CHAPTER – VII

CONCLUSIONS AND SUGGESTIONS

7.1 Conclusions

7.2 Suggestions
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7.1 Conclusions:

The year of 1991 was momentous, in the economy, in the history of India as it witnessed a successful transition of India from a controlled and slow-growing economy to a liberalized and open economy that has now found a country amongst the fastest growing economies in the world. When the Indian economy was opened to external competition, Indian industry was emerging much stronger to find its rightful entity not only in the domestic market but also in international market. The process of planned economic development in India began with the launching of First Five Year Plan in April, 1951. Today, the Government has the Eleventh Five Year Plan (2007-12)

In short, over the last 65 years, India’s Foreign Trade has undergone a complete change in terms of composition and direction. The government of India introduced a series of reforms to liberalize and globalize the Indian economy. Reform of Foreign Trade was a critical element in structural reform as well as economic reform. Today, the destination pattern of Indian Foreign Trade has remarkably changed, in the sense that the significance of developing countries as Foreign Trade has considerably increased. All EXIM polices or FTPs in India regard to liberalization and globalization of the Foreign Trade has witnessed very significant change.

Hence, the main focus at this research is analyzing and interpreted the changing trends of India’s Foreign Trade 2001 to 2010. The conclusions of this research work are divided into two sections. Section 7.1.1 deals with conclusion on hypotheses. Conclusion on hypotheses can be explained by the help of statistical data and other support of content. Hypotheses in this part will be referred by the number, the statements are given in chapter 3.5.
7.1.1 Research Conclusions:

As explained on above, this chapter highlights on the main research conclusions, findings are as under:

1. Foreign Trade has played vital role in Indian economic development. During the British rule, India was importing finished materials and exporting the raw materials.

2. India exported raw materials in the beginning, but later the quantum of her export changed according to progress of Foreign Trade.

3. India has developmental imports and maintenance imports to build up modern India.

4. Before Independence, the main exports were traditional primary goods, while the manufacturing products constituted the bulk of imports.

5. Before independence of India, India is a colonial state of British Rule, so British does not improved and promoted any foreign business activities in huge volumes.

6. During the period from 1950-51 to 1994-95, the dominance of British is reduced in context of India’s Foreign Trade.

7. During the Five Year planning era, India’s export trade has registered increase of 97.5% and imports by 170% in 1950-60. The increase in export was six times and imports by five times in 1999-2000 i.e. hundred year of India’s Foreign Trade.

8. India has forced the problems of trade deficit all through the planning era. Trade deficit has increased significantly over the years.

9. India’s Foreign Trade was changed due to devaluation of rupee in 1949 and 1968.

10. Total value of exports has recorded more than 300 times during the period from 1950-51 to 2000-01. The agricultural products registered increasing share in total India’s export. Manufactured products have improved its share from 35.32% in 1950-51 to 84.65% in 2000-01.
11. During First Five Year Plan (1951-1956) trade deficit was Rs. 108 crore, in the second plan (1956-61) it was Rs.477 crores. First Five year plan gave preference to base and background of planned economic development while second plan lay down foundation and industrialization while Third Plan (1961-66) was development plan.

12. Due to Indo-China war and Indo-Pak war, the Fourth Plan (1969-74) was disturbed. Trade deficit was Rs. 162 crores in this plan period reached to Rs. 810 crores in the fifth plan period (1974-79) and finally moved up to Rs. 5716 crores in the Sixth plan period (1980-83). The rising prices of petroleum products can be attributed to the rising trade deficit of India’s Foreign Trade.

13. Due to recession in Japan and several economic crisis in Russia, the trade deficit was Rs.36,363 crores in Ninth Year Plan (1997-2002) occurred. The global recession or slowdown had impact on the economy of India as well as almost all the countries.

14. It is found that India is now in a position to take advantage of both favourable demand situation and attractive price situation in the international markets during research period 2001 to 2010.

