The present day interdependent world economy is based on cooperative effort. The world trade in manufactured goods, the flow of private-sector financial resources; the movement of workers across international frontiers — all of this on historically unpresidedented levels — mean that by 2000, the world may well be qualitatively very different from what is it today. Government have encouraged the expansion of international trade and finance. Technical and financial assistance has grow substantially and has made a significant contribution in many developing countries.

The present study concerns itself with India's foreign trade both retrospective and prospective. Foreign trade is a vital sector of a nation's economy and contributes substantially to the economic welfare of the people and the development of resources. Therefore, there is need to trade with others. The present study highlights the direction of India's foreign trade and the recent developments thereto and will carry more research value. It deals with trends in foreign trade of India for which data are presented after independence, especially in eighties. No existing publication on foreign trade of India contains the
data as such depicted in the present study. The present study also incorporates the latest data on India's foreign trade.

A crucial aspect of the trade of a country is its composition. This is crystalised along with trends in India's exports from engineering and small scale and agricultural sectors. The present study also deals with dynamic components of India's foreign trade viz., Gem and Jewellery exports and textiles and Readymade garments.

A detailed presentation of various incentives offered to exporters and the recent export-import policies has been a distinct feature of the present study. The critical areas vis-a-vis weaklinks in India's foreign trade are identified. An analytical view is expressed. Overall appraisal of India's foreign trade is done in the VII Chapter of the present study. Future projection are also given. It may be of interest to note that a very few studies of similar nature have ever been undertaken.