |
| HS-52 | Cotton | 0.65,6.05 | 0.52,4.95 | 0.75,2.72 | 0.70,2.42 | 0.66,2.47 |
| HS-53 | Vegetable textile fibres nes, paper yarn, woven fabric | 1.24,11.24 | 1.08,9.73 | 1.83,2.00 | 2.67,2.96 | 2.41,3.10 |
| HS-54 | Manmade filaments | 1.22,3.78 | 1.00,3.64 | 0.61,5.29 | 0.69,5.42 | 0.67,6.51 |
| HS-55 | Manmade staple fibres | 0.53,2.21 | 0.51,2.42 | 2.14,4.39 | 1.78,4.11 | 1.78,4.82 |
| HS-56 | Wadding, felt, nonwovens, yarns, twine, cordage, etc | 1.94,2.65 | 1.57,1.81 | 1.53,1.00 | 1.16,0.88 | 0.64,0.79 |
| HS-57 | Carpets and other textile floor coverings | 0.65,5.90 | 0.64,5.45 | 0.43,0.34 | 1.21,1.05 | 1.34,1.58 |
| HS-58 | Special woven or tufted fabric, lace, tapestry etc | 2.43,5.02 | 2.14,4.59 | 1.54,4.02 | 1.57,4.06 | 1.46,4.01 |
| HS-59 | Impregnated, coated or laminated textile fabric | 2.56,1.65 | 1.61,1.07 | 1.42,3.87 | 1.42,3.96 | 1.16,3.23 |
| HS-60 | Knitted or crocheted fabric | 1.31,0.75 | 1.41,0.95 | 1.35,7.70 | 1.38,7.67 | 0.80,2.69 |
| HS-61 | Articles of apparel, accessories, knit or crochet | 1.67,5.01 | 1.39,4.41 | 2.10,3.08 | 2.25,3.05 | 2.02,2.75 |
| HS-62 | Articles of apparel, accessories, not knit or crochet | 1.34,4.68 | 1.25,4.08 | 1.96,0.62 | 1.84,0.74 | 1.59,0.88 |
| HS-63 | Other made textile articles, sets, worn clothing etc | 1.30,7.58 | 1.23,7.28 | 2.64,0.13 | 2.08,0.13 | 1.86,0.13 |
| HS-64 | Footwear, gaiters and the like, parts thereof | 2.51,4.29 | 2.00,3.25 | 0.34,0.56 | 0.18,0.33 | 0.15,0.37 |
| HS-65 | Headgear and parts thereof | 2.28,0.75 | 2.04,0.69 | 1.47,2.85 | 1.31,2.92 | 1.48,4.07 |

Source: UN Comtrade
Table 5 gives the values of competitiveness indices pair (r1 and r2) between India and UK from 2016 to 2020 for Textiles, Textile Articles, Footwear and Headgear (Chapters 50-65). India on an average seems to be doing pretty great (blue shaded region) in textiles items exports to the UK. Similar good performance was noted for USA with respect to textiles exports from India. For HS-65 (Headgear) too, Indian exports to UK look competitive in recent years. For HS-64 (Footwear), however, a definitive product promotion policy with market-research is needed for more effective bilateral trade between the trading partners.

| Table 6: Values of Competitiveness Indices pair (r1 and r2) between India and UK from 2016 to 2020 <br> Assorted Group of <br> Items (Chapters 66-71) |  |  |  |  |  |  |  |
| :--- | :--- | :---: | :---: | :---: | :---: | :---: | :---: |
| ITC-HS <br> CHAPTER | COMMODITY NAME | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ | $\mathbf{2 0 1 9}$ | $\mathbf{2 0 2 0}$ |  |
| HS-66 | Umbrellas, walking-sticks, seat-sticks, <br> whips, etc | $0.70,0.10$ | $3.07,0.11$ | $0.66,1.23$ | $0.82,1.76$ | $0.96,2.84$ |  |
| HS-67 | Bird skin, feathers, artificial flowers, <br> human hair | $0.28,0.70$ | $0.23,0.47$ | $0.69,0.57$ | $0.86,0.72$ | $0.87,0.77$ |  |
| HS-68 | Stone, plaster, cement, asbestos, mica, etc <br> articles | $1.70,3.48$ | $1.88,3.77$ | $0.33,1.40$ | $0.12,0.49$ | $0.10,0.32$ |  |
| HS-69 | Ceramic products | $0.59,0.94$ | $0.60,1.05$ | $0.62,1.10$ | $0.59,1.15$ | $0.52,1.51$ |  |
| HS-70 | Glass and glassware | $0.92,0.63$ | $0.90,0.63$ | $1.00,1.58$ | $1.05,1.75$ | $1.13,2.10$ |  |
| HS-71 | Pearls, precious stones, metals, coins, etc | $0.16,0.68$ | $0.20,0.92$ | $1.09,0.83$ | $2.08,0.95$ | $1.90,1.12$ |  |

