

Chapter-11 International Trade

Changes in International Trade

1. There is a change in volume that is increased but the value of import is more than export
2. Increase in trade deficit
3. It is due to rise of petroleum price

Changes in Composition

1. The share of agriculture and allied products has declined
2. The share of petroleum has increased
3. The share of ore-minerals and manufactured goods have largely remained constant
4. Increasing in India's refining capacity also responsible for importing petroleum
5. Declining in traditional goods is due to tough international competition
6. There is a great decline in coffee, spices, pulses, tea
7. Increase in Floriculture products, marine products, sugar and fresh fruits
8. Manufacturing alone accounted for 75.96%
9. Engineering goods have show growth in export
10. China and East Asian countries are our competitors
11. Gems and Jewellery contributed a large share in foreign trade

Changing Pattern of India's Import

1. Earlier our import was food grains, capital goods, machinery
2. After 1970 import of food grains discontinued
3. Fertilizers and petroleum took major part
4. Machine, edible oil and chemicals also present
5. Capital goods has steadily increasing
6. Food products reduced
7. Pearls and precious stones gold and silver take major part

Direction of Trade

Export: 47.41% = Asia and Oceania
23.80% West Europe
20.42% America

Import: 35.40% Asia Oceania
22.60% West Europe
8.36% America

The USA is the largest trading partner of India

India's export is UK, Belgium, Germany, Japan, Switzerland Hong Kong the UAE, China Singapore.

Sea ports are called international gate ways of International Trade

1. India is covered by three side with water

Key Notes

2. Longest coast line (7516.5 km)
3. Water is the cheapest transport
4. West coast has more sea ports than east coast
5. Most of the international trade takes place through sea routes
6. Major ports are controlled by central govt. Minor ports are under different state governments
7. There are 12 major and 185 minor ports
8. Most of the ports are equipped with modern facilities

Indian Sea Ports:

1. **Kandla:** located at gulf of Kutch, Developed to decrease pressure on Mumbai port. Special facilities are available for petroleum. The offshore Vadinar is developed to reduce pressure on this port
2. **Mumbai:** Natural harbor, biggest port, suitable to import goods from Middle East countries, 20km long and 10 km width country's largest oil terminal

Jawaharlal Nehru Port:

- Located at Nhava Seva,
- Largest after completion,
- Developed to decrease burden on Mumbai port

Marmagao Port:

- Located at the estuary of Zuari river
- Natural harbor
- Iron ore is exported to Japan
- Konkan railway brought large hinter land

New Mangalore Port

- Located in Karnataka coast
- Specialized to export of iron ore
- Also exports fertilizers , tea , wood pulp yarn

Kochin

- Located at the Vembanad kayal
- Queen of Arabian sea
- Natural harbor
- Close to Suez canal

Kolkata

- Located on the Hugli river bank
- Located 128 km away from sea coast
- Developed by British
- Paradip and Haldia decreased the pressure
- Silt accumulation is the problem

Key Notes

- Large hinter land
- Extend port facilities to other countries

Haldia Port

- Located 105 down stream of Hugli
- Developed to burden on Kolkata
- Handles iron ore , cargo fertilizers, jute products

Paradip Port

- Located on Mahanadi delta
- 100 km from Cuttack
- Deepest harbor
- Handle large vessels
- Developed to iron ore

Vishakapatnam Port

- Land locked harbor
- Connected to the sea through channel
- An outer harbor is developed to help this port
- It handles iron ore, petroleum cargo

Chennai

- Oldest port developed by British
- Artificial harbor
- Not suitable for large ships

Ennore

- Newly developed port in Tamil Nadu
- Located 25 km north of Chennai
- Developed to decrease burden on Chennai port

Tuticorin Port

- Newly developed port in Chennai
- It handles variety of cargo: coal, salt, edible oils, petroleum & food grains
- Developed to decrease pressure on Chennai port

Air Ports

1. Fastest
2. Connect remote areas
3. Suitable for long distance
4. Help at the time of disasters