15. The composition and direction of India’s Foreign Trade indicated that the Indian economy is being diversified and traditional as well as non-traditional commodities exports are also of growing nature during research period 2001 to 2010.

16. It is also found that some commodities have tremendous exports potential i.e. engineering goods, handicrafts and readymade garments), while other commodities i.e. sugar, jute, yarn and manufactures, iron and steel have fluctuated widely under India’ Foreign Trade during the research period 2001 to 2010.

17. The share of developing countries and OECD and OPEC has shown improvement in their contribution to India’s Foreign Trade during 2001 to 2010.

18. India’s export is a main source of foreign exchange which plays major role in generating foreign exchange. There are various other sources of foreign exchange like foreign Direct Investment (FDI) Foreign Portfolio Investment.
(FPI) Invisible Export and Foreign Investment (IEFI) etc. The minimum contribution to India’s foreign exchange comes from FDI and portfolio inflows.

19. India’s Foreign Trade is operating under certain laws. The exporters are eligible for various benefits under different laws governing the export from and import into India, i.e. Duty Drawback etc. These benefits enable the exporters to be competitive in the highly competitive international market.

20. It is found that export documents and procedure are very complex due to which most of the exporters are hesitating to go for export transactions on their own. They are not aware of these procedures and documentation. That is why they have to appoint export agent who charge very high fees. This is not affordable to the small exporters, so most of the exporters are demanding for simplification of existing export documentations and procedures.

21. Some of the Indian exporters are willing to diversify in their export business. Some of them are very ambitious to expand their export business by diversifying in the various sectors like Software and Hardware, Engineering goods, Agricultures and Allied products, Textile and Garments, Chemicals and Allied products, Leather and manufacturers, Gems and Jewellery and Handicrafts etc. The reason behind export diversification is that the worldwide recession in the existing business and expands the size of existing business.

22. It is identified that there are many agencies and organizations involved in export Promotion activities in India, namely Ministry of Commerce, Promotion Council, Commodity Boards, Federation of Export Organization, Chambers of Commerce and Industries, Textile Committee, Indian Investment Centre, Government Trade Missions Board of Trade, Export Promotion Boards Office of the Director General of Foreign Trade, Director General of Commercial Intelligence and Statistics, National Small Industries Corporation and Export Credit Guarantee Corporation etc.

These all agencies or organizations are actively involved in the export promotion activity and directly or indirectly engaged in generating foreign exchange through export promotion. So, it is very difficult, rather impossible to find out exact activities
and transactions of these agencies or organizations.

23. It is found that the various EXIM policies of India, contains number of provisions and facilities to provide for the regulation of Foreign Trade of India. The provision of the EXIM policy enables the entrepreneur to plan for the establishment of export business. Having understood the broad framework of the international trading environment, the entrepreneur is now well equipped to take the first step towards the establishment of the export business with the help of guidelines given in the EXIM policy. There are many provisions made in the EXIM policy to promote India’s Foreign Trade by offering various incentive schemes to the exporters. EXIM Policy can be treated as a master guide to the exporters. The amendment or modifications in the EXIM policy is a continuous process to make suitable provisions for the Foreign Trade promotion. The EXIM policy of Government of India is a very important document for providing guidelines to the exporters and importers.

24. It is found that the minimum 40% of the exporters are taking help from EXIM bank for financial assistance and consultancy services. There are many exporter who are taking export services from private export agencies and organizations, such as appointment of export agent in the foreign country and fulfillment of formalities like documentations and procedures. All the Indian exporter take insurance facilities from E.C.G.C. for their Foreign Trade transactions.

25. The Government provides various facilities for import of capital goods to facilitate production for export. These facilities enables the exporters to reduce their cost of production and become cost competitive in the global market place. The use of imported capital goods also facilitates manufacture of better quality products for exports. The impact of these facilities is reflected finally in the promotion of exports which is the main thrust of the EXIM policy 1997-2002.

