CHAPTER I
INTRODUCTION TO STUDY

1.1 INDIAN ECONOMY & EXPORT MARKETING

1.2 KNOWING RESEARCH PROBLEM

1.3 OBJECTIVES OF RESEARCH STUDY

1.4 RESEARCH METHODOLOGY

1.5 REVIEW OF RELATED LITERATURE
INTRODUCTION

1.1 INDIAN ECONOMY & EXPORT MARKETING

Looking back into the past four decades of preliberalisation era, the Indian economy functioned under the regulatory environment. Licensing regulations were in force for the establishment, expansion, modernization or the restructuring of business establishments. The Five-Year Plan system was introduced in the initial period soon after the independence for achieving planned & targeted growth. Several sectoral enterprises made concentrated efforts to accelerate the growth process. As a result, a strong manufacturing base was built up in the country. Besides, new business areas were explored, developed and subsequently exploited to achieve national priorities. To streamline the developmental work into the desired directions, industrial policy measures, fiscal, economic & institutional measures were announced and implemented to attract business community. Industrial climate in the country continued to improve which reflected into notable increase in the production volume of several industries. However, one important aspect of this developmental process was the focus on the domestic market. The firms engaged into manufacturing and marketing of their production volumes largely in domestic market because of its easy accessibility, known market, political, social & technological factors, economy of scale and huge consumption capabilities. Subsequently, a vital area of business i.e. export marketing caught a very little attention of Indian marketers. Though several organizations made modest efforts in the exporting field, the capability of export marketing to lend a strong support
to the economic development through earning valuable forex resources was not known very well. Most organizations developed by tapping domestic market and ignoring export marketing with the perception of relatively risky & uncertain field. Concentrated efforts were lacking to capitalize this field.

If First and second Five Year Plans are reviewed in terms of targets and performance, very little is known for the exports. Reasons might be the lack of clear export policy and desired aggression in this direction. During the period of Third Five Year Plan i.e. 1961-62 to 1965-66, many institutional and fiscal measures were taken to make exporting an attractive and profitable business area.

The Industrial licensing policy of 1970 allowed big industrial houses and foreign firms to start new units or expand existing one with the undertaking of minimum export commitment. The modifications launched latter on in 1973 opened core sector for industrial establishment where the production is predominantly for export purposes. Industrial policy of 1977 accepted the competence of Indian firms to play in international field. In addition, Government clearly pointed its favourable approach at setting up export oriented manufacturing facilities. Further, the major objective of the Industrial policy of 1980 was to bring about rapid development of export oriented and import substitution industries.

These developments of the last couple of decades made export marketing a vital and critical area of business. If it is developed on sound footing, it has all the capabilities to decide good fortune of Indian economy. With the realization of vitality of export marketing in solving national problems like unemployment, meagre forex resources or regional disparities and backwardness, export policies & programmes have been
designed, declared, reviewed and modified many times with the passage of these decades. These have offered a much wider scope to export marketing to grow. Govt. has offered several incentive packages to encourage this activity among the domestic players. Many organisations have been formed to provide consultancy, database, liaison & redressal of exporters' difficulties in the hope of their improved performance.

The Industrial policy of 1991 is a historical landmark in country’s planned developmental efforts as it gives a totally new direction to the national economy. Accordingly, the licensing regime is abolished and the functioning of business liberalized allowing entry to foreign institutions & multinationals to operate & compete with their Indian counterparts in domestic and export markets. Rapid industrialization has further changed the economic & industrial scene of India. Export marketing has come under the heavy influence of these moves. The domestic market received international competitiveness and exporting has emerged as a profitable but a tough field for Indian firms. Survival to the fittest is the tone of today. However, with the liberalization and globalisation of Indian economy, export business is gradually increasing and improving with significant change in the composition & direction product and region wise. Opening of doors for multinationals has resulted into increased level of competitive strength & technological upgradation in domestic market. Exporting is no exception to it. It has become competitive, efficient and profitable.

Beginning with a modest export volume of Rs. 485 crores in the year 1945-50, exports of Indian products reached at Rs. 733 crores at the time of introduction of Five Year Plan system in 1951. From the year 1960-61, India’s exports kept on increasing over these years. Particularly, Indian
exports grew at a rate of 15.77 percent & 43.55 percent during the years of 63-64 & 66-67. In the four decades, export from India registered satisfactory growth. In fact, preliberalisation era has developed large manufacturing capabilities which are efficiently utilized for product manufacturing & exporting on a large scale in postliberalisation era. In fact, the present international scenario calls for Indian exporters to be comptitable in all respect to boost export business.

