

TRENDS IN INDIA ASEAN FREE TRADE AGREEMENT SCENARIO

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ABSTRACT

The Association of South-East Asian Nations (ASEAN) comprises of Indonesia, Singapore, Philippines, Malaysia, Brunei, Thailand, Cambodia, Lao PDR, Myanmar and Vietnam. India's focus on a strengthened and multi-faceted relationship with ASEAN is an outcome of the significant changes in the world's political and economic scenario since the early 1990s and India's own march towards economic liberalisation. India's search for economic space resulted in the 'Look East Policy'. This paper deals with Trends in ASEAN-India free Trade Scenario. It outlines the size of the ASEAN economics including India. This paper makes special note on ASEAN and Indian merchandise trade scenario and India's trade potential with ASEAN countries. This paper concludes with some interesting findings.

KEYWORDS: ASEAN, Look East Policy, Free Trade Area, imports, Look East

INTRODUCTION

The ASEAN-India Free Trade Area emerged from a mutual interest of both parties to expand their economic ties in the Asia-Pacific region. India's Look East policy was reciprocated by similar interests of many ASEAN countries to expand their interactions westward. After India became a sectoral dialogue partner of ASEAN in 1992, India saw its trade with ASEAN increase relative to its trade with the rest of the world. Between 1993 and 2003, ASEAN-India bilateral trade grew at an annual rate of 11.2%, from US\$2.9

billion in 1993 to US\$12.1 billion in 2003.^{16]} Much of India's trade with ASEAN is directed towards Singapore, Malaysia, and Thailand, with whom India holds strong economic relations.

In 2008, the total volume of ASEAN-India trade was US\$47.5 billion. ASEAN's export to India was US\$30.1 billion – a growth of 21.1 per cent in comparison with that of 2007. ASEAN's imports from India were US\$17.4 billion – a growth of 40.2 per cent in comparison to that of 2006. As for foreign direct investment (FDI), the inflow from

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India to ASEAN Member States was US\$476.8 million in 2008, accounting for 0.8 per cent of total FDI in the region. Total Indian FDI into ASEAN from 2000 to 2008 was US\$1.3 billion. Acknowledging this trend and recognising the economic potential of closer linkages, both sides recognised the opportunities for deepening trade and investment ties, and agreed to negotiate a framework agreement to pave the way for the establishment of an ASEAN-India Free Trade Area (FTA).

REVIEW ON THE SUBJECT

Sundararaman's (2009)¹ study states that the latest delay in the FTA is merely one in a series of such setbacks ever since the initial proposal. Over the last six years, the hurdles faced by the India-ASEAN FTA began with objections that India had more than 1,400 items on the sensitive or negative list. The ASEAN side, in return, also increased the number of items on its own list. The Rules of Origin (ROO) was another litmus case where negotiations were held up. Finally, the concluding section of the work reflected on the possibility that a change in government could be a further hurdle to the FTA. However, it must be stated that rarely have any foreign policy negotiations stalled as a result of changes in the domestic scenario. If that were the case, the "Look East" policy started by the Narasimha Rao government would never have been fine-tuned under the National Democratic Alliance (NDA) and later the United Progressive Alliance (UPA) would not have continued negotiations. In the long run, to be integrated into a market of billion-and a half is more crucial for India than being out of the reckoning. Therefore, it is critically important for India to analyze its benefits, and begin utilizing the opportunity optimally and pragmatically. The survey of literature aims to establish certain significant conclusions regarding the India-ASEAN FTA. The diverse works referred to in this study

(Endnotes)

¹ Shankari Sundararaman, "India-ASEAN FTA: To be or not to be," *Asian Age*, 14 April 2009

² Rupa Chanda and Sasidaran G, "Understanding India's Regional Initiatives within Asia," *ISAS Working Papers*, no. 373, 2008

³ Razeen Sally and Rahul Sen, "Whither Trade Policies in Southeast Asia? The Wider Asian and Global context," *ASEAN*, *Economic Bulletin* 22 No. 1, (April 2005):92-115.

have been carved into three main themes; India-ASEAN Economic Relations: A Regional Initiative, India-ASEAN Trade Relations and The FTA Dilemma: A Delayed Process along with an Introduction to the topic and a Critique of the Existing Literature to forge a better understanding of the subject. The present work has endeavored to bring out the cardinal arguments and assumptions to reflect upon the core issues of contention that require attention and action to thwart unremitting problems.