26. The EXIM policy (2000-2001) completed the process of removal of QRs on BOP grounds by dismantling restrictions on the remaining 7.5 items. Out of these 715 items, 342 were textile products, 147 were agriculture products including alcoholic beverages and 26 were other manufactured product including automobiles. This EXIM policy to monitor import of 30 separate items on a regular basis.
27. It can be found that sound EXIM policy or Foreign Trade Policy implementation is important to boost India export potential. Thus, issue like electronic fund transfer, digital signature, relaxed import norms and focus on services were the areas which found due consideration in the EXIM policy 2003-04, Mini EXIM policy 2004 and Foreign Trade Policy 2004-2009.

28. It is found that under Foreign Trade Policy (FTP) 2004-2009, “Vishesh Krishi Upaj Yojana (special agricultural produce scheme)” introduced to boost exports of vegetables, fruits, flowers, minor forest produce and their value added products. As well as a new scheme to accelerate growth of exports called ‘Target Plus’ introduced under which rewards are granted based on a tiered approach.

29. The Foreign Trade Policy 2004-2009 also provided emerging markets of Africa, Latin America, Oceania, CIS countries and ASEAN under the agreement which are in line with India’s “Look East Policy”.

30. It can be concluded that under Foreign Trade Policy (2004-2009), special focus initiative have been identified for various sectors, like, Agriculture, Handlooms, handicrafts, Gems and Jewellery, Leather and Marine sector etc. Also new sectorial initiative would be announced from time to time under FTP (2004-2009).

31. In has been found that coordination is deficient between Foreign Trade business and Government and between various levels or agencies of Government.

32. It has been observed that the rate of the exports is always below the rate of imports before research period as well as during the research period 2001 to 2010. The growth rate of exports is constantly increasing every year but at the same time, the growth rate of imports is also increasing faster than the exports of India. So that the Balance of Trade (BOT) is always founds negative or declined which created huge Foreign Trade deficit. There are many reasons for this situation; one is liberalization of Indian economy due to which foreign industries are importing raw materials on large scale. The second reason is the quality and price of Indian product which is not competitive in the international market. The ‘made in India’ label has become a sign of poor quality and more price in the global market.

Indian manufacturers are not able to produce better quality product at economic price which will be demanded in the global market and compete successfully. Indian
are lacking on the quality front due to poor technology and price. This is happening because of ineffective and non-optimum use of maximum resources of India. The Indian manufacturers are found very poor to produce high quality product at competitive price due to which they are failed at global market.

33. The analysis and interpretation of exports of principal commodities in various years during 2001-2010 i.e. ten years shows that the exports of Agriculture and Allied products, Gems and Jewellery, Engineering Goods are made remarkable progress by making continuous growth in exports. The total exports of principal commodities in the year 2001-02 was Rs. 2,09,018 crores, in 2005-06, it was Rs.6,55,34 crores. With the help of this data and information, we conclude that the export growth is taking place but it is not more than the import. Even, if we have achieved continuous growth in export it is not satisfactory because the expected growth rate is not achieved, the growth rate during the period 2001-02 was 2.68 percent, in 2005-06 it was 21.60 percent in 2007-08 it was 14.71 percent, and in 2009-10 it was only 0.57 percent. It shows that the growth rate of export in the second phases after 2005-06 to 2009-10, has declined compare to the first phase 2001-02 to 2004-05.

34. It is also found that export in dollar terms were growing at 20.4 percent between April to December, 2002. And year to year, exports in dollar terms grew by 34.3 percent in December, 2002. In 2012, May 7, US% 1 is equal to '53.34 as per RBI. The surge in exports occurred in spite of the sluggish pace of global economic recovery and the slight appreciation of the rupee (') Vis-à- vis the dollar contributed to domestic industrial growth.

