Exports and Realistic Trade Policies of India

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ABSTRACT
Exports an Instrument of Economic Growth’ is plausible not only to developed countries, but also to developing countries. Exports, a focal point in the economic development of the country plays significant role and act as a key to several problems of the economy. Increase in export at a faster rate is the key to balance of payment crisis on current account of the developing countries. Flourishing export performance is a boon to circumvent the distortions of the external debt. In this endeavor The Government brought out realistic trade policies and foreign trade policy to meet the challenges of globalization and also to honour the commitments made to WTO. The Exim policy adopted from time to time provided a greater fillip to all the goods exported from time to time. In fact these policies have provided greater encouragement to ensure robust growth in export. Needless to state Exim policies created a greater direction for the country as to where it stands and where it is to go. Firstly the paper makes an attempt to analyses the realistic trade policies of India. Second the paper highlights the export promotion measures initiated by the government to boost exports and finally the paper focuses on the growth of trade and the balance of payment position of the country.

Key Words: Exports, Exim Policy, Foreign Trade Policy, balance of trade, Balance of Payment.

Introduction
Exports are the best source of financing the imports; the economic development will be sluggish if imports are financed out of foreign aid and foreign debt. Exports at a faster rate enlarge economic activities and enable the countries to attain the needed degree of development. Export growth increases the Gross National Product which is depicted in the study ‘The relation of Exports and Economic Growth’ conducted by R.F. Emery for a group of fifty countries. Exports an all-time dependable and royal source of foreign exchange has no commitment, whereas the other sources of foreign exchange such as foreign deposits, NRI deposits, tourism and external debt have their own obligations. Export policy resolution which was adopted in 1970 is a land mark in the history of India’s export. Further exports were given highest national priority wherein greater thrust was accorded on export earnings through the realistic trade policies formulated by the government.

Genesis of India’s Exports
India had been an exporting country since time immemorial for which recorded history is available from 3000 B.C. down to the middle of 18th century A.D. India always had a surplus in her foreign trade. India had glorious export records in 1920 too. In fact, during the period India was the fifth largest exporting nation in the world. The Second World War and Partition of India ruined the natural resources of the country that gave rise to the importance of foreign exchange to pay for the import of consumers. In 1951, India took the path of planned economic development mainly to achieve self-reliance in many sectors and increase employment opportunities for the growing population. Industrialization in the country involved application of heavy import of raw-materials, capital goods, intermediaries and consumer goods. Therefore heavy foreign exchange was drained out, with a view to cope up with the needs of imports, exports assumed a prime role. In 1961 India adopted the slogan ‘Export or perish’. In the competitive global market India got secure markets for her products only on the strength of competitiveness. Government initiated various measures to promote exports but the flaws in policies and belated extension of export facilities made Indian exports incompetent in the global markets, as a result exports were sluggish. Later in 1970 and early 80’s India depended on the ‘Trade and Aid’ for the economic development of the country. Export performance has been lackluster in spite of Government efforts to step up export earnings. The
foreign aid received has receded from Rs.367 crores in 1978-79 to Rs.285 crores in 1991-92 mainly due to the curtailment of the loans by the soft loan window of the World Bank group. The galloping inflation pressure and sporadic political instability became obstacles for the receipt of foreign aid. The slumping foreign aid has exacerbated the foreign exchange crunch. Under this circumstances Government’s stand for ‘More Trade than Aid’ is imperative.\textsuperscript{iv} Measures were taken to promote exports.

Increase in exports and steadily growing imports led to the burgeoning trade deficit increasing from Rs.5776 crores in 1982-83 to Rs.10640 crores in 1991-92. The foreign trade deficits were met out of the foreign exchange including assistance from the International Monetary Fund. As a result a delirious foreign exchange crisis had to be faced by the country. In an endeavor to curtail trade deficit and improve foreign exchange reserve, import substitution was adopted but at the cost of quality.\textsuperscript{v} Government took policy measures to cut imports through industrialization and by accelerating the pace of exports to finance imports.