1.2 KNOWING RESEARCH PROBLEM:

Traditionally, Indian exports were composed of raw materials & agricultural products like raw jute, sugar, tea, raw cotton, oilseed, for which U.K. & then undivided Soviet Union where the major buyers. Over the years of 1950-51 to 1980-81, various types of minerals, leather products, tobacco & machineries were exported apart from the agriculture & allied products. Subsequently imports included engineering & manufactured goods. Today, India’s basket of export is full of variety of products ranging from traditional, manufactured products to the highly demanded software products & services. The encouraging export scenario soon after the liberalization process is the result of progressive & farsighted export related policies & programmes of the government. Now, our export marketing capability is strong enough to exploit overseas opportunities, which are still untapped. Exporting has emerged as a thrust area in governemental programmers & thus, lot of export incentives are now available to Indian exporters.

The export composition of India has witnessed notable changes both in terms of commodities & markets as well. Moreover, the foreign trade
has expanded considerably over the four decades of preliberalisation era. Even, the exporting track kept on increasing in post liberalization era. The following data will further help us to know export composition of Indian products

Table 1.1*

Composition of Indian Exports

(% Share in total exports)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Agriculture &amp; Allied products</td>
<td>18.93</td>
<td>18.17</td>
<td>15.27</td>
<td>13.54</td>
</tr>
<tr>
<td>2. Manufactured Goods</td>
<td>75.83</td>
<td>77.64</td>
<td>80.93</td>
<td>77.85</td>
</tr>
<tr>
<td>3. Ores &amp; minerals</td>
<td>3.03</td>
<td>2.69</td>
<td>2.59</td>
<td>2.61</td>
</tr>
<tr>
<td>4. Other commodities</td>
<td>1.20</td>
<td>1.23</td>
<td>1.22</td>
<td>1.89</td>
</tr>
</tbody>
</table>


Though India’s exports have increased considerably during the years of postliberalisation era, the change in the composition of products exported is clearly visible. The share of agriculture & allied products in India’s exports was impressive in the early decade of preliberalisation era. However, figures on foreign trade of India suggest that this share of agro & allied products continued to decline over the planned era of preliberalisation. Even, the composition of Indian exports has maintained the same trend during the four years of 1997-98 to 2000-01. According to data given in table 1.1, the share of manufactured goods in India’s total
exports was 75.83 percent which was much higher than 18.93 percent for agriculture & allied products. The important trend emerged was that the charge of agro & allied products in India’s total exports kept on declining continuous over these years & it stood at 13.54 percent in the year 2000-01. This is despite the fact that wide varieties of agro products have been exported to many countries of the world. Likewise, share of manufactured goods suggests a fluctuating pattern. It stood at 77.64 percent, 80.93 percent & 77.85 percent during the three years of 1998-99, 99-2000 & 2000-01. The shares of ores & minerals and other commodities stood at 2.61 percent & 1.89 percent respectively during 2000-01 which was, again impressive.

Looking to the agricultural exports principal commodities included are rice, wheat, coarse grains, pulses, oilseeds, extraction, vegetables & coffee. In the era of liberalization & globalisation of Indian economy, the agriculture has a new role to play & agro exports should be favoured in view of huge untapped market. The country has a comparative advantage in this field which will give rise to employment opportunities. In addition to these traditional agro items for exports, several new items have been added including floriculture & seeds, fruits & vegetable, processed fruits & vegetables, cereals, horticulture & others. These items have huge export potentials. With the growth of improvised irrigation, scientific cultivation & research, the agricultural production is on increasing scale in quality & volume. At the same time, wastage of agro products is considerable due to lack of infrastructure facilities for storage & distribution. New concepts like green house farming and organic farming have come up to improve further the quality of agro exports.
Exporting agro & allied products from this country is a not a new area. India has a rich heritage of exporting spices, fine handicrafts, super fine textiles & several raw agricultural products. Now, the exports of agro commodities have increased notably in post liberalization era. Particularly during 94-95 to 96-97. During the years of 1997-98, 98-99, & 99-2000, exports of agricultural & allied products registered a constant decline. However, agro exports increased at a rate of 7.08 percent during 2000-01. With the development of processed food industry, the exports of processed food & vegetables have increased & it is now regarded as a thrust area in view of rising global demand for this product. Agro exports can be increased if emphasis is placed on diversified agriculture including fruits, vegetables & flower crops. Tissue culture, horticulture, acqua culture, herbal & medicinal farming etc. need due attention. The cheap labour & vast land resources are to be tapped effectively to boost agro exports. The current export-import policy of the government is conducive to export of agricultural products. The emphasis is laid on productivity; modernization and competitiveness of agro sector so as export capabilities can be enhanced.

