

An Analysis on India's Foreign Trade

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ABSTRACT

International trade plays an important role in the development of economy as a whole. India is the 19th largest exporter with a share of 1.7% to the total global trade and 10th largest importer with share of 2.65 to the global merchandise trade, according to the WTO ranking for the year 2018. International trade enables the countries to widen the scope of marketing for its output. Exports of goods and services of a nation provide better employment opportunities to the people and higher standard of living of home as well as host countries. Exports lead to increase the efficiency on the national output and productivity of factors of production. Export of a country may become a growth driver of national economy. Expansion of foreign trade may bring variety of benefits to the people and economy of the country.

KEYWORDS: International trade, Exports, Imports, Economy, Principal commodities, Direction of Foreign trade, FDI, Foreign Exchange Reserves

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INTRODUCTION

International trade enables the countries to widen the scope of marketing for its output. Exports of goods and services of a nation provide better employment opportunities to the people and higher standard of living of home as well as host countries. Exports lead to increase the efficiency on the national output and productivity of factors of production. Export of a country may become a growth driver of national economy. Expansion of foreign trade may bring variety of benefits to the people and economy of the country.

Increase in demand for home countries product in the foreign market lead to large scale operation and production and brings the benefits of economies of scale operation with competitive low unit cost. Increased exports pave the way to utilize the existing resources to its fullest capacity, thus reduces the overall cost of production which in turn leads to further increase in exports.

D. H. Robertson described foreign trade as 'an engine of growth', with the increase in income and production through specialization and trade, greater savings and investments become possible as a result the country may achieve a high rate of economic growth. According to Romer and Lucas, who developed endogenous growth theory, there is a positive relationship between foreign trade and long-term economic development and growth. This theory postulates that lowering trade barriers will speed up the rate of economic growth at a faster rate.

Role of International trade in economic development of countries

There is no country in the globalised world with self sufficiency in goods and services. Every country tries to produce those goods and services in which it has competitive advantages and exchanges these commodities and services with the commodity and services produced by other countries which have cost advantages in their production. Growth in foreign trade of a country can be well interlinked to the economic development of a nation in the following factors:

- Foreign exchange earning
- Market expansion of home country products and services
- Increase in local and foreign investment
- Increase in national income
- Increase in employment rate
- Maintenance of price stability
- Specialization
- Discourage monopolies
- Agricultural development
- Import of capital goods and technology
- Dissemination of knowledge, statistics etc.

According to Haberler G. international trade can have the following beneficial effects in economic development.

- Maximum utilization of resources

- B. Division of labour and specialization
- C. Transmission of knowledge
- D. Capital and technology inflow
- E. Stimulating domestic demand
- F. Promoting competition.

- Electronic Goods rose from USD 6,393.12 million in 2017-18 to USD 8,880.96 million in 2018-19, a growth of 38.91%.
- Plastic & Linoleum rose from USD 6,851.12 million in 2017-18 to USD 8,609.08 million in 2018-19, a growth of 25.66%.

India's Foreign Trade

Through secular growth over the last three financial years, following the major downturn in the face of the global slowdown, merchandise exports for the year 2018-19(P) reached USD 330.07 Billion, the highest ever, surpassing the earlier peak of USD 314.4 Billion achieved in 2013-14. This has been achieved in a challenging global environment.

The following growth drivers have shaped merchandise exports growth:

- Engineering Goods rose from USD 78,695.69 million in 2017-18 to USD 83,704.54 million in 2018-19, a growth of 6.36%.
- Petroleum Products rose from USD 37,465.10 million in 2017-18 to USD 47,954.54 million in 2018-19, a growth of 28%.
- Organic & Inorganic Chemicals rose from USD 18,508.48 million in 2017-18 to USD 22,573.87 million in 2018-19, a growth of 21.97%.
- Drugs & Pharmaceuticals rose from USD 17,282.81 million in 2017-18 to USD 19,188.46 million in 2018-19, a growth of 11.03%.
- Cotton Yarn/Fabs./made-ups, Handloom Products etc., rose from USD 10,260.38 million to USD 11,206.44 million in 2018-19, a growth of 9.22%.

