

India's imports during 1988-89 shot up by 23.9% as against 11.4% in the preceding year. India's imports have been rising since the second oil shock of 1979-80 and particularly during the 7th plan (1985-90) period following the pursuance of a liberal import policy. Bulk imports (comprising foodgrains, mineral oils, edible oils, fertilizers, sugar, metal scrap, crude rubber, paper and newsprint, iron and steel and non ferrous metals) constitute the largest components of India's imports, though their share in total imports have been declining over the past few years. On the other hand the share of capital goods, pearls, precious and semi precious stones and chemicals, in India's imports, has been going up.

The following table indicates India's major import sources.

	1987-88		1970-71	
	Cdn \$ mn	% of total	Cdn \$ mn	% of total
West Germany	1452	9.7	71.3	6.6
Japan	1413.3	9.5	55.3	5.1
U.S.A.	1350	9.0	302	27.7
U.K.	1207.3	8.1	84.7	7.8
Belgium	936	6.3	8	0.7
Saudi Arabia	924.7	6.2	16	1.5
U.S.S.R.	852.7	5.7	70.7	6.5
France	539.3	3.6	14	1.3
Australia	331.3	2.2	24.7	2.2
Canada	204	1.4	78	7.2
Iran	80	0.5	61.3	5.6

India's major import sources are West Germany, Japan, U.S.A. and U.K. Canadian share of India's imports has dropped from 7.2% of the total in 1970-71 to 1.4% of the total in 1987-88.

c. Canadian Exports to India

Canada has a long history of trade with India, which grew from \$ Cdn 58 million in 1950 to an all time high of \$ 660 million in 1985. Two way trade has however shown a declining trend in the past few years.

Most of Canada's exports to India have generally been in the raw materials and public sector domain, while most Indian exports to Canada have been concentrated in the traditional textile and fabric industry. Canada's major exports to India in 1989 were potassium chloride, sulphur, asbestos, chemical wood pulp, flight simulators etc. Details of major Canadian merchandise exports to India can be seen in Appendix I.

Canada's exports to India have dropped from Cdn \$ 393,084,000 in 1988 to Cdn \$ 304,200,000 in 1989. This was primarily on account of no imports of oil seeds, vegetable oils & cereals (wheat) by India during 1989, and also a drop in India's import of newsprint, aluminium articles and aircraft parts from Canada. On the industrial collaboration front Canada ranks as India's tenth bilateral partner.

d. Modern India

The table below shows India's ranking in the world in certain key areas.

(data relate to 1984-87)

		World total	India	India's rank in the world
Area	(mn km ²)	135.8	3.3	7
Population	(mn.)	4998.0	781.0	2
Gross domestic product	(US \$ bn.)	n.a.	204.0	12
Value added in agriculture	(US \$ bn.)	n.a.	64.5	4
Value added in manufacturing	(US \$ bn.)	n.a.	35.6	14
Scientific and technical manpower potential	(mn.)	111.0	2.6	14