The important aspect of this study is to know the impact of liberalization on Indian exports. Table 1.2 gives statistical data on India’s exports during 86-87 to 90-91 of preliberalization & during 1996-97 to 2000-01 of post liberalization era.
## Table 1.2*

### Indian Exports (Rs. Crores)

#### Indian Exports Before & After Liberalisation (In $ billion)

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports</th>
<th>% Change</th>
<th>Year</th>
<th>Exports</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986-87</td>
<td>12452</td>
<td>14.29</td>
<td>1996-97</td>
<td>118817</td>
<td>11.72</td>
</tr>
<tr>
<td>87-88</td>
<td>15674</td>
<td>25.88</td>
<td>97-98</td>
<td>130101</td>
<td>9.50</td>
</tr>
<tr>
<td>88-89</td>
<td>20231</td>
<td>29.07</td>
<td>98-99</td>
<td>139752</td>
<td>7.42</td>
</tr>
<tr>
<td>89-90</td>
<td>27658</td>
<td>36.71</td>
<td>99-2000</td>
<td>159095</td>
<td>13.84</td>
</tr>
<tr>
<td>90-91</td>
<td>32558</td>
<td>17.72</td>
<td>2000-01</td>
<td>202510</td>
<td>27.29</td>
</tr>
</tbody>
</table>


India’s export’s value at Rs. 12452 crores in 1986-87 registering a growth of 14.29 percent over the year 1935-86. During the two years of 87-88 and 88-89 of preliberalisation period, Indian export changed at the respective rates of 25.88 percent & 29.07 percent. The growth on exports front during these years was really impressive. Exports of Indian goods amounted to Rs. 27658 crores in the year 1989-90 registering growth at a notable rate of 36.71 percent over the last year.
However, the exports increased at a slow rate of 17.72 percent in the year 1990-91 of the preliberalisation era. During these five years of 1986-87 to 1990-91, Indian exports grew at an average rate of 24.43 percent.

If the five years of 1996-97 to 2000-01 the post liberalisation era are taken into account Indian exports have grown considerably in value terms. During 1996-97, Indian exports amounted to Rs. 118817 crores registering a growth of 11.72 percent over the previous year. Though the exports of Indian goods increased during 1997-98 & 1998-99, the growth rates were much lower than that of 1996-97. During 1999-2000, India’s exports stood at Rs.159095 crores with a growth rate of 13.84 percent over the year 1998-99. A notable increase of about 27.29 percent was recorded in Indian exports during the year 2000-01 which was much higher than the growth rates of the last four years. On an average, export performance of Indian goods have improved at a rate of 13.95 percent in post liberalization period which is satisfactory in view of increasing competitive scenario in the international market.

Exports of agro and allied products include agro commodities like coffee, tea, spices, raw cotton, rice, fruits & vegetables, cereals, flowers & seeds and processed food. During the year 2000-01. The share of agro & allied products in total exports was 13.54 percent of which several agro products contributed as follows.
Fruits – 0.19, vegetables – 0.22, rice (basmati & others) – 1.45, pulses – 0.27, floriculture products – 0.07, processed fruits – 0.30 and processed vegetables – 0.11.

This country enjoys a comparative advantage in export of several agro commodities like coffee, tea, tobacco and new areas like horticulture, floriculture and processed fruits & vegetables have emerged. With speeding up globalisation and liberalization of Indian economy, boosting exports of agro and allied products has been a key area of the government. Many export oriented activities are now being performed in this area. Flow of Indian agriculture products towards global market is now getting impetus as concentrated efforts are put in this area. Table 1.3 gives details of agro exports from this country.

Table – 1.3
Agriculture Exports : Recent Trends*

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports (US $ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-97</td>
<td>6868.50</td>
</tr>
<tr>
<td>97-98</td>
<td>6634.20</td>
</tr>
<tr>
<td>98-99</td>
<td>6033.11</td>
</tr>
<tr>
<td>99-2000</td>
<td>5614.87</td>
</tr>
<tr>
<td>2000-01</td>
<td>6012.56</td>
</tr>
</tbody>
</table>


It is observed that agro exports provide tremendous resilience to the overall exports earnings of the country. With the adoption of new technology, storage facilities and speedy transportation, export of agro products can be further enhanced. Share of agro exports in total export...
volume is showing increasing trend, particularly during 94-95 to 96-97. Today, India is the largest producer of fruits & vegetables in the world. However, export of the same is not much higher if compared with several agro exporting countries of the world.