Source: UN Comtrade
From Table 6, we find competitiveness indices values for India to UK for Assorted Group of Items (Chapters 66-71). With the exception of HS-70 (Glass and Glassware) and HS-71 (Pearls, precious stones etc.), where from Indian exports are doing well in the UK in recent years (blue shaded region), a mix of product and market specific research is required for other groups.

Table 7: Values of Competitiveness Indices pair (r1 and r2) between India and UK from 2016 to 2020 for r Base Metals
and Articles of Base Metals (Chapters 72-83)

| and Articles of Base Metals (Chapters 72-83) |  |  |  |  |  |  |
| :--- | :--- | :---: | :---: | :---: | :---: | :---: |
| ITC-HS <br> CHAPTER | COMMODITY NAME | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 8}$ | $\mathbf{2 0 1 9}$ | $\mathbf{2 0 2 0}$ |
| HS-72 | Iron and steel | $0.64,1.06$ | $0.73,1.78$ | $2.18,0.38$ | $1.30,0.35$ | $1.08,0.21$ |
| HS-73 | Articles of iron or steel | $1.19,1.98$ | $0.99,1.77$ | $0.54,1.05$ | $0.36,0.78$ | $0.27,0.76$ |
| HS-74 | Copper and articles thereof | $0.59,0.95$ | $0.41,0.78$ | $0.05,0.21$ | $0.06,0.24$ | $0.05,0.26$ |
| HS-75 | Nickel and articles thereof | $0.31,0.18$ | $1.28,0.21$ | $0.03,0.08$ | $0.03,0.06$ | $0.01,0.07$ |
| HS-76 | Aluminium and articles thereof | $0.42,0.55$ | $0.34,0.60$ | $6.68,0.92$ | $4.03,0.66$ | $3.10,0.60$ |
| HS-78 | Lead and articles thereof | $0.09,0.17$ | $0.04,0.16$ | $1.00,0.22$ | $0.26,0.05$ | $0.25,0.06$ |
| HS-79 | Zinc and articles thereof | $0.02,0.06$ | $0.01,0.04$ | $1.71,1.54$ | $1.72,1.61$ | $1.74,1.85$ |
| HS-80 | Tin and articles thereof | $1.41,0.46$ | $4.12,0.65$ | $4.46,2.66$ | $4.59,2.92$ | $4.54,3.49$ |
| HS-81 | Other base metals, cermets, articles <br> thereof | $0.28,0.05$ | $0.24,0.05$ | $1.27,0.79$ | $1.13,0.75$ | $1.04,0.75$ |
| HS-82 | Tools, implements, cutlery, etc of <br> base metal | $2.03,1.84$ | $1.63,1.52$ | $1.29,0.38$ | $1.08,0.40$ | $1.68,0.67$ |
| HS-83 | Miscellaneous articles of base metal | $5.18,3.10$ | $4.58,2.90$ | $0.22,0.19$ | $0.24,0.15$ | $1.24,0.33$ |

Source: UN Comtrade

From Table 7 (see previous page), for Base Metals and Articles of Base Metals (Chapters 72-83), mostly vigorous product specific intervention is required for bulk of the commodities. India's exports look competitive enough for UK for ITC HS chapters HS-79(Zinc) and HS-80(Tin) whereas Indian exports of HS-73 (Iron \& Steel), HS-78 (Lead) and HS-83 (Base Metals) were found competitive in USA market (but not in the UK market).