35. It is found that the growth in world trade volume was projected to decline sharply to 1 percent during 2001-02, as against 12.4 percent in 2000-01. Absolute declines were projected for both energy and non-fuel prices in 2001-02 with the decline in energy prices which expected to aggravate further in 2002-03.

36. It is found that the annual growth in income terms of trade was 11.7 percent, partly fuelled by strong export growth in volume terms. With exports volume growing by 23.9 percent and 3.8 percent in 2000-01 and 2001-02, the import – purchasing power of exports increased by 18.3 percent and 1.5 percent respectively, in these two years.

37. It is also found that world output growth was estimated to have accelerated from
3.0 percent in 2002 to 3.9 percent in 2003. As well as volume of world trade in goods and services also grew rapidly by 4.5 percent, compared to only 3.1 percent in the previous year. The robust performance of India and the emerging market economics also contributed to the good performance of the world economy.

38. It is found during research period that capital account surplus was almost double its previous year’s level. While major component of Foreign Trade loans (e.g. external assistance and commercial borrowings) recorded net outflows foreign investment flows increased more than the three-fold. Heavy portfolio inflows, comprising essentially FII investment, shared up total foreign investment and the overall capital account surplus. Banking capital inflows, particularly expatriate surplus.

39. It is also found that the rising trends of import is recorded during the period 2001 to 2010 due to rising prices of petroleum and Allied products. It indicates a steep increase in import expenditure and volume of India.

40. It is revealed that the Foreign Trade Policy 2009-2010 is fully committed to support the growth of project exports. For that a high level co-ordination committee is being established to facilitate the export of manufactured goods or project exports.

41. It is found in broadly that India’s share in the world export commodity wise shows that some commodities have made remarkable progress by its continuous growth in the international market. These commodities with their percentage share in the international market during research period from 2001 to 2010.

- Engineering goods - 21.88 in 2008-09
- Gems and Jewellery - 16.27% in 2009-10
- Petroleum products - 17.41 % in 2007-08
- RMG of all Textile - 8.36% in 2005-06 and
- Drug permutes & Fine chemis – 5.02% in 2009-10

Apart from these commodities, it was also found those commodities which have done negative progress in the international market by losing its share compare to research period which is having good share in the same period. These commodities
with their percentage share in the international market during 2001 to 2010 are:

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<tr>
<td>a. Tea</td>
<td>0.31% in 2007-08</td>
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<td>b. Coffee</td>
<td>0.24% in 2009-10</td>
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<tr>
<td>c. Rice</td>
<td>1.23% in 2006-07</td>
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<tr>
<td>d. Tobacco</td>
<td>0.29% in 2005-06 to 2007-08</td>
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<td>e. Spices</td>
<td>0.46% in 2005-06</td>
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42. It is also found that maximum Indian exporters are exporting their goods to UAE, it is Rs. 113348 crores in 2009-10. USA is second number whose deals in export are Rs. 96485 crores in 2008-09. The china PRP is third number, who has deals Rs. 54714 crores in the year 2009-10. The percentage share of total exports of these countries is 13.41%, 10.93 and 6.47% respectively. Besides exports to the other countries like Hong Kong, Singapore, Netherland, UK, Germany, Saudi Arab, France, Belgium, Japan, Korea RP, Italy, Indonesia, Malaysia, Bangladesh, Brazil, Sri Lanka and South Africa are also exports destinations.

43. It is found that India's major Foreign Trade partners are countries of European Union which account of 22 percent of the country. Though India has started programmes like Focus African and Latin American countries, new destinations must be explored to boost up export growth. To achieve the target of export. To achieve the target of exports of worth US$150 billion by 2009-10.

44. It can be conclude from the research findings and review of literatures that review of rate of exports of India over the last ten years (2001 to 2010) 10.1 percent is well above Singapore, Indonesia, Hong Kong, South Korea, and Malaysia.