Unfortunately 40% of fruits & vegetable production is wasted due to lack of proper storage facilities and only 0.75 % of the fruits & vegetable production is precessed. India’s share in the Rs. 2800 crore global trade in processed food is no more than one percent & its produce worth Rs. 2300 crores is wasted away every year.

Principal markets for Indian agriculture and allied products include Russia, U.S.A., U.K. and other European countries, middle-east and nabouring countries. Middle east countries have a very limited agriculture base and population of these countries constitute Asians as major component, a vast scope is available for exporting agriculture products in these countries. Prominent importers of agro products from India in Middle-east region include countries like Kuwait, Oman, Bahrain, U.A.E. & Qatar.

Over the four decades of the pre liberalisation & about a decade of post liberalization, Indian agriculture has witnessed increasing use of scientific & research based techniques in almost all agro related activities which has reflected into increased production & improved quality standards. With the vast & diverse agricultural resources available in India, surplus agro production is experienced due to most favourable seasonal circumstances and a sizable agro production is wasted due to lack of proper storage & transportation facilities. Now exporting agro products is the thrust of the government. The present study is an attempt to produce concentrated work on export marketing of agro products helping to
understand scenario of Indian agro exports. It will help understanding review of export performance and will clarify some vital issues like world exports of agro products & India’s share in it, region wise & item wise export analysis, production, procurement & processing of agro products, marketing constraints & export share in middle east countries like UAE, Kuwait, Oman, Bahrain & Qatar.

The present study of export marketing of agro & allied products covers agro commodities like tea, coffee, spices, rice, fruits & vegetables, pulses, cereals & processed food. Middle east countries being covered in this study include Kuwait, Oman, Bahrain, U.A.E. & Qatar. Impact of liberalisation & globalisation on the export of agro products is also taken as an important area of this study. The limited survey of exporters of agro products is taken up to know the working and the problems being faced by them.

1.3 OBJECTIVES OF RESEARCH STUDY:

The study has following objectives:

1. To comprehend export – marketing operations with special reference to agro & allied products.
2. To undertake a detailed study of production, procurement & processing of agro & allied products for exports.
3. To analyse export performance of agro and allied products in general & exports to the Middle East countries in particular.
4. To study the impact of new economic policies & incentives on export marketing of agro & allied products.
5. To understand the present status of exports of agro & allied products
6. To know major problems in this area & suggest remedial measures.

1.4 RESEARCH METHODOLOGY USED:

A. Data Collection

The research study heavily relies upon secondary data. The data on foreign trade and export performance were collected from various sources including exporters' associations, export promotion councils and academic institutions specialised in foreign trade. Published data and literature from these institutions coupled with the reports from governmental departments were referred. Published reports from Centre for Monitoring Indian Economic (CMIE) and other research institutions were also consulted.

Moreover, a limited sample survey of the exporters of agro and allied products was undertaken to know (1) operational frameworks (2) present status of exports and (3) problems faced by them in exports.

B. Design

The study is based on data collected from primary as well as secondary sources. Therefore, a descriptive design is used to explore the relationship among different variables.
For collection of primary data, a sample survey of selected exporting units was conducted using the following steps.

(i) **Sampling procedure and Sample size:**

30 exporters of agro and allied products from Gujarat were selected by using the area sampling method. Variety of agro products like spices, commodities like rice, pulses and process foods are exported from the state of Gujarat. It was convenient to contact personally these exporters of agro products. Hence, they were selected as sampling units.

(ii) **Research Instrument:**

A pretested questionnaire using close and open ended questions was used as research instrument.

(iii) **Contact Method:**

Personal interview with the respondents was used.