| Table 8: Values of Competitiveness Indices pair (r1 and r2) between India and UK from 2016 to 2020 for HighEnd Manufactured Products, Furniture, Sports Goods and Works of Art (Chapters 84-99) |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| ITC-HS CHAPTER | COMMODITY NAME | 2016 | 2017 | 2018 | 2019 | 2020 |
| HS-84 | Nuclear reactors, boilers, machinery, etc | 1.40,0.71 | 1.30,0.74 | 0.24,0.21 | 0.31,0.25 | 0.33,0.28 |
| HS-85 | Electrical, electronic equipment | 2.00,0.48 | 1.50,0.36 | 2.39,0.94 | 3.45,1.00 | 2.19,0.96 |
| HS-86 | Railway, tramway locomotives, rolling stock, equipment | 0.31,0.13 | 0.21,0.12 | 0.00,0.00 | 0.00,0.00 | 0.00,0.00 |
| HS-87 | Vehicles other than railway, tramway | 0.38,0.31 | 0.30,0.25 | 3.54,1.28 | 1.49,0.56 | 1.16,0.50 |
| HS-88 | Aircraft, spacecraft, and parts thereof | 0.64,0.41 | 1.21,0.58 | 6.32,0.77 | 0.39,0.04 | 0.37,0.05 |
| HS-89 | Ships, boats and other floating structures | 0.00,0.00 | 0.00,0.00 | 0.63,0.12 | 0.63,0.16 | 0.62,0.18 |
| HS-90 | Optical, photo, technical, medical, etc apparatus | 2.22,0.77 | 3.40,1.20 | 0.25,0.14 | 0.54,0.28 | 0.08,0.09 |
| HS-91 | Clocks and watches and parts thereof | 0.64,0.07 | 0.64,0.06 | 1.74,0.79 | 1.60,0.79 | 1.51,0.88 |
| HS-92 | Musical instruments, parts and accessories | 0.44,0.09 | 0.63,0.12 | 2.42,0.55 | 2.71,0.65 | 2.79,0.68 |
| HS-93 | Arms and ammunition, parts and accessories thereof | 0.11,0.04 | 0.28,0.14 | 0.48,0.39 | 0.52,0.43 | 0.58,0.49 |
| HS-94 | Furniture, lighting, signs, prefabricated buildings | 1.88,0.82 | 1.77,0.79 | 0.84,0.20 | 1.23,0.25 | 2.40,0.45 |
| HS-95 | Toys, games, sports requisites | 2.68,0.59 | 3.08,0.56 | 2.42,0.55 | 2.71,0.65 | 2.79,0.68 |
| HS-96 | Miscellaneous manufactured articles | 0.68,0.57 | 0.61,0.47 | 18.74,0.41 | 7.52,0.29 | 17.07,0.40 |
| HS-97 | Works of art, collectors pieces and antiques | 0.75,0.52 | 1.17,0.23 | 0.84,0.20 | 1.23,0.25 | 2.40,0.45 |
| HS-99 | Commodities not elsewhere specified | 4.87,0.70 | 6.26,0.43 | 18.74,0.41 | 7.52,0.29 | 17.07,0.40 |

Source: UN Comtrade
Table 8 for High-End Manufactured Products, Furniture, Sports Goods and Works of Art (Chapters 84-99), shows a distinctive product promotion need (green shaded region) as well as a mix of both product-market strategies (yellow shaded region).