Rupa Chanda and G. Sasidaran's (2008)² combined working paper titled 'Understanding India's Regional Initiatives within Asia' examines the reasons underlying India's growing interest in framing various kinds of regional and bilateral agreements with Asian economies. It discusses various possible explanations for India's "Look East" policy as well the reciprocation of this interest by its Asian partners. Possible reasons are examined from Indian as well as Asian perspectives, and also from the larger regional and geo-political perspective. It assesses the extent to which India has been able to realize its interests under these agreements and the tradeoffs that has been involved in this negotiating process. The study concludes by looking at the prospects for future Preferential Trade Agreements by India and the various issues and interests that should shape India's future regional initiatives to assure the realization of its long term economic, strategic, and geopolitical objectives.

Razeen Sally and Rahul Sen (2005)³, in the combined study titled 'Whither Trade Policies in Southeast Asia: The Wider Asian and Global context,' analyze the trade policies in Southeast Asian countries in their wider Asian and global contexts. The paper looks at recent trends in trade and FDI patterns in ASEAN and summarizes key trade-policy features in ASEAN countries. Further, it examines ASEAN countries in international

trade negotiations and agreements; first within ASEAN, second on cross-regional FTAs, and third in the WTO, especially in the Doha Round. The paper concludes that for ASEAN countries the engine of liberalization and regulatory reform has to be home-driven, with governments taking unilateral measures in response to internal and external conditions. In essence, it not only compares and contrasts trade policies in individual Southeast Asian countries but also analyses these policies in the context of regional and global economic integration, and the emergence of two other major Asian economies, China and India.

Suparna Karmakar (2005)⁴, in her paper titled 'India ASEAN Cooperation in Services - An Overview', analyses the economic scenario in the Asia-Pacific region. She takes a macro overview of the potential of an agreement on trade in services between India and the members of ASEAN in the context of the ongoing attempts at multilateral liberalization and the proliferation of bilateral/regional comprehensive new-age free trade agreements. This paper is an analysis of the economic scenario in the Asia-Pacific region and a macro overview of the trade creation potential of an agreement on trade in services among members of ASEAN and India. India-Southeast Asia ties, both with ASEAN as an organization and with individual member countries, remained active throughout 2007. However, on key issues such as conclusion of an FTA, the year ended without success.

Nagesh Kumar, Rahul Sen and Mukul Asher (2004)⁵ in their edited work titled 'India ASEAN Economic Relations - Meeting the Challenges of Globalization', a compendium of papers, provide a comprehensive backdrop as well as a roadmap for the India-ASEAN association to fructify and flourish. Leading experts of the region, in their contributions to this book, examine the

ways in which the emerging partnership between India and ASEAN can be taken forward for mutual benefit so that both sides can leverage on each other's strengths to better negotiate the forces of globalization. The book specifically addresses issues concerning trade liberalization in both regional and multilateral contexts and goes on to examine the prospects for investment flows and trade in financial services and information and communication technology. It also deals with the potential of subregional cooperation and the strategic implications of India-ASEAN cooperation that have hitherto received insufficient attention in the literature.

Mukul Asher and Amitendu Palit (2008)⁶ in their article titled 'Trading Across the Bay of Bengal' explore India's Look East Policy, initiated in 1992, which is all set to enter a new phase with the signing of the India ASEAN FTA. India's economic engagement with Southeast Asia has expanded rapidly since the early 1990s. Merchandise trade between India and ASEAN has grown from US\$2.3 billion in 1991-92 to US\$38.4 billion in 2007-08. Bilateral trade has diversified in terms of commodity composition. This further suggests that acceleration in India-ASEAN trade coincided with the onset of a robust period of expansion for the global as well as the Indian economy.

Laurence Henry (2007)⁷, suggests in his extensive paper titled 'Trade and Economic Arrangements between India and South East Asia in the Context of Regional Construction and Globalization' that the development of trade and economic arrangements between India and Southeast Asia must be rooted within the larger processes of economic and diplomatic exchanges in Asia. The existence of regional organizations is not a new phenomenon but their success has been more or less conclusive. The article further

(Endnotes)

⁴ Suparna Karmakar, "India-ASEAN Cooperation in Services - An Overview," ICRIR Working Paper, no. 176, 2006

⁵ Nagesh Kumar, Rahul Sen and Mukul Asher, "India-ASEAN Economic Relation - Meeting the Challenges of Globalization," ISEAS Working Paper, no. 23, 2004

⁶ Mukul G Asher and Amitendu Palit, "Trading Across the Bay of Bengal," ISEAS Working Paper, no. 32, 2008

⁷ Laurence Henry, "Trade and Economic Arrangements between India and Southeast Asia in the Context of Regional Construction and Globalization," CSH Occasional Paper, June 2007.

highlights ASEAN as a successful model of regional cooperation that started its revolutionary growth in the 1990's. According to the author, a major reason for the evolution of the ASEAN-India entente is the perceived hegemony of China in Asia. Southeast Asian States are very interested in balancing Chinese power through India, in the region. The association between India and Southeast Asia, in particular ASEAN and its member states, reflects the overall tendencies of the emerging regional infrastructure of East Asia.