1.5 **REVIEW OF RELATED LITERATURE:**

Prof. M. K. Shekh (1987) studies the importance of export business in national economy and reviews briefly the export performance during the planning period of 1950-51 to 1983-84. The study emphasizes the concentrated efforts on export front in view of available resources & constraints, It examines the import analysis of several product categories namely mineral oil & petroleum products, fertilizers, edible oil, iron & steel, capital goods and precious metals, Export performance & its
evaluation is produced relating to traditional items like tea, coffee, tobacco, marine products, readymade garments & agro products.¹

Salim Andrews (1988) focuses on exports of safety blades & highlights the export volume in terms of quantity & value during the years 1970-71 to 1984-85. The export performance of blades & razors is reviewed & countrywide share in India’s exports is explored. The principal buyers include Yemen, Egypt, Sudan, then U.S.S.R. and Saudi Arabia. It is clarified that India is one of the biggest manufacturers in the world but export track suggest a poor growth pattern. Several problems of export of blades & razor being highlighted are lack of efforts on the part manufacturers to attain higher export earnings, lack of international standards, poor quality, promotion & pricing & huge domestic volume. The study concludes with a remark if government & manufacturers use a carefully chalked out strategy for promoting this industry, good export performance is within the reach of the country.²

Vineeta raj (1991) studies India’s granite exports & observes that Indian granite is a potential bonanza for the exporter due to an eye-catching variety of colours, dimension & texture. The world market for granite is reviewed & major domestic players are identified. The performance of granite industry in overseas market is reviewed in terms of major categories namely rough crude granite blocks, cut & dressed block/slabs & polished granite slabs & tiles. The study realises that polished granite constitutes a meager 13 percent of the granite exports as against 60% for rough & crude variety & nearly 28% for cut & dress blocks/slabs.

The study includes the world trade of granite & the country's share in it. Export projections are made & the problems of granite exports are explained. The study concludes with a remark that the granite industry in India has to change its track as the demand pattern of overseas buyers keeps on changing.³

Sridhar Sharma (1992) takes a stock of export performance of textiles & garments & tries to assess the same with the targets set and the contribution made, towards foreign exchange earnings. The impact of Uruguay Round of GATT negotiations on exports of textiles & garments is examined. Several issues like modernization of textiles & garments manufacturing, selective approach to outsourcing importers, acquiring acceptable quality standards & competitive pricing have been highlighted with a sketch of present export scenario, incentive available have also been explained.⁴

S. Bhosle (1992) studies the present status of computer software industry of India being found at a crossroad. While narrating industry's competitive strength, it is remarked that the very size of the global market in dollar terms & the fact that India has virtually unlimited man power resources in this field ensure the major slice of cake. India's capability in software export is reviewed. With the review of work market scenario of software, the strategies for boosting exports are identified, various issues punching computer software industry in India like role of companies in software exports, manpower planning & development bureaucratic delays & global competition have been addressed properly. With several facts &

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figures an attempt is made to explain an overall export scenario of software the role the Indian software manufacturer have to play.\(^5\)

Shyamkumar (1993) studies the pharmaceuticals & healthcare sector of India and explains the state of conditions in the areas of production, promotion & pricing of the pharmaceuticals & healthcare products. The issue of export pricing in this regard is examined in detail. The study covers export performance of pharmaceutical & healthcare products. The issues of export rising in this regard is examined in detail. The study covers export performance of pharmaceuticals and healthcare products with the initial beginning in African and Middle East countries. The study makes it clear that along with the development of drug industry in India, the manufacturers from this sector of industry aggressively started promoting their products both bulk drugs & formulations. The study makes a point clear that India’s share is only around 1 percentage of the total global trade of pharma products. The problems & prospects of pharmaceutical exports are highlighted appropriately.\(^6\)

Dr. I Satya Sundaram (1996) studies in brief the agricultural exports of India, with the help of facts & figures, he tries to know precisely the composition of farm exports in the year 1994-95 & the emerging trends in this direction. The study reveals that rice is emerging as a major export product in India’s export basket of farm products. Fruits, vegetables & flowers are non traditional agro products having high export potentials with the review of India’s export performance of agricultural products, the problems & prospects in this area are addressed properly. The study

emphasizes on creating adequate infrastructure & post harvest facilities to further improve the performance.  

R. K. Sharma (1998) studies the world market for Indian minerals like graphite, silica sand, marble, bauxite, iron ore & mica. The study includes evaluation of export potentials for these minerals during a span of five years with a satisfactory note that no shortage will be faced for export orders from U.S.A. & west Asian countries. It focuses on the expansion of domestic capacity for extracting minerals & their consumption. If further mentions that lack of infrastructure facilities & inability to guarantee uninterrupted supply in terms of quantity & quality to foreign buyers will make it difficult for India to find out lets in major markets like Japan where other major global players have already established firm footholds. The impact of liberalized policy on mineral export is reviewed properly. The demand supply situation in world market for minerals is assessed. The study points out that different minerals face different market situation & require concentrated export efforts to streamlined. It concludes with a remark that export prospects of minerals from India are bright but the extent to which this potential becomes reality will depends upon how market is exploited & the government policies on production & trade influence. The study suggests technological up gradation & maintaining strict control over standards relating to quality, productivity & delivery schedules to improve export performance, co-ordinated efforts are requires in cultivating & developing markets to establish a long foot.....