Analysis and interpretations

India's Foreign Trade from 2009-10 to 2018-19 (in Rupees – Billions)

Year	Exports			Imports			Trade Balance
	Oil	Non-Oil	Total	Oil	Non-Oil	Total	
2009-10	1329.0	7126.4	8455.3	4116.5	9520.9	13637.4	-5182.0
2010-11	1887.8	9541.4	11429.2	4822.8	12011.9	16834.7	-5405.5
2011-12	2679.1	11980.5	14659.6	7430.8	16023.9	23454.6	-8795.0
2012-13	3308.2	13035.0	16343.2	8918.7	17772.9	26691.6	-10348.4
2013-14	3832.5	15217.6	19050.1	9978.9	17175.5	27154.3	-8104.2
2014-15	3460.8	15503.6	18964.5	8428.7	18942.1	27370.9	-8406.4
2015-16	1996.4	15167.5	17163.8	5405.1	19498.0	24903.1	-7739.2
2016-17	2115.1	16379.3	18494.3	5832.2	19944.6	25776.8	-7282.4
2017-18	2414.4	17150.8	19565.1	7003.2	23007.1	30010.3	-10445.2
2018-19	3259.3	19818.0	23077.2	9862.8	26084.0	35946.8	-12869.5

Source: Directorate General of Commercial Intelligence and Statistics, Kolkata.

The above table shows the export and import performance of oil and non-oil items from the year 2009-10 to 2018-19. It is evident from the table that export of oil items rose from 1329.0 billion rupees in 2009-10 to 3259.3 billion rupees in 2018-19. Exports of non-oil items also showed a development of nearly 250% i.e from 7126.4 billion rupees in 2009-2010 to Rs. 19818.0 billion in 2018-19. Both oil and non-oil items of exports together showed a tremendous growth (around 275%) during the study period i.e it is increased from Rs. 8455.3 billion in 2009-10 to Rs. 23077.2 billion in 2018-19.

Imports of oil items have increased from Rs. 4116.5 billion in 2009-10 to Rs. 9862.8 billion in 2018-19, showing a growth of more than 200%. Non –oil items are also showing an increase of Rs. 26084.0 billion in 2018-19 from Rs. 9520.9 billion in 2009-10. Import of both oil and non-oil items are showing an increasing trend continuously from Rs. 13637.4 billion in 2009-10 to Rs. 35946.8 billion in 2018-19. During the study period, though both exports and imports are overwhelmingly increased trade deficit (negative balance) has also increased from Rs. 5182.0 billion to Rs. 12869.5 billion in 2018-19.

Exports of Principal commodities form 2010-2011 to 2018-2019 (in billion rupees)