In the wake of globalization India adopted sweeping economic reforms in 1991. Since 1995 India has witnessed an impressive 142.47 percentage growth in country's exports, since India became a member of the WTO. India’s exports have gone up from US$ 26.3 billion in 1994-95 to US$ 63.9 bn in 2003-04 and reaching whooping of U S $ 101 billion for the year 2005-06. The country has been slowly moving up the international trade ladder to attain its target of having at least 1 percent share of total global export trade by 2006-07. As a policy measure the Government removed all restrictions on imports and paved the way for the easy access to import of goods and services. Measures were undertaken aimed at encouraging rapid growth in exports to earn the needed foreign exchange. The realistic measures aimed not only to insulate the exporters but also motivate overseas buyers to import more goods. Realizing the importance of exports Government of India has been very keen to impart a new direction and dynamism to promote exports. This keenness manifests in setting up of committees on exports from time to time to expedite decisions on important policy matters relating to export trade. The purpose of these committees was to review structure of import and export policies, activities, and policy instruments of export promotion and review performance of India’s trade.

Considering the paramount importance of foreign exchange India has been striving hard to promote exports and attain self-reliance in the matter of foreign exchange and have a favorable Balance of trade. Export promotion became an integral part of country’s development efforts.\textsuperscript{vi} With a view to regulate external trade and ensure a viable balance of payment and spurt economic growth, export import policies were brought into effect.

Realistic Trade Policies

In an endeavor to regulate foreign trade the Government formulates long term strategies to regulate import and export and thereby strives to have a viable Balance of Trade. In 1980 the country initially adopted a short term policy for 6 months which literally flattered to regulate the import and export. The short term policies did not regulate the requirements and give due importance to exports. Hence, Exim policy was adopted for 3 years in later part of 1980’s and in the early part 1990’s the country had to have long term policy for 5 years. The policy was in consonance with the Government’s objective of bringing stability with continuity in import and exports. Long term policy was an imperative need to meet the challenges of globalization on the one hand and viable Balance of Trade and Balance of Payment on the other.

Exim Policy-1985-88

Sri Pranab Mukherjee the then Union Commerce Minister announced the Exim policy 1985 with the objective of imparting continuity and stability to the policy regime. The policy aimed at strengthening, the base for export production, and encouraging savings in imports through import substitution and eliminate avoidable delays by providing easier and quicker access to imported inputs. Automatic licensing was abolished and majority of items were shifted to Open General License (OGL) the manufacturer – exporters who export at least 25 percent of the production subject to a minimum of Rs1 crore were allowed to import capital goods needed in export production, although they were indigenously available. 201 items of industrial machinery included in the list of capital goods were allowed for import under OGL.
Import export passbook scheme was introduced for manufacturer exporters to provide duty free access to imported inputs for export production. Exporters were eligible for additional licensing based on the net realization of foreign exchange. Provisions for renewal of export or trading house certificate was introduced for effective utilization of infrastructural facilities created by export/trading houses. Irrespective of the export performance of registered exporters REP was been raised from Rs.1 lakh to Rs.2 lakhs. Under REP exporters were allowed to get import replenishment licenses to replenish the raw materials and components used in the manufacture of goods exported.

**Exim policy - 1988-1991**

An Exim policy for three years was presented by Mr. P. Chidambram the then Commerce Minister, but the policy was discontinued in 1990. This policy extended the process of Import Liberalization a step ahead the exim policy of 1985-1988. Products qualifying for REP was widened and endorsed for a certain degree of flexibility permitting import of limited permissible and canalized items. To make exports competitive in the global markets, a registered exporter under Duty Exemption Scheme is permitted to obtain the necessary inputs for export production at international prices without payment of customs duty.

Import export pass book scheme was widened to cover merchant exporters in garment sector and manufacturers having a turnover of 15 crores or more. Under Cash Compensatory Support scheme, 260 items have been granted CCS in 8 product group. In addition to, physical exports benefit of CCS is provided to deemed exporters; exporters contributing a buoyant share of export earnings, but exporting indirectly were provided inputs in their export production. Large established exporters were provided access to import capital goods irrespective of the fact that such goods were indigenously available. To help the exporters undertake technological up gradation to compete in the world market.

