

## CHAPTER-V

### TRADE AND BALANCE OF PAYMENTS

#### HIGHLIGHTS

- ❖ The Trade Balance i.e., the amount by which export (f.o.b.) of merchandise exceeds import (c.i.f), increased from Rs. (-) 3 crore in 1950-51 to Rs. (-) 3.62 lakh crore in 2007-08.
- ❖ Total exports increased from Rs. 1535.3 crore in 1970-71 to 6.4 lakh crore in 2007-08.
- ❖ Total imports increased from Rs. 1634.2 crore in 1970-71 to 9.6 lakh crore in 2007-08.
- ❖ The unit value index (base 1978-79=100) of exports increased from 45 in 1970-71 to 863 in 2006-07 whereas that of imports increased from 35.3 to 608.
- ❖ The quantum index (base 1978-79=100) of exports increased from 59 in 1970-71 to 1164 in 2006-07 whereas that of imports increased from 67.2 to 2047.
- ❖ The total foreign exchange reserves increased from Rs. 1029 crore in 1950-51 to 12.38 lakh crore.
- ❖ Country's total external debt which was Rs. 1.63 lakh crore in 1991 went up to Rs. 8.85 lakh crore in 2008.