45. The research study is found that the most glaring deficit and difficulties in India is the infrastructure deficit, infrastructure projects (roads, sea ports, air ports). As well as movement of cargo services, red tape which delays Government clearances, unreliable power supply, inflexible labour laws and inability to speed up banking
transactions are the main difficulties faced by exporters in India.

46. It can be found in India that exporters pay various levies like sales tax, Octroi, entry tax without being able to get, making Indian goods less competitive. Indian exports face high cost disability factor covering un-neutralized taxes and duties, high cost of credit, power and truncation costs.

47. The urgent need and strictly necessary measure is removal of red tapism and corruption from the system which was felt all the time in the field and sector of Foreign Trade in India. Unshackling of controls and creating an atmosphere of trust and transparency is very important for the progress of Foreign Trade of India.

48. At last, it can be concluded that India, is no longer a country of scarcities and shortages. Food grains stock are plentiful, foreign exchange reserves are over flowing, inflation rate is moderate and under control, export are buoyant, exchange rate is flexible and the country is well integrated with the world economy. All these features of new India are amply reflected in a relatively high rate of economic growth and a significant reduction in poverty ratio over the last decade and a half. We hope India become a great economy, a great nation in future.

7.1.2 Testing of Hypotheses:

The present research study is "changing Trends in India's Foreign Trade" from 2001 to 2010 i.e. 10 years. This research study is based on three statement of hypotheses as tested below:-

1. The Foreign Trade plays a vital role in India's economic growth and economic development.

Foreign Trade plays a vital role in India's economic growth and economic development. In addition, Foreign Trade holds the key importance in the growth of the economy. Foreign Trade growth is crucial for the economy. At present during 2001 to 2010, global output growth and Foreign Trade environment has been totally favourable for India. This situation strongly support the argument that India's economic growth and development has gained a new momentum which indicates that a growth rate of 8 to 10 percent a year is not difficult to achieve.
The share of India’s Foreign Trade in percent of GDP had increased gradually since 1974, through in a fluctuating trend. The volume of total trade in GDP 10.21% in 1974, 14.05% in 1988, and the figure touched 30% mark in the year 2000.

Thus, it is proved that the Foreign Trade plays a vital role in India’s economic growth and economic development. Statistical and other support to these hypotheses are given in the chapters.

2. The composition and direction of India’s Foreign Trade has registered the significant change.

Since the initiation of economic reforms in India, India’s Foreign Trade has increased considerably. The composition and direction pattern of India’s Foreign Trade has remarkably changed after the economic reforms specially during the research period 2001 to 2010, in the sense that the importance of developing countries i.e. India as an export market as well as volume of trade has considerably increased.

No doubt, the composition and direction of India’s Foreign Trade has registered the significant change, particularly after the liberalization and globalization.

Thus, it is proved that the composition and direction of India’s Foreign Trade has registered the significant change. Statistical and other support to this testing of hypotheses is given to chapter 4th section 4.3, 4.2 and 4.5 also table no. 4.4, 4.5,4.6, 4.7 and 4.8.

3. EXIM Policy have provided the environment to boost export.

Indian EXIM policies or Foreign Trade policies played a significant role in the development of economy of the country. From first phase of trade policy (1947-48 to 1951-52) all policies were promoted exports according to objectives of related EXIM policy or FTP of Government of India. The Government has been introduced and announced various EXIM policies or Foreign Trade policies for the boost of exports trade in the country.

No doubt, every EXIM policy or FTP and its annual supplements also provide various information and facilities to the exporters and importers for the well result in Foreign Trade of India. All policies were created favourable climate for the boost of Foreign Trade in India.
Thus, it is proved that all EXIM policies have provided the environment to boost export. For that testing, the statistical and other contents are given in chapter 5th table no. 5.1 and section. 5.3.

4. **India’s Foreign Trade has registered rising trends since 2001.**

India’s export performance has been excellent, supported by various traditional and non-traditional commodities. India has come a long way, when country had fallen, it reserves and mortgaged its gold to borrow. But after the adoption of new reforms in 1991 before and after, India’s Foreign Trade has registered rising trends since 2001.