Provisions for flexibility to REP license were automatically endorsed to permit import of limited permissible and canalized items. A registered exporter can avail of the duty exemption to obtain necessary inputs for export production at international prices without payment of custom duty to make exports competitive in international market. Scope of import – export passbook scheme was widened to cover merchant exporter in garment sector, more facilities and incentives were provided to modified scheme of Export House and Trading House, and additional 99 items of machinery were added to the list of OGL. Impressed licenses for diamonds without actual user conditions were granted to independent small units engaged in cutting and polishing of diamond. compensation is given to exporter for un-rebated taxes on inputs of exported products and even to deemed exports in addition to physical exports. For the first time many items were identified for drawback rates and there was full remission of excise duty and domestic taxes on exported goods including food processing industry. The policy announced that all products shall be eligible for pre-shipment and post-shipment credit at concessional rates. Exporters were allowed to utilize 5% to 10% of their foreign exchange earnings for undertaking promotional activities.

**Exim Policy-1990-1993**

The Export Import policy 1988-91 was terminated a year earlier than scheduled and a new import export policy 1990-93 was put in place by Shri.Subramanya the then Minister for Industries and Commerce. The policy aimed at encouraging rapid and sustained economic growth including exports of services to generate higher foreign exchange earnings. Besides facilitating availability of necessary imported inputs for sustained industrial growth. In order to boost export, and strengthen the foreign exchange reserve position Service export was accorded highest priority. Import Restrictions was taken away. Tax concessions under sec 80HHC were extended to exporters of software and processed minerals to promote exports. Expanded coverage to specified machinery items were permitted under concessional duty for marine products industry and leather industry. Recognized R&D institutions were provided support for building up scientific and technological capacities for technology absorption and development. Exporters were allowed to import capital goods, instruments, raw materials and components against REP and additional licenses. Import replenishment licensing scheme was simplified endowed with greater flexibility on import of raw materials, components, consumables and packaging materials used in the manufacturing of products exported except those in Gems and Jewellery sector. Exporters were encouraged to export higher value
added products by modifying and reducing replenishment rates to just four basic rates (20%, 15%, 10% & 10%). Import of second hand capital goods listed in the OGL was allowed to manufacturer exporters. REP licences were made freely transferable and further incentives were provided for export promotion. Manufacturer exporters were eligible to import capital goods up to a value of Rs.10 crores at concessional rates of custom duty to be competitive in the world market. For the first time exporters of service exports were entitled for a REP license at the rate of 10% of the net foreign exchange earned further these exporters were accorded the status of Star Trading House. Import export passbook scheme was abolished with the introduction of Blanket Advance Licensing scheme with greater flexibility to enable exporters to avail the benefits without being subjected to the procedural irritants of the scheme.

Sri P.Chidambaram the then Commerce and Industries Minister veiled a long term policy for five years instead of three years. The policy aimed at promoting productivity, modernization and competitiveness of Indian industry to attain globalization of India’s foreign trade. Efforts were made to dismantle various protectionist and regulatory policies. The policy further aimed at promoting free trade except for a small negative list of imports and exports. The policy focused at simplification and transparency. Procedural formalities were reduced to the minimum. The new policy was found by far the most liberal trade policy regime the country has seen. In the very first year of this policy a number of policy initiatives were taken. These are (i) liberalised exchange rate management system (ii) liberalisation of import licensing (iii) export promotion capital goods scheme under which import of capital goods was permitted at a concessional import duty (iv) extension of export oriented units and export processing zone schemes to agriculture, horticulture, poultry, and animal husbandry (v) tariff rationalisation (vi) adequate export credit at low interest rate and (vii) measures to encourage foreign investments.

Based on the potential to achieve 30% growth in exports of 34 commodities called as extreme focus products was identified. Export Promotion Capital Goods scheme was liberalized and import of second hand capital goods was allowed in certain sectors. A system of value based advance licensing was introduced under the duty exemption scheme. Star Trading House, Export Houses and Trading Houses were given self-certification facility. Under Advanced Licensing Scheme duty free imports were permitted in the export production.

The policy introduced foreign trade (development and Regulation) Bill1987 that replaced the import export (control) Act1947. Control on exports and imports were substantially reduced, however, advanced licensing continued to provide a greater access to the import requirement. In order to promote productivity and competitive strength, more emphasis was laid on farm exports. The policy recognized that the agriculture and allied exports and service exports have greater potential and may reach a $5 billion mark annually by the end of 8th plan out of the total estimated exports of $35 billion. In an endeavor to attain 15% export growth and bring stability to agriculture exports which was estimated to touch $2 billion in 1993-94 and further $2.3 billion in 1994-1995. 144 items from the negative advanced list is removed. The policy is pragmatic with more stress on boosting exports from farm and service sector, further the policy imparted trust to farm sector which has great potential for exports in the global market.