Aekapol Chongvilaivan's (2007)⁸ study titled 'India's Ties to ASEAN Must Look Beyond Trade in Goods' suggests that the landmark agreement between India and ASEAN states is expected to constitute a tremendous free-trade bloc, a large market of 1.5 billion people, with a combined GDP of \$1.2 trillion. The work explains that India's attempts at paving the way toward duty-free trade with ASEAN nations were motivated by its fears that it might "miss the boat of globalization" and that it has to catch up with China's ties with ASEAN. Six years of sluggish, painstaking negotiations on the India-ASEAN FTA have proved that India has a long way to go to match China's engagement with ASEAN. The article leads the reader to question whether 'the India-ASEAN FTA is welfare enhancing for both signatories?' While the author points out that freer trade may not always be beneficial for everyone he sheds light on a roadmap towards a successfully concluded FTA, by 2018, which will bring about substantial tariff reductions on India's sensitive lists; from 90 to 45 per cent for refined palm oil, from 80 to 37.5 per cent for crude palm oil, from 70 to 50 per cent for pepper, and from

100 to 45 per cent from coffee and tea. Second, a bilateral agreement like the India-ASEAN FTA has often led to overlapping Rules of Origin (ROOs), either subtle or glaring. Inconsistency in ROOs increases administrative cost, adds regulatory complexity, and ultimately becomes a nontariff barrier to trade. In such a scenario both India and ASEAN may fail to tap benefits from further tariff reductions. The India-ASEAN FTA that successfully liberalizes trade in services and investment will therefore provide economic opportunities for companies in ASEAN countries to strengthen their competitiveness in the global market by fragmenting their production and establishing industrial clusters.

METHODS AND MATERIALS

This paper aims at analyzing the trends in trade between India and ASEAN nations. This paper examines the size of Indian economy and ASEAN economics. The trends in trade between India and ASEAN nations have been analyzed during the period 2000-2001 to 2015-2016 and also it analyzed trade potential between India and ASEAN countries during the period 2000-2018. The data analysis has been carried out with the help of growth rate, percentage, average and anova-two way analysis.

RESULTS AND DISCUSSION

This section deals with India and ASEAN economics free trade scenario. It analyses the Size of the ASEAN Economies, India And ASEAN Merchandise trade and country wise India trade potential with ASEAN countries.

(Endnotes)

⁸ Aekapol Chongvilaivan, "India's Ties to ASEAN Must Look beyond Trade in Goods," *The Nation*, 4 November 2008.

Table: 1 Size of the ASEAN Economies

	Population 2014	Area Sqkm Th	Gross National Income \$ Billions (2014)		Per capita income (2014)	
	Billion		CER	PPP	CER	PPP
Brunei	0.4	5.8	15.1	29.3	37320	72190
Cambodia	15.3	181.0	15.6	47.2	1020	3080
Indonesia	254.5	1910.9	923.7	2592.3	3630	10190
Laos	6.7	236.8	11.1	33.8	1660	5060
Malaysia	29.9	330.8	332.5	740.8	11120	24770
Myanmar	53.4	676.6	68.1	204.3e	1270	
Philippines	99.1	300.0	347.5	837.6	3500	8450
Singapore	5.5	0.7	301.6	439.0	55150	80270
Thailand	67.7	513.1	391.7	1006.9	5780	14870
Vietnam	90.7	331.0	171.9	485.2	1890	5350
India	1295.3	3287.3	2028	7292.8	1570	5630
Total ASEAN	623.2	4486.7	2578.8	6416.4		
	(8.6%)	(3.3%)	(3.3)	(5.9%)		

Source: Table 1 Size of the Economy, World Development Indicators 2016; GNI-gross national income; CER-current exchange rate; PPP-purchasing power parity; e-estimate;

Th.-thousand Figures within parenthesis indicate share of ASEAN in relevant global totals.

Table 1: Presents data on the size of the ASEAN economies. It could be noted that the population of Brunei country is estimated