| Commodity Code | Commodity Description | 2016 | 2017 | 2018 | 2019 | 2020 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| HS-84 | Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof | 8.71\% | 9.48\% | 10.35\% | 9.36\% | 8.29\% |
| HS-61 | Apparel and clothing accessories; knitted or crocheted | 9.75\% | 8.56\% | 7.78\% | 7.59\% | 6.99\% |
| HS-27 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes | 2.93\% | 7.01\% | 7.15\% | 13.26\% | 4.54\% |
| HS-62 | Apparel and clothing accessories; not knitted or crocheted | 8.81\% | 7.44\% | 6.90\% | 6.80\% | 6.01\% |
| HS-71 | Natural, cultured pearls; precious, semi-precious stones; precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin | 7.58\% | 7.03\% | 8.38\% | 6.32\% | 5.48\% |
| HS-30 | Pharmaceutical products | 5.76\% | 4.74\% | 6.04\% | 4.73\% | 7.50\% |
| HS-85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles | 4.31\% | 3.39\% | 3.60\% | 3.65\% | 5.94\% |
| HS-29 | Organic chemicals | 3.62\% | 3.21\% | 3.52\% | 3.76\% | 4.95\% |
| HS-64 | Footwear; gaiters and the like; parts of such articles | 4.48\% | 3.43\% | 3.14\% | 3.03\% | 2.51\% |
| HS-87 | Vehicles; other than railway or tramway rolling stock, and parts and accessories thereof | 3.71\% | 2.84\% | 2.35\% | 2.76\% | 2.58\% |
| HS-63 | Textiles, made up articles; sets; worn clothing and worn textile articles; rags | 2.81\% | 2.72\% | 2.82\% | 2.87\% | 3.01\% |
| HS-73 | Iron or steel articles | 2.65\% | 2.48\% | 2.85\% | 2.83\% | 2.89\% |
| HS-42 | Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut) | 2.93\% | 2.58\% | 2.59\% | 2.37\% | 2.24\% |
| HS-90 | Optical, photographic, cinematographic, measuring, checking, medical or surgical instruments and apparatus; parts and accessories | 2.22\% | 3.45\% | 2.83\% | 1.62\% | 1.51\% |
| HS-39 | Plastics and articles thereof | 1.78\% | 1.88\% | 1.95\% | 1.98\% | 2.60\% |
| HS-25 | Salt; sulphur; earths, stone; plastering materials, lime and cement | 1.41\% | 1.73\% | 1.57\% | 1.50\% | 2.38\% |
| HS-10 | Cereals | 1.33\% | 2.37\% | 0.85\% | 1.20\% | 2.13\% |
| HS-09 | Coffee, tea, mate and spices | 1.59\% | 1.51\% | 1.44\% | 1.27\% | 1.64\% |
| HS-03 | Fish and crustaceans, molluscs and other aquatic invertebrates | 1.60\% | 1.71\% | 1.27\% | 1.24\% | 1.48\% |
| HS-88 | Aircraft, spacecraft and parts thereof | 1.24\% | 1.43\% | 1.62\% | 1.62\% | 1.21\% |
| HS-94 | Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, n.e.c.; illuminated signs, illuminated name-plates and the like; prefabricated buildings | 1.44\% | 1.42\% | 1.39\% | 1.35\% | 1.46\% |
| HS-40 | Rubber and articles thereof | 1.17\% | 1.25\% | 1.36\% | 1.21\% | 1.63\% |
| HS-83 | Metal; miscellaneous products of base metal | 1.23\% | 1.18\% | 1.09\% | 1.14\% | 1.32\% |
| HS-72 | Iron and steel | 0.84\% | 1.67\% | 1.17\% | 0.99\% | 0.98\% |
| HS-68 | Stone, plaster, cement, asbestos, mica or similar materials; articles thereof | 1.00\% | 1.12\% | 0.89\% | 0.88\% | 1.08\% |