S. No	Products	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	Tea	33.54	40.79	47.19	48.73	41.71	47.19	49.06	53.97	58.28
2	Coffee	30.10	45.35	47.11	47.99	49.73	51.23	56.46	62.45	57.22
3	Rice	115.86	241.09	338.58	470.87	480.28	378.00	384.43	503.08	539.90
4	Other cereals	36.48	54.93	81.81	71.78	52.62	15.89	14.26	16.04	24.27
5	Tobacco	39.85	40.06	50.30	61.34	58.69	64.48	64.24	60.22	68.58
6	Spices	78.87	131.03	151.77	151.46	148.48	163.74	191.11	200.85	232.18
7	Cashew	28.19	43.90	40.67	50.95	55.66	50.25	52.79	59.45	45.79
8	Oil Meals	110.70	117.96	165.20	170.70	81.29	34.84	54.10	70.43	105.77
9	Oil seeds	46.44	82.07	74.51	78.30	106.37	81.37	91.04	75.73	80.82
10	Fruits & Vegetables	65.84	82.81	97.74	136.51	131.75	141.38	164.52	162.03	177.34
11	Cereal preparations & miscellaneous processed items	26.54	38.58	49.92	69.69	76.88	85.46	85.20	91.32	108.78
12	Marine Products	119.17	165.85	188.41	306.27	336.88	311.83	395.94	476.46	476.63
13	Meat, dairy & poultry products	104.60	151.47	206.88	321.66	329.67	299.91	292.81	297.30	305.30
14	Iron Ore	221.98	221.51	89.85	94.81	32.11	12.89	102.91	94.88	92.65
15	Mica, Coal & Other Ores, Minerals including processed minerals	168.94	175.48	207.26	242.81	238.56	236.10	239.83	243.42	297.08
16	Leather & leather products	174.18	224.57	259.96	338.22	368.43	353.61	346.51	340.84	359.34
17	Ceramic products & glassware	39.42	50.35	62.91	78.31	100.52	111.73	124.49	137.39	185.57
18	Gems & Jewellery	1927.95	2219.51	2342.08	2503.53	2522.08	2584.25	2909.03	2678.33	2814.08
19	Drugs & Pharmaceuticals	476.62	630.21	784.88	904.15	943.50	1105.34	1125.47	1114.09	1339.44
20	Organic & Inorganic Chemicals	374.18	546.15	624.48	744.77	762.59	768.04	827.31	1028.10	1344.21
21	Engineering Goods	2290.84	2871.70	3219.19	3876.87	4470.48	3965.42	4505.92	5073.15	5840.92
22	Electronic Goods	384.81	435.08	449.35	475.58	382.63	389.34	399.80	412.20	619.08
23	Cotton Yarn/Fabs./made-ups, Handloom Products etc.	346.72	430.73	525.44	670.99	659.11	661.29	661.60	661.41	783.71
24	Man-made Yarn/Fabs./made-ups etc.	194.78	242.95	246.79	313.95	322.55	305.50	305.59	311.08	348.17
25	RMG of all Textiles	529.20	657.06	704.55	907.18	1029.43	1110.11	1164.59	1076.44	1127.01
26	Jute Mfg. including Floor Covering	20.92	22.26	21.24	23.15	21.23	36.90	20.80	21.59	22.74
27	Carpet	47.04	44.10	59.48	71.27	83.18	94.39	99.92	92.15	103.75
28	Handicrafts excl. handmade carpet	34.63	47.61	53.77	91.30	84.26	107.34	129.17	117.54	128.52
29	Petroleum Products	1887.79	2679.15	3308.19	3832.48	3460.82	1985.76	2115.09	2414.35	3258.63
30	Plastic & Linoleum	194.37	271.94	304.65	372.71	350.86	376.72	388.70	441.64	602.21
31	Other Commodities	1278.68	1653.37	1539.03	1521.75	1182.09	1213.95	1131.66	1177.21	1528.67
	Total Exports	11429.22	14659.59	16343.18	19050.11	18964.45	17144.24	18494.34	19565.15	23076.63

Source: Directorate General of Commercial Intelligence and Statistics, Kolkata

The above table expressed the principal commodities exported from India during 2009-10 to 2018-19. It is very clear from the above table that among the thirty one principal commodities exported, the following commodities are ranked as top ten items according to their respective values. They are: Engineering goods, Petroleum products, Gems and Jewellery, Organic and inorganic Chemicals, Drugs and Pharmaceuticals, RMG Textiles, Cotton yarn/Fabrics/Made-ups etc., electronic goods, Plastic and Linoleum and Rice which are ranked as top ten items from 1 to 10 respectively. The time series data showed that all items which are tabulated in the above table has been increasing continuously from the year 2009-2010 to 2018-19 except very few items.

Imports of Principal Commodities from 2010-2011 to 2018-19 (in billion rupees)