The period 2001 to 2010 again witnessed remarkable rising Foreign Trade of India. India’s exports increased sharply due to increase in world demand for raw material, non-traditional commodities and information technology sector etc.

Thus, it is proved that India’s Foreign Trade has registered rising trend since 2001. Statistical and other support to his hypothesis is given in chapter 6 the section 6.2 and table no. 6.12.

7.2 **Suggestions:**

Though the introduction analysis, interpretation and micro research study of changing trends in India’s Foreign Trade during 2001 to 2010, are caught by various problems and reasons, to less growth and development in favor of huge scope and capacity of various resources to create more quantitative and qualitative increase of Foreign Trade.

Hence, with the help of foregoing analysis, interpretation and studies of changing trends in India’s Foreign Trade, few suggestions and recommendations for the growth and development of Foreign Trade of India are made here:

1. India is now recognized as the developing country. Her Foreign Trade must be a good source of earning foreign exchange.

2. India’s Foreign Trade has undergone the rapid change in the context of the compositions and the direction of her trade.

3. In case of EXIM policy or Foreign Trade Policy, it is needed to give impetus to
agricultural production; marketing efforts and organization reforms in this field are urgently needed.

4. By a reduction of costs improvement in quality, better servicing of equipment’s and aggressive marketing, India can achieve a massive expansion in the export of Engineering goods, Gems and Jewellery, Textiles, readymade garment, Handicrafts. So there is need to concentrate in export of these goods to new Asian countries and other countries.

5. India’s should be prepared to take the advantage of both favourable demand situation and attractive price situation in the international markets.

6. India must restrict the relatively higher increasing trend in imports, if the goal is to reduce trade deficit with higher exports.

7. After globalization, India has to be full in line with other countries making her trade free from internal restriction considering the global as a one village. For that, India needs to take cooperation from OECD and OPEC countries.

8. There must be stated national export goal and a permanent National Export Council should be established in India for the sound growth of Foreign Trade.

9. There is continuous need for India to move up the value added ladder and improve the attractiveness of its locational advantages, developing high quality infrastructure, giving due consideration on exploration of new markets and strengthening corporate strategies and working out more sophisticated and comprehensive EXIM policy or Foreign Trade Policy approaches and working strongly on export promotion.

10. It is suggested that the EXIM policy or Foreign Trade Policy is designed to tap India’s export potential but a lot depends on how policy is going to be implemented. Therefore, there is a need to concentrate on implementation of policy.

11. It is also suggested that there should be necessary tax incentives provided for innovation and strengthen of Foreign Trade in the India.

12. It is suggested that there is an urgent need to plan Indian infrastructure to meet future requirement for exports and imports, while efforts are on to strengthen the
country's road network, the Government needs to take immediate steps to enhance the handling capacity of railway as well as Indian sea-ports.

13. Huge investments are required for infrastructural development in India, thus, private sector should get a larger role in the construction and development of roads, railways, ports, power and telecommunication to overcome the current difficulties for promotion of Foreign Trade in India.

14. It is recommended that India should be prepared and operate export promotion programmes and training programmes for exports-imports and an international trade should be imparted to entrepreneurs. Special training programmes should be prepared for traditional exporters and small exporters as the awareness about the export practices is very low among them and hence it is actually needed.

15. It is suggested that coordination and integration between the trade agencies are quite necessary and so must be fostered. Not only there must be coordination and integration between the trade agencies within the country but must also be associated with apex international organizations or agencies to learn from the success stories of others. Also, they can provide a platform for professional exchange.

16. Government should play active role in promoting exports in India. There should be coordination among state and central Government on all such issues related to foreign trade, also there must be real and effective partnership between public and private sector.

17. Government should activate Embassies as key players in Foreign Trade strategy for real time trade intelligence and enquiry dissemination.

