"INDIA'S TRADE WITH ASEAN NATIONS- A CASE STUDY OF SINGAPORE AND INDONESIA"

Dr. Parthapratim Choudhury

Abstract

The Act East Policy of India was originally conceived as an economic initiative but later it has gained strategic political and cultural dimensions including cooperation. As a result, India has upgraded its trade relations to strategic partnership with Association of Southeast Asian Nations (ASEAN) and ASEAN Regional Forum (ARF) and East Asia Summit (EAS). Among the ASEAN countries Singapore and Indonesia are the two largest trade partners of India, with trade volume of $31.1 Billion and $26.17 Billion in 2021-22 respectively. India has a negative trade balance with both these countries which are to the tune of $7.8 Billion and $9.2 Billion in 2021-22 respectively. The total trade volume of these two nations with India is 71.34% of the total trade volume of the ASEAN nations in 2021-22. Again India's trade deficit with these two nations is 65.99% of the total trade deficit with the ASEAN Nations. With the passage of time and ever rising importance of Act East Policy, India's trade with Singapore and Indonesia will increase further along with that of the other ASEAN Nations. It is important for India to increase the trade volume with these two countries but at the same time reduce the trade deficit also. If India has to reduce the trade deficit with the ASEAN Nations, it must improve trade with Singapore and Indonesia. This paper analyses India's trade with Singapore and Indonesia and tries to identify the core areas where India has an opportunity to improve its exports to these two nations so that it can reduce the trade deficit with these two countries.

***Keywords**: ASEAN Nations, Export, Import, Trade Deficit*