S. No	Products	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	Cotton Raw & Waste	6.22	10.59	24.67	23.76	31.02	25.63	63.39	63.07	43.83
2	Vegetable Oil	259.20	389.09	535.62	440.38	648.90	686.30	730.39	749.96	690.24
3	Pulses	75.12	94.48	133.45	110.37	170.63	256.09	285.23	187.49	80.35
4	Fruits & vegetables	39.96	50.53	67.73	83.42	101.82	118.65	119.65	134.89	150.27
5	Pulp and Waste paper	28.31	34.52	40.57	46.48	57.81	62.65	65.37	74.42	91.86
6	Textile yarn Fabric, made-up articles	50.13	68.56	78.43	91.21	103.40	112.02	100.79	118.43	133.03
7	Fertilisers, Crude & manufactured	315.33	533.11	477.22	381.57	452.95	523.45	337.06	346.54	520.95
8	Sulphur & Unroasted Iron Pyrites	10.99	22.86	17.39	11.05	17.50	14.22	8.79	10.68	15.28
9	Metaliferrous ores & other minerals	294.92	388.78	497.50	507.92	568.91	474.47	415.54	586.31	528.51
10	Coal, Coke & Briquettes, etc.	446.70	835.96	925.38	991.31	1089.06	875.05	1057.53	1476.41	1829.86
11	Petroleum, Crude & products	4822.82	7430.75	8918.71	9978.85	8428.74	5400.69	5832.17	7003.21	9862.60
12	Wood & Wood products	168.95	240.78	276.57	309.81	334.13	330.27	328.17	388.50	428.41
13	Leather & leather products	29.01	34.48	40.26	49.84	61.48	63.22	62.74	65.04	73.97
14	Organic & Inorganic Chemicals	613.46	801.15	913.38	1056.63	1134.94	1081.93	1112.96	1330.00	1665.43
15	Dyeing/tanning/colouring mtrls.	72.85	101.06	118.12	146.35	149.37	146.83	153.07	186.10	225.38
16	Artificial resins, plastic materials, etc.	357.91	423.40	543.53	632.61	737.28	770.59	802.27	933.84	1096.29
17	Chemical material & products	174.21	218.02	264.51	295.12	324.24	337.26	360.59	429.44	539.33
18	Newsprint	37.41	49.38	43.75	53.95	51.28	52.70	57.00	50.07	68.54
19	Pearls, precious & Semi-precious stones	1541.37	1343.74	1231.68	1442.93	1379.68	1314.10	1594.64	2209.66	1888.81
20	Iron & Steel	665.16	874.82	963.10	765.87	997.53	979.48	783.88	942.06	1234.96
21	Non-ferrous metals	297.95	402.90	491.76	535.85	657.18	635.84	661.93	825.84	1030.34
22	Machine tools	134.98	190.60	202.44	184.99	191.88	180.56	203.47	226.80	324.90
23	Machinery, electrical & non-electrical	1190.50	1586.21	1673.89	1639.08	1712.30	1928.19	1908.06	2208.28	2778.99
24	Transport equipment	678.92	897.34	1158.33	1169.14	1125.21	1170.02	1523.37	1465.09	1735.21
25	Project goods	279.96	422.21	356.59	274.42	222.12	180.16	139.15	133.92	166.18
26	Professional instrument, Optical goods, etc.	126.56	172.22	204.37	217.66	227.26	235.66	258.69	306.50	362.84
27	Electronic goods	1272.98	1633.27	1790.42	1958.96	2254.44	2619.50	2811.97	3322.01	3881.21
28	Medcnl. & Pharmaceutical products	191.49	248.43	297.36	316.61	332.11	355.66	335.02	353.30	444.29
29	Gold	1847.42	2699.01	2921.53	1662.43	2106.58	2068.65	1844.39	2170.72	2294.49
30	Silver	89.53	247.04	107.97	269.74	276.86	244.35	123.29	207.25	261.89
31	Other Commodities	714.36	1009.36	1375.39	1506.03	1424.23	1615.05	1696.17	1504.53	1495.53
	Total Imports	16834.67	23454.63	26691.62	27154.34	27370.87	24859.27	2577675	30010.33	35943.73

Source: Directorate General of Commercial Intelligence and Statistics, Kolkata

The above table exhibits the principal commodities which were imported to India from rest of the world from 2009-10 to 2018-19. According to the chronologically tabulated data for the study period, it can be inferred that there are nearly thirty one commodities were being imported. Based on the current year (2018-19) rupee value of each commodity imported into India, it is found that the following goods are ranked top ten.

Accordingly, Petroleum, Crude & products (Rs. 9862.60 billion), Electronic goods (Rs.3881.21 billion) and Machinery, Electrical and non-electrical goods (Rs. 2778.99 billion) have got the first three positions, followed by gold (2294.49) and Pearls, Precious and Semi-precious Stones (1888.81). The next top ranked items are Coal, Coke& briquettes (Rs. 1829.86 billion), Transport equipments (Rs. 1735.21 billion), Organic and Inorganic Chemicals (Rs. 1665.43 billion), Iron and Steel (Rs. 1234.96 billion) and Artificial Resins, Plastic materials (Rs. 106.29 billion) etc. On an overall basis the above tabulated thirty one items were progressing every year except very few items during the study period.