| HS-57 | Carpets and other textile floor coverings | 1.09\% | 0.98\% | 0.92\% | 0.89\% | 0.98\% |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| HS-20 | Preparations of vegetables, fruit, nuts or other parts of plants | 0.88\% | 0.76\% | 0.75\% | 0.68\% | 0.99\% |
| HS-08 | Fruit and nuts, edible; peel of citrus fruit or melons | 0.78\% | 0.81\% | 0.78\% | 0.73\% | 0.73\% |
| HS-32 | Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints, varnishes; putty, other mastics; inks | 0.69\% | 0.70\% | 0.76\% | 0.75\% | 0.85\% |
| HS-48 | Paper and paperboard; articles of paper pulp, of paper or paperboard | 0.73\% | 0.61\% | 0.65\% | 0.82\% | 0.87\% |
| HS-99 | Commodities not specified according to kind | 0.95\% | 0.79\% | 0.73\% | 0.43\% | 0.53\% |
| HS-07 | Vegetables and certain roots and tubers; edible | 0.59\% | 0.57\% | 0.55\% | 0.59\% | 0.91\% |
| HS-38 | Chemical products n.e.c. | 0.50\% | 0.54\% | 0.67\% | 0.59\% | 0.77\% |
| HS-33 | Essential oils and resinoids; perfumery, cosmetic or toilet preparations | 0.60\% | 0.62\% | 0.55\% | 0.53\% | 0.72\% |
| HS-95 | Toys, games and sports requisites; parts and accessories thereof | 0.57\% | 0.56\% | 0.52\% | 0.57\% | 0.72\% |
| HS-76 | Aluminium and articles thereof | 0.40\% | 0.48\% | 0.87\% | 0.58\% | 0.52\% |
| HS-49 | Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans | 0.53\% | 0.55\% | 0.48\% | 0.54\% | 0.64\% |
| HS-82 | Tools, implements, cutlery, spoons and forks, of base metal; parts thereof, of base metal | 0.55\% | 0.46\% | 0.46\% | 0.44\% | 0.50\% |
| HS-54 | Man-made filaments; strip and the like of man-made textile materials | 0.47\% | 0.47\% | 0.43\% | 0.38\% | 0.34\% |
| HS-69 | Ceramic products | 0.26\% | 0.29\% | 0.33\% | 0.49\% | 0.74\% |
| HS-51 | Wool, fine or coarse animal hair; horsehair yarn and woven fabric | 0.30\% | 0.30\% | 0.36\% | 0.40\% | 0.25\% |
| HS-21 | Miscellaneous edible preparations | 0.27\% | 0.25\% | 0.27\% | 0.28\% | 0.53\% |
| HS-56 | Wadding, felt and nonwovens, special yarns; twine, cordage, ropes and cables and articles thereof | 0.30\% | 0.21\% | 0.24\% | 0.33\% | 0.39\% |
| HS-12 | Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit, industrial or medicinal plants; straw and fodder | 0.22\% | 0.31\% | 0.28\% | 0.24\% | 0.40\% |
| HS-74 | Copper and articles thereof | 0.27\% | 0.25\% | 0.26\% | 0.26\% | 0.28\% |
| HS-70 | Glass and glassware | 0.24\% | 0.25\% | 0.23\% | 0.25\% | 0.26\% |
| HS-15 | Animal or vegetable fats and oils and their cleavage products; prepared animal fats; animal or vegetable waxes | 0.21\% | 0.22\% | 0.22\% | 0.28\% | 0.29\% |
| HS-52 | Cotton | 0.29\% | 0.25\% | 0.24\% | 0.23\% | 0.21\% |
| HS-28 | Inorganic chemicals; organic and inorganic compounds of precious metals; of rare earth metals, of radio-active elements and of isotopes | 0.12\% | 0.17\% | 0.27\% | 0.26\% | 0.39\% |
| HS-34 | Soap, organic surface-active agents; washing, lubricating, polishing or scouring preparations; artificial or prepared waxes, candles and similar articles, modelling pastes, dental waxes and dental preparations with a basis of plaster | 0.23\% | 0.24\% | 0.19\% | 0.19\% | 0.29\% |
| HS-58 | Fabrics; special woven fabrics, tufted textile fabrics, lace, tapestries, trimmings, embroidery | 0.28\% | 0.27\% | 0.22\% | 0.18\% | 0.18\% |
| HS-55 | Man-made staple fibres | 0.21\% | 0.22\% | 0.26\% | 0.20\% | 0.18\% |
| HS-23 | Food industries, residues and wastes thereof; prepared animal fodder | 0.07\% | 0.17\% | 0.16\% | 0.22\% | 0.44\% |


| HS-13 | Lac; gums, resins and other vegetable saps and extracts | 0.19\% | 0.14\% | 0.19\% | 0.20\% | 0.30\% |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| HS-19 | Preparations of cereals, flour, starch or milk; pastrycooks' products | 0.17\% | 0.17\% | 0.19\% | 0.20\% | 0.30\% |
| HS-26 | Ores, slag and ash | 0.02\% | 0.08\% | 0.34\% | 0.10\% | 0.34\% |
| HS-16 | Meat, fish or crustaceans, molluscs or other aquatic invertebrates; preparations thereof | 0.15\% | 0.19\% | 0.20\% | 0.12\% | 0.17\% |
| HS-97 | Works of art; collectors' pieces and antiques | 0.35\% | 0.11\% | 0.11\% | 0.12\% | 0.15\% |
| HS-17 | Sugars and sugar confectionery | 0.06\% | 0.06\% | 0.16\% | 0.37\% | 0.14\% |
| HS-44 | Wood and articles of wood; wood charcoal | 0.17\% | 0.16\% | 0.15\% | 0.16\% | 0.19\% |
| HS-96 | Miscellaneous manufactured articles | 0.20\% | 0.16\% | 0.14\% | 0.15\% | 0.16\% |
| HS-53 | Vegetable textile fibres; paper yarn and woven fabrics of paper yarn | 0.17\% | 0.14\% | 0.14\% | 0.15\% | 0.21\% |
| HS-11 | Products of the milling industry; malt, starches, inulin, wheat gluten | 0.12\% | 0.11\% | 0.10\% | 0.13\% | 0.19\% |
| HS-24 | Tobacco and manufactured tobacco substitutes | 0.21\% | 0.13\% | 0.06\% | 0.04\% | 0.00\% |
| HS-59 | Textile fabrics; impregnated, coated, covered or laminated; textile articles of a kind suitable for industrial use | 0.11\% | 0.07\% | 0.07\% | 0.05\% | 0.05\% |
| HS-50 | Silk | 0.11\% | 0.07\% | 0.06\% | 0.05\% | 0.04\% |
| HS-75 | Nickel and articles thereof | 0.03\% | 0.04\% | 0.09\% | 0.08\% | 0.04\% |
| HS-65 | Headgear and parts thereof | 0.05\% | 0.05\% | 0.05\% | 0.05\% | 0.06\% |
| HS-06 | Trees and other plants, live; bulbs, roots and the like; cut flowers and ornamental foliage | 0.06\% | 0.06\% | 0.06\% | 0.04\% | 0.04\% |
| HS-86 | Railway, tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds | 0.04\% | 0.05\% | 0.06\% | 0.05\% | 0.06\% |
| HS-60 | Fabrics; knitted or crocheted | 0.03\% | 0.04\% | 0.04\% | 0.03\% | 0.05\% |
| HS-41 | Raw hides and skins (other than furskins) and leather | 0.05\% | 0.05\% | 0.02\% | 0.02\% | 0.01\% |
| HS-14 | Vegetable plaiting materials; vegetable products not elsewhere specified or included | 0.02\% | 0.03\% | 0.03\% | 0.03\% | 0.04\% |
| HS-22 | Beverages, spirits and vinegar | 0.02\% | 0.02\% | 0.02\% | 0.02\% | 0.02\% |
| HS-35 | Albuminoidal substances; modified starches; glues; enzymes | 0.01\% | 0.01\% | 0.01\% | 0.02\% | 0.04\% |
| HS-67 | Feathers and down, prepared; and articles made of feather or of down; artificial flowers; articles of human hair | 0.02\% | 0.02\% | 0.02\% | 0.01\% | 0.02\% |
| HS-91 | Clocks and watches and parts thereof | 0.02\% | 0.02\% | 0.02\% | 0.01\% | 0.01\% |
| HS-05 | Animal originated products; not elsewhere specified or included | 0.02\% | 0.02\% | 0.01\% | 0.02\% | 0.00\% |
| HS-46 | Manufactures of straw, esparto or other plaiting materials; basketware and wickerwork | 0.02\% | 0.01\% | 0.01\% | 0.02\% | 0.02\% |
| HS-78 | Lead and articles thereof | 0.01\% | 0.01\% | 0.01\% | 0.02\% | 0.02\% |
| HS-93 | Arms and ammunition; parts and accessories thereof | 0.00\% | 0.01\% | 0.00\% | 0.03\% | 0.01\% |
| HS-80 | Tin; articles thereof | 0.01\% | 0.01\% | 0.02\% | 0.01\% | 0.01\% |
| HS-81 | Metals; n.e.c., cermets and articles thereof | 0.01\% | 0.01\% | 0.01\% | 0.01\% | 0.01\% |
| HS-92 | Musical instruments; parts and accessories of such articles | 0.01\% | 0.01\% | 0.01\% | 0.01\% | 0.01\% |


| HS-18 | Cocoa and cocoa preparations | $0.00 \%$ | $0.01 \%$ | $0.02 \%$ | $0.00 \%$ |
| :--- | :--- | :--- | :--- | :--- | :--- |
| HS-47 | Pulp of wood or other fibrous cellulosic material; recovered (waste and <br> scrap) paper or paperboard | $0.00 \%$ |  |  |  |
| HS-79 | Zinc and articles thereof | $0.00 \%$ | $0.01 \%$ | $0.01 \%$ | $0.00 \%$ |
| HS-36 | Explosives; pyrotechnic products; matches; pyrophoric alloys; certain <br> combustible preparations | $0.00 \%$ |  |  |  |
| HS-66 | Umbrellas, sun umbrellas, walking-sticks, seat sticks, whips, riding crops; <br> and parts thereof | $0.00 \%$ | $0.00 \%$ | $0.01 \%$ | $0.00 \%$ |
| HS-31 | Fertilizers | $0.00 \%$ |  |  |  |
| HS-43 | Furskins and artificial fur; manufactures thereof | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ |
| HS-45 | Cork and articles of cork | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ |
| HS-37 | Photographic or cinematographic goods | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ |
| HS-89 | Ships, boats and floating structures | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ |
| HS-04 | Dairy produce; birds' eggs; natural honey; edible products of animal origin, <br> not elsewhere specified or included | $0.00 \%$ |  |  |  |
| HS-01 | Animals; live | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ | $0.00 \%$ |