18. The Government export agencies should also evaluate the export—import performance of companies or business firms which would have not achieved without the export promotion programme conducted by them strictly.

19. Government should strengthen its network, wherever required it should establish its offices and should recruit agents or representatives for providing the various Foreign Trade services efficiently in the country.

20. For license and customs, classifications should be made to match with
drawback classification. For this, appoint a Joint Committee having technical and administrative personnel who would devise it within certain period.

21. There are still provisions for savage generalizes for non-performance in exports even when the reasons are genuine. This makes entrepreneurs to face double injury, losing the market and also having to pay penalty. Therefore, a proper approach should be to make the manufacturing more efficient and competitive in real terms.

22. Reduction of transaction costs due to corruption at different levels needs to receive some attention for the all-round development of Foreign Trade in India.

23. No doubt a software to facilitate the use of new export documents by the exporters should be popularized, but many small exporters have no idea about it. Government should spread awareness regarding such software to exporters.

24. The Government has expressed, under related Foreign Trade Policy, as promised in FTP, that the Government must continue regular interaction with stockholders to maintain a close watch on the performance of the FTP in the field.

25. For strengthen and promote of Foreign Trade new Export promotion councils can be established to promote tourism, hotel industry and consultancy services as there is tremendous scope in all these factors.

26. It is necessary that sectorial performance review and support measures announced by the Government in every Foreign Trade Policy for the sound progress of policy and Foreign Trade of India.

27. It is suggested that the Government should encourage and help the exporter to acquire quality certification (ISO 9000) and other common certifications (like ISO 14000, ISO 18000 etc.)

28. In India, export promotion efforts of Government cannot carried out effectively without support and cooperation from local authorities and Foreign Trade promotion agencies. If at local level, there are too many obstacles, than it can demotivate the business community and so it is must for sound growth of Foreign Trade in India.
29. The Government should reach to potential exporters in the urban as well as rural areas in India. It should conduct export awareness programme to encourage both areas exporters. It should provide information about export business. It should also conduct seminars and exhibitions to provide information about commodities and other Foreign Trade related information.

30. Indian Exporter has tremendous potential to export agriculture products but they expect more promotion facilities from the Government of India.

31. Government of India should simplify export procedures and documentation and at the same time exporters should be encourage to come forward in a big way.

32. Exporters Guidance center should be opened to provide necessary information about the export business and business opportunities.

33. Government should provide opportunities to the potential exporters to come forward and export their goods and services providing financial and technical assistance.

34. Export duty and other levies should be reduced to encourage potential exporters in India.

35. Government of India should establish More Export Oriented Units (EOUs), Export Processing Zones (EPZs), Special Economic Zones (SEZs), Software Technology Parks (STPs) to promote Indian manufacturers to export their product on large scale. Process of setting up more of these types of agencies is quite slow and they constitute very few shares (Less than 5%) of country’s export.

This research study can act as good base for future research studies, Research studies which can be taken in future are as follows :-

1. The scope of this research study was not broader; hence the same research study with large sample size and broader scope including all the export promotion measures and various EXIM policies of other countries can be also done.

2. Comparative study of Foreign Trade performance of India and Foreign Trade Policy among selected countries is also taken.

3. Comparative study between the export promotion organization of developing and
developed countries can be taken on and comparative study on the basis of regional bloc like SAARC, ASEAN etc. can also be done.

Thus, in last chapter, summary of findings, testing of hypotheses, conclusions and suggestions have been already discussed.

At last, it can be finally concluded that smooth infrastructure both physical and vertical, reduction of red tape, reforms, in bureaucracy, labour laws, rules and procedures, revitalizing the Export promotions organizations and developing framework of international standard, sound and appropriate EXIM policy or Foreign Trade Policy as well as liberalization and globalization policy are urgently required to strategically respond to changing trade environment to contribute to country's economic growth as well as Foreign Trade of India.