Direction of Foreign Trade – Exports (in Rs. billions)

S. No	Products	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	O E C D Countries	3802.12	4965.19	5596.88	6592.03	6682.41	6599.10	7005.20	7709.81	8959.50
2	O P E C	2178.44	2461.90	3132.23	3371.61	3444.79	3025.70	3029.67	2855.90	3405.16
3	Eastern Europe	123.75	149.97	205.20	214.66	208.80	158.28	189.06	195.75	245.39
4	Developing Countries	4635.07	6297.24	7097.51	8146.30	8365.65	7202.72	8090.39	8632.29	10250.35
5	Others	37.55	20.72	21.65	41.83	9.92	15.90	14.46	14.78	13.11
6	Unspecified	652.29	764.57	289.71	683.68	252.89	162.14	165.55	156.62	203.12
7	Total	11429.22	14659.59	16343.18	19050.11	18964.45	17163.84	18494.34	19565.15	23076.63

Source: Directorate General of Commercial Intelligence and Statistics, Kolkata

Direction of foreign trade –exports revealed the India’s trade relationship with the rest of the other nations in the world. For the purpose these various countries are grouped as OECD Countries, OPEC Countries, Eastern Europe, Developing countries Others and Unspecified. Among these grouped countries India’s export to Developing countries significantly increased from Rs. 4635.07 billion in 2009-10 to Rs. 10250.35 billion in 2018-19 and is topped among them.

The second top ranked group countries is OECD Countries to which exports increased from Rs. 3802.12billion in 2010-2011 to Rs. 8959.50 billion in 2018-19 showing a growth of nearly 250%. OPEC group secured third place in this direction followed by Eastern Europe, Others and Unspecified.

Direction of Foreign Trade – Imports (in Rs. billions)

S. No	Products	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	O E C D Countries	5157.03	7087.75	7702.31	6973.70	7361.11	7191.38	7328.85	8169.89	10121.89
2	O P E C	5201.49	7624.71	9406.79	9837.14	8361.38	5879.77	6205.85	7048.29	9554.72
3	Eastern Europe	259.16	405.17	431.94	468.58	470.38	463.83	625.11	832.94	660.63
4	Developing Countries	6015.72	8270.40	9036.57	9606.61	10694.85	10781.48	11116.82	13359.86	15596.20
5	Others	5.06	16.41	9.31	20.91	19.70	17.34	8.55	6.34	4.07
6	Unspecified	196.20	50.19	104.70	247.41	463.44	569.26	491.57	593.01	6.21
7	Total	16834.67	23454.63	26691.62	27154.34	27370.87	24903.06	25776.75	30010.33	35943.73

Source: Directorate General of Commercial Intelligence and Statistics, Kolkata

Direction of foreign trade Imports shows the various source countries from which India imported the goods for the purpose of consumption and re-exports. Among the specified groups, India uses Developing countries as its major sources of imports (Rs. 15596.20 in 2018-19), and showed a continuous increase from Rs. 6015.72 billion in 2010-11 to Rs. 15596.20 billion in 2018-19. OECD Countries and OPEC countries are ranked as second and third major sources for India’s imports followed by Eastern Europe. Others & Unspecified countries played least role in India’s import since the share of these countries are very lower to the total imports.

India’s Overall Balance of Payments from 2009-2010 to 2018-2019 (in Rs. Billions)

Year	Current Account			Capital Account			Errors and Omissions			Overall Balance
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	
2009-10	16379.17	18176.16	-1796.99	16400.01	13959.52	2440.48	49.52	50.64	-1.13	642.36
2010-11	20328.93	22525.47	-2196.54	22900.45	19988.78	2911.67	-49.13	71.50	120.62	594.51
2011-12	25359.97	29119.70	-3759.73	22896.39	19706.10	3190.29	0.00	115.60	-115.60	685.03
2012-13	28865.83	33661.93	-4796.10	25656.56	20799.22	4857.34	145.78	0.00	145.78	207.02
2013-14	33449.16	35320.52	-1871.36	30924.03	28025.84	2898.19	49.63	115.92	-66.29	960.54
2014-15	34122.58	35755.71	-1633.13	33679.31	28203.81	5475.50	67.25	130.37	-63.12	3779.25
2015-16	32819.82	34257.44	-1437.62	33360.13	30696.74	2663.38	27.96	95.42	-67.46	1158.30
2016-17	35024.95	35994.11	-969.16	36934.01	34490.65	2443.37	25.50	57.37	-31.87	1442.34
2017-18	38181.56	41322.82	-3141.26	41487.32	35596.13	5891.19	122.49	64.26	58.23	2808.16
2018-19	45032.07	49034.35	-4002.27	37928.62	34094.59	3834.03	40.83	74.63	-33.80	-202.04

Source: Handbook of Statistics on Indian Economy, RBI.