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7 Dr. Sundram I sitya, “Agricultural Exports : Looking for New Horizons”, Facts for you, April,1996, Page-36
Sarosh Bana (1998) studies agricultural export and point out that agriculture accounts for more than 40% of India’s GDP and the country needs to export aggressively if it has to compete with others under the impending liberalized WTO regime. It explains that export potential of India’s agricultural produce has remained untapped despite the country being the world second largest producer of food grains after China & leader in fruit and vegetables output. With the brief review of export performance, the new areas like horticulture, floriculture & poultry have been highlighted showing high export potential. Export related problems like post harvest handling, Processing, storage transportation, marketing, export infrastructure & facilities are explained in brief. The study refers to export of animal products like buffalo meat, sheep goat meat, poultry dairy, processed meat, grain like Basmati rice, wheat, cereals, fruits (vegetables and focuses on redirecting subsidies given to farmers for further growth of this sector.  

Nandini Goswami (1999) briefly narrates the efforts to boost tea exports to Russia in view of changing marketing environment, as the high level delegation is to visit the foreign country, the changes are bright to further improve exporting of tea. The study briefly highlights issues related to tea exports like debt-repayment system, procedural bottlenecks, duty rates on packaged tea & selection of importers to make tea export business more viable.  

Rahul Nayar & Undu Sallan reviews in brief India’s export sector in relation in brief principal commodities & destination. It is mentioned that

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the exports in the first quarter of 1999-2000 stood at $7,986.28 million compared to $7,499.05 million the previous corresponding period. India’s cumulative exports grew by 6.5% during this period. The cyclical downturn the trends emerging in the field are studied. The export prospect is reviewed for the major product categories & dynamism in exports is emphasized. The study concludes with a remark that all the global economic fundamentals point to the export boom from mid – 2000 in the current scenario but long term buoyancy will depend on India’s ability to address the more export policy issue of infrastructures, finance & export promotion 11

Dipti Pandha (2000) writes on India’s export scenario in the new economic order & states that recession is prevailing at present particularly after 1997, However the exports are on rising scale for the three consecutive years after introducing liberalization policy in 1991. Several export boosting measures are highlighted with a reference to FEMA. These measures include transactional convenience, duty free imports of electronic software, status – conforming & exporting software & services. Several factors affecting adversely on India’s exports are focused including exchange rate policy, long term agro export policy, policy on export of services & WTO policies 12

Mukta Malhotra (2000) studies export market scenario of Indian software industry & states that major opportunities are emerging in this field. The need of the hour is to put in place an integrated set of country specific export initiatives. It further explains that software exports from

11 Rahul Nayar & Indu Salan, "Is Export Turnaround sustainable?" Think Tank The Financial Express, August, 17, 1999
12 Pandya Dipti, "India’s Exports : Recession & the measures to prevent it", Arthasankalan, March 31, 2000 Page-93.
India have been on a growth trajectory constituting about 10.5% of India’s total exports in 1999-2000. It also reveals useful facts on major destinations of software exports. The study reveals that India exported software & services to 95 countries around the world during the year 1999-2000 & six DECD countries account for almost 71% of global software market. The export projections are made & a cohesive approach is suggested to the industry so as the desired growth can be attained. The study also covers vital issues like exploring new markets & focused efforts on software exports. India’s capability of software export is reviewed & a plan for further growth is suggested.

Dr. Asmita Patel (2000) briefly presents a comparative view of India’s foreign trade & highlights the rational of export import business. The study points out that foreign trade benefits the country in a number of ways but all depends upon the foreign trade policy of the country. The study covers the size of India’s foreign trade & concludes that the same is constantly increasing over the five decades of planned period. However the study reveals that Indian imports have increased at a much higher rate than that of the export. The major factors responsible for this development are increasing population, wider demand supply gap, natural calamities, rising fertilizer pricing & rupee devaluation. The study concludes with the explanation on Indian’s composition & direction of foreign trade.

SELECTED REFERENCES