Exim Policy - 1997-2002
The Export and Import Policy for five years (1997-2002) was presented by Mr. B.B. Ramaiah the then Union Commerce Minister. The policy aimed at giving a major thrust to acceleration of India's exports through restructuring and revamping of various export promotion schemes and wide ranging measures for simplification of procedures with a view to make schemes more transparent and easy to administer. The policy further aimed to

- Accelerate the country's transition to a globally oriented vibrant economy to derive maximum benefits from expanding global market opportunities
- Stimulate sustained economic growth by providing access to essential raw materials, intermediates, components, consumables and capital goods required for augmenting production
• Enhance the technological strength and efficiency of Indian agriculture, industry and services, thereby improving their competitiveness while generating new employment opportunities, and encourage the attainment of internationally accepted standards of quality
• Provide consumers with good quality products at reasonable prices

Under the policy all status holders and manufacturer exporter and service provider rendering services in free foreign exchange were issued a green card that entitles the exporters to automatic licensing, automatic custom clearance for exports and imports. Manufacturer exporter, merchant exporter and service provider were eligible to import capital goods at a concessional duty. Significant changes were made to reduce the multiplicity of schemes, improving the attractiveness of the scheme by making it simple and easy to administer. The quantity based advance licences were continued. Duty Entitlement Pass Book Scheme was brought into operation. Under this scheme exporter are issued a pass book. If an exporter seeks duty draw back on pre-export basis, he would be given adhoc duty entitlement calculated @ 5% of average f.o.b. value of exports in the preceding 3 years. Under the Advance Licence Scheme, the procedures were further simplified. The Export Obligation (EO) period which was valid for a period of 12 months, has been increased to 18 months subject to a condition. Further extension for 6 months will be on payment of 1% of the value of unfulfilled exports.

Under the Export Promotion Capital Goods (EPCG) Scheme import of capital goods, including second hand capital goods, and spares upto 20% of the c.i.f. value of the capital goods can be imported at concessional rate. Weightage was given for agro export in calculating eligibility of Export House, Trading House, etc; and 1% additional Special Import Licence on total value of exports are given for export of fruits, vegetables, floriculture and horticulture produce/products that constitute 10% or more of the total exports made. EOU/EPZ units were permitted to sell 50% of their output in the DTA on payment of duty without insistence on value addition condition.

Existing eligibility criterion for recognition of Export Houses, Trading Houses Star Trading Houses Super Star Trading Houses based on average annual export performance of preceding 3 licensing years which was Rs.10 crores, 50 crores, 250 crores and 750 crores respectively which has been revised to Rs.20 crores, 100 crores, 500 crores and 1500 crores respectively, keeping in mind the export target growth to be reached by the turn of the century and the fact that status holders contribute between 60-70 percentage of the country's total exports.

**Exim policy 2002-07**

The first five year exim policy of the new millennium was presented by ShriMursolimaran the then Union Minister for Commerce and Industry. A policy which co-terminates with the 10th five year plan, geared towards doubling India’s exports of US$ 46 billion to more than U S$ 80 billion by 2007 envisaging a compound annual growth rate of 11.9% in exports. All Quantitative restrictions on exports (except a few sensitive items) were removed with only few items being retained for exports through state trading enterprise.

The policy gave major thrust to agricultural exports by removing export restrictions including marine exports. Setting up of Overseas Banking Units is permitted in SEZ to make India’s SEZ’S internationally competitive; these units will be exempted from CRR, SLR and provides access to international finance at international rates. Duty neutralization instruments were continued i.e. DEPB, Advance Licensing and EPCG. Exporters coming under DEPB schemes cannot avail mid-term reduction of rates except in exceptional circumstances. Exporters holding EPCG licenses of Rs.100 crores or more were granted 12 years export obligation period as against 8 years earlier with a 5 years moratorium. Custom duty was reduced on import of rough diamond to 0% to make India emerge as a major international centre for diamond. Abolition of licensing was announced to promote exports of leather garments and leather products, duty free imports were extended upto 3% of FOB value.