The above table examine the overall balance of payment of India from 2009-10 to 2018-19. The table consolidated both Debit and Credit of the Current Account and Capital Account figures after taking into consideration of Errors and Omissions. During the entire study periods, Current account showed negative balance of payment but Capital account revealed net positive balance of payment for the period of study from Rs. 244.48 billion to Rs. 3834.03 billion in 2018-19. Overall balance of payment recorded a growth of Rs. 2808.16 billion in 2017-18 from Rs. 642.36 billion in 2009-10. But the low capital account balance 2018-19 revealed a negative balance of Rs. 202.04 billion.

Foreign Investment Inflows from 2009-10 to 2018-19 (US\$ millions)

Year	Gross inflows/ Gross Investments	Repatriation/ Disinvestment	Direct Investment to India	FDI by India	Net FDI	Net Portfolio Investment	Total
2009-10	37746	4637	33109	15143	17966	32396	50362
2010-11	36047	7018	29029	17195	11834	30293	42127
2011-12	46552	13599	32952	10892	22061	17170	39231
2012-13	34298	7345	26953	7134	19819	26891	46711
2013-14	36047	5284	30763	9199	21564	4822	26386
2014-15	45147	9864	35283	4031	31251	42205	73456
2015-16	55559	10652	44907	8886	36021	-4130	31891
2016-17	60220	18005	42215	6603	35612	7612	43224
2017-18	60974	21544	39431	9144	30286	22115	52401
2018-19	62001	18699	43302	12590	30712	-618	30094

Source: Handbook of Statistics on Indian Economy, RBI

In this table the researcher tries to bring various components under foreign investment inflows. Gross inflows or Gross investments increased from US\$ 37746 million in 2009-10 to US\$ 62001 million in 2018-19. The component, repatriation or disinvestment increased from US\$ 4637 million in 2009-10 to US\$ 18699 million showing a mixed growth variations during the study period. Direct investment to India showed an increase of US\$ 10193 from the base year 2009-10. From the initial study period, FDI made by India have been showing decreasing trend continuously (from US\$ 15143 million in 2009-10 to US\$ 9144 million in 2018-19) and it increased to US\$ 12590 million in 2018-19. Net portfolio investment exhibited the mixed growth during the study period. The total foreign investment inflows increased then and there and it is stagnant. The year 2014-15 showed a good growth of US\$ 73456 million of total foreign investment inflows and reduced to US\$ 30094 million in 2018-19.

Foreign Exchange Reserves from 2009-10 to 2018-19 (US\$ millions)

End of the Financial Year	SDR (Special Drawing rights)	Gold	Foreign Currency Assets	Reserve Tranche Position	Total
2009-10	5006	17986	254685	1380	279057
2010-11	4569	22972	274330	2947	304818
2011-12	4469	27023	260069	2836	294398
2012-13	4328	25692	259726	2301	292046
2013-14	4464	21567	276359	1834	304223
2014-15	3985	19038	317324	1292	341638
2015-16	1502	20115	336104	2456	360176
2016-17	1447	19869	346319	2321	369955
2017-18	1540	21484	399442	2079	424545
2018-19	1457	23071	385357	2986	412871

Source: Handbook of Statistics on Indian Economy, RBI

The foreign exchange reserves along with its components are exhibited in the above table from 2009-10 to 2018-19. It includes Special Drawing Rights (SDR), Gold and Foreign Currency Assets. It is evident from the above table that SDR reserves decreased from US\$ 5006 million in 2009-10 to US\$ 1457 million in 2018-19. Gold reserve increased from US\$ 17986 million to US\$ 23071 million in 2018-19. Foreign currency assets were increasing during the study period from US\$ 254685 million in 2009-10 to US\$ 385357 billion in 2018-19 showing an increase of US\$ 130672 million from the base year. India's total foreign exchange reserves showed a steady increase year on year basis except in 2012-13. Total Forex reserves have revealed a rise of US\$ 133814 million from 279057 in 2009-10 to US\$ 412871 billion in 2018-19. The present position of India's foreign exchange reserves are at satisfactory level amidst of global slowdown among the fast developing countries.

Conclusion

Indian economy is not only characterized by its GDP alone but also by its international trade with the rest of the world. From the above analysis it can be well understood by everyone that India's foreign trade performance showed a good show off during the last ten years and so. Indian economy is assumed to be emerging market economy and to be the great player in the international trade market. As per the WTO current ranking for the year 2018, India is in the 19th largest exporter (With the share of 1.7%) and 10th largest importer (with a share of 2.6%) of merchandise trade in the world.

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