Tamil Nadu 3rd in merchandise exports: ₹4.08 lakh crore (Jan–Aug 2026)

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News

In the eight months from January to August 2026, Tamil Nadu exported goods worth ₹4,08,173.66 crore and ranked third among India's States and Union Territories, Dinamalar and Daily Thanthi reported on 20 November 2026, citing data of the Union Ministry of Commerce and Industry. Total merchandise exports of all States and UTs in this period were ₹30,26,478 crore, of which Tamil Nadu's share was 13.49%. Gujarat was first with ₹8,24,397 crore (27.24%) and Maharashtra second with ₹4,70,654 crore (15.55%), followed by Karnataka (7.76%) and Uttar Pradesh (5.04%). The reports list petroleum products, pharmaceuticals, textiles, jewellery, electronic devices and engineering goods as the main items, and the US, the UAE, the Netherlands, China and European countries as major markets. Earlier, in July 2026, Union Commerce Minister Piyush Goyal told the Lok Sabha that Tamil Nadu's merchandise exports rose to US$58.95 billion (13.35% of India's exports) in 2025-26.

Key facts for the exam

Point	Details
Period	January–August 2026 (8 months)
Tamil Nadu	₹4,08,173.66 crore – 13.49% – 3rd
1st	Gujarat – ₹8,24,397 crore (27.24%)

Point	Details
2nd	Maharashtra – ₹4,70,654 crore (15.55%)
4th, 5th	Karnataka (7.76%), Uttar Pradesh (5.04%)
All India	₹30,26,478 crore (States + UTs)
2025-26 (TN)	$58.95 billion; share 13.35% (9.88% in 2023-24)
TN top sector	Engineering goods $20.4 billion (2025-26)
Electronics	TN's share of India's electronics exports 41.63% (2025-26)
EPI 2024	NITI Aayog Export Preparedness Index 2024 (14.01.2026) – Maharashtra 1st, Tamil Nadu 2nd (TN was 1st in EPI 2022)

Background

- Merchandise exports are exports of physical goods. In the Balance of Payments, goods exports minus imports is the 'trade balance'; services such as software, remittances from abroad and income fall under 'invisibles' in the current account. India runs a deficit in goods trade, but services exports and remittances narrow its current account deficit.
- India's foreign trade statistics are compiled by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), set up in 1862 and headquartered in Kolkata, under the Union Department of Commerce. State-wise exports are counted by the State where the goods originate.
- The Foreign Trade Policy 2023 has been in force since 1 April 2023 with no end date; it aims to raise exports of goods and services to US$2 trillion by 2030. The 'Districts as Export Hubs' initiative identifies exportable products in every district. NITI Aayog publishes the Export Preparedness Index (EPI) to measure States' export readiness; Tamil Nadu ranked first in EPI 2022 (July 2023); in EPI 2024, released on 14 January 2026, Maharashtra was first and Tamil Nadu second.
- Tamil Nadu's exports are diversified: in 2025-26 the top five sectors were engineering goods ($20.4 billion), electronics ($19.97 billion), textiles ($8.26 billion), motor vehicles ($3.7 billion) and leather ($1.6 billion). Sriperumbudur–Oragadam (electronics and automobiles), Tiruppur (knitwear), Karur (home textiles) and Vellore–Ambur–Ranipet (leather) are key export hubs.

Tamil Nadu link: The Dinamalar report was datelined Karur. Tamil Nadu's share of India's merchandise exports rose from 9.88% in 2023-24 to 13.35% in 2025-26, and 41.63% of India's electronics exports now come from the State. Third for three years running, it holds the same rank in the first eight months of 2026.

Frequently asked questions

What is this news about?

In the eight months from January to August 2026, Tamil Nadu exported goods worth ₹4,08,173.66 crore and ranked third among India's States and Union Territories, Dinamalar and Daily Thanthi reported on 20 November 2026, citing data of the Union Ministry of Commerce and Industry.

What are the key facts to remember for the exam?

Period: January–August 2026 (8 months); Tamil Nadu: ₹4,08,173.66 crore – 13.49% – 3rd; 1st: Gujarat – ₹8,24,397 crore (27.24%); 2nd: Maharashtra – ₹4,70,654 crore (15.55%).

What is the background to this news?

Merchandise exports are exports of physical goods. In the Balance of Payments, goods exports minus imports is the 'trade balance'; services such as software, remittances from abroad and income fall under 'invisibles' in the current account.

Practice questions (with answers)

1. Which State ranked first in India's merchandise exports in January–August 2026?

A) Maharashtra

B) Gujarat

C) Karnataka

D) Uttar Pradesh

Answer: B – Explanation: Gujarat – ₹8.24 lakh crore (27.24%). Maharashtra was second and Tamil Nadu third.

2. Where is the DGCI&S, which compiles India's foreign trade statistics, headquartered?

A) New Delhi

B) Kolkata

C) Mumbai

D) Chennai

Answer: B – Explanation: Kolkata – set up in 1862, it functions under the Union Department of Commerce.

3. In the Export Preparedness Index (EPI) 2024, released in January 2026, Maharashtra ranked first and Tamil Nadu second. Which body releases this index?

A) RBI

B) FIEO

C) WTO

D) NITI Aayog

Answer: D – Explanation: NITI Aayog – with the Institute for Competitiveness; Tamil Nadu was first in the previous edition, EPI 2022 (July 2023).

4. Which sector was Tamil Nadu's largest merchandise export by value in 2025-26?

A) Engineering goods

B) Electronics

C) Textiles

D) Leather goods

Answer: A – Explanation: Engineering goods – $20.4 billion; electronics was a close second at $19.97 billion.

5. In India's Balance of Payments, exports of software services are recorded under:

A) Capital account

B) Merchandise trade

C) Invisibles (current a/c)

D) FDI

Answer: C – Explanation: Invisibles in the current account – services, remittances, income. Goods exports minus imports is the trade balance.

Sources: Dinamalar – dinamalar.com (20 Nov 2026); Daily Thanthi – dailythanthi.com (20 Nov 2026); DT Next – dtnext.in (22 Jul 2026, Lok Sabha reply); DGCI&S – dgciskol.gov.in; NITI Aayog – niti.gov.in (EPI 2024, 14.01.2026). © Shanmugam IAS Academy.