For promoting exports of cottage sector special focus was given to cottage sector and handicrafts besides units in handicrafts sector were entitled to the benefit of Export House Status on achieving lower average export performance of Rs.5 crores as against 15 crores. An incentive package of the Electronic Hardware Technology Park was modified in tune with the Information Technology Agreement of the WTO to boost electronic hardware industry. Units in EHTP will have no export
obligation and they will be entitled to the Net Foreign Exchange (NFE) as a % percentage of exports positive in 5 years instead of every year.

Market Access Initiative Scheme was broadened to focus more on market promotion efforts, special focus was given to 106 items identified in the medium term strategy through various promotion schemes including marine products. In an endeavor to boost India’s trade with Sub-Saharan African region focus Africa programme was launched, exporters exporting to focus African countries were given Export House Status on achieving an export of Rs.5 crores.

**Foreign trade policy 2004-09**

Foreign trade policy implemented a series of new trade initiatives to put the country's exports on a higher growth trajectory and generate more employment through the foreign trade sector and to take an integrated view of the overall development of India’s foreign trade a comprehensive Foreign Trade Policy (FTP) for 2004-2009 was announced by Sri. Kamal Nath, The Minister for Commerce union in 2004. The basic objective of the policy is to double India’s share in world trade and to make exports an effective instrument of economic growth by giving thrust to employment generation through a number of policy initiatives. These include simplification of procedures, reduction in transaction cost, neutralization of incidence of levies and duties on inputs used for exports and development of global hubs for manufacturing, trading and services. Some of the major initiatives taken are given below:

**VisheshKrishiUpajYojana**

The benefit of VisheshKrishiUpajYojana is extended to exports of poultry and dairy products in addition to export of flowers, fruits, vegetables, minor forest produce and their value added products. Under the scheme, exports of these products qualify for duty free credit entitlement equivalent to 5% of FOB value of exports. The entitlement is freely transferable and can be used for import of a variety of inputs and goods.

**Duty Free Replenishment Certificate (DFRC)**

Import of fuel under DFRC entitlement shall be allowed to be transferred to marketing agencies authorized by the Ministry of Petroleum and Natural Gas. Brass scrap, additives, paper/paper board and dye stuffs are removed from the sensitive list of items, prescribed for import of items under DFRC. The provision for re-credit on account of rejections of items imported under DFRC has been made similar to the facility available to DEPB and Advance Licence. While allowing re-credit, 95% of the value of the DFRC shall be credited.

**Duty Entitlement Pass Book (DEPB)**

To remove the uncertainty of the exporters, the DEPB scheme which accounts for more than 55% of the total exports would be continued until replaced by a new scheme. The new scheme will be drawn up in consultation with exporters. DEPB benefits shall be available for supply of goods from DTA to SEZs.

**Export Oriented Units (EOU)**

Units undertaking to export their entire production of goods and services, except prohibited items of exports, can be registered under the Export Oriented Unit (EOU) Scheme, Electronic Hardware Technology Park (EHTP) Scheme, Software Technology Park (STP) Scheme and Biotechnology Park (BTP). Such units may be engaged in manufacture of goods including repair, remaking, reconditioning, re-engineering, agriculture, including agro-processing, aquaculture, animal husbandry, bio-technology, floriculture, horticulture, pisciculture, viticulture, poultry, sericulture and rendering of services. EOU/EHTP/STP units are permitted import duty free on all types of goods, including capital goods required by it for its activities or in connection therewith, provided they, are not prohibited items of imports in the ITC (HS). The units are also permitted to import goods required for the approved activity, including capital goods, free of cost or on loan from clients. These units have to be net positive foreign exchange earners.

**Deemed Exports**

Deemed Exports” refers to those transactions in which the goods supplied do not leave the country and the payment for such supplies is received either in Indian rupees or in foreign exchange. The following
categories of supply of goods by the main/sub-contractors are regarded as “Deemed Exports” provided the goods are manufactured in India:

- Supply of goods against Advance Licence/DFRC.
- Supply of goods to Export Oriented Units (EOUs), Software Technology Parks (STPs) or Electronic Hardware Technology Parks (EHTPs) and Bio Technology Parks (BTP).
- Supply of capital goods to holders of licences under the Export Promotion Capital Goods (EPCG) Scheme.
- Supply of goods to projects financed by multilateral or bilateral agencies/funds as notified by the Department of Economic Affairs, Ministry of Finance under International Competitive Bidding in accordance with the procedures of those agencies/funds, where the legal agreements provide for tender evaluation without including the customs duty.
- Supply of capital goods, including in unassembled/ disassembled condition as well as plants, machinery, accessories, tools, dies and such goods which are used for installation purposes till the stage of commercial production and spares to the extent of 10% of the FOR value to fertilizer plants.
- Supply of goods to the power and refineries not covered in the above.
- Supply of goods to any project or purpose in respect of which the Ministry of Finance, by a notification, permits the import of such goods at zero customs duty.
- Supply of marine freight containers by 100% EOU (Domestic freight container-manufacturers) provided the said containers are exported out of India within 6 months or such further period as permitted by the Customs.
- Supply to projects founded by UN agencies.
- Supply of goods to nuclear power projects through competitive bidding.

Deemed Exports are eligible for the Advance Licence/DFRC, Deemed Export Drawback, and Exemption from/Refund of Terminal Excise Duty benefit.

**Foreign Trade policy 2009-14**

The new Foreign Trade Policy (FTP) is a comprehensive policy formulated for the overall development of India's foreign trade sector, and built around two major objectives (i) to double India's percentage share of global merchandise trade within the next five years and doubling its share in global trade by 2020 and (ii) trade to act as an effective instrument of economic growth by giving a thrust to employment generation. The policy focuses to meet the target based on three principles-improvement in export related infrastructure, reduction in transaction costs and full refund of all indirect taxes and levies. The policy shifted its focus to 26 new countries to discourage demand slump in traditional markets. The Policy have provisions for providing assistance to exporters, which was allowed under 7 major categories: special focus initiatives, promotional measures, duty exemption/remission schemes, Export product Capital Scheme, EOU’s, EHTP’s BTP’s Schemes SEZ’s schemes and free trade and warehousing zone schemes. The policy aims to accelerate export and discourage imports to ensure surplus trade in five years. The measures comprise concessions as well as relaxations in procedures.

The Government introduced a mix of policy measures including fiscal incentives, institutional changes, procedural rationalization, and enhanced market access across the world and diversification of export markets. Improvement in infrastructure related to exports; bringing down transaction costs, and providing full refund of all indirect taxes and levies, to achieve the objectives of policy. Further the Government endeavors to provide a conducive environment for promoting foreign trade by continuing DEPB Scheme, Enhanced insurance coverage and exposure for exports through ECGC Schemes, continue with the interest subvention scheme, provide tax benefit for IT industry and 100% export oriented units. The government endeavored to diversify products and markets through rationalization of incentive schemes including the enhancement of incentive rates which have been based on the perceived long term competitive advantage of India in a particular product group and market. New emerging markets have been given a special focus to enable competitive exports. Additional resources have been made available under the Market Development Assistance Scheme and
Market Access Initiative Scheme. Incentive schemes are being rationalized to identify leading products which would catalyze the next phase of export growth.

In an endeavor to overcome competition the foreign trade policy mooted exporters to upgrade the technology and reduce the cost achieved by promoting imports of capital goods for certain sectors under EPCG at zero percent duty based on the export performance. To promote MSME sector the foreign trade policy focuses on availing their rights through trade remedy instruments under WTO frame work and set up set up a Directorate of Trade Remedy Measures. In order to reduce the transaction cost and institutional bottlenecks, the e-trade project would be implemented in a time bound manner to bring all stake holders on a common platform. Additional ports/locations would be enabled on the Electronic Data Interchange over the next few years. To enable support to Indian industry and exporters, an Inter-Ministerial Committee has been established to serve as a single window mechanism for resolution of trade related grievances.

Conclusion
‘Exports an instrument of economic growth’ remains a strong statement in the present context. However, there are other dependable sources of foreign exchange such as FDI and tourism. Yet exports are the royal and highly dependable source. Exports a priority sector has been accorded greater thrust through economic reforms and realistic trade policies. Export promotion measures taken under the exim policies have contributed for the growth in exports. The exports have been increasing significantly and achieved the target set in by Exim policy. For India to become a major player in world trade, an all-encompassing and comprehensive vision is required for the overall development of the country’s foreign trade. Trade is not an end in itself, but a means to economic growth and national development. Coherence and consistency among trade and other economic policies is important for maximizing the contribution of policies to development. Thus, while incorporating the existing practice of enunciating a stable Five Year Policy, it is necessary to go much beyond and take an integrated approach to the developmental requirements of India’s foreign trade.

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