

INDIA'S FOREIGN TRADE AND IMPACT OF EXPORTS ON FOREIGN EXCHANGE RESERVES OF INDIA

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ABSTRACT

The Indian economy is fleeting through a stressed phase due to growing trade balance deficit having an adverse impact on the growth and development of the nation. The present study is solely based on secondary data collected from various sources and was analyzed with the help of appropriate statistical techniques such as Mean, Standard Deviation, CAGR, Diagrams, Regression, and Charts, etc. to draw the conclusions. It was exposed through the results of the study that the oil import besides other things contributes the most in the adversity of trade balance of the nation which needs to be addressed by the government of India and its allied agencies through measures like, energy conservation, adoption of alternative sources of energy and the awareness among the masses, etc. Import substitution and a surge in exports are the need of the hour for maintaining the good financial health of the nation which can be realized only through more capital formation and be expending more on research and development to avoid the heavy cost of borrowings of capital and technology.

KEYWORDS: *Trade Balance, Deficit, Exports, Imports, Import Substitution, Capital Formation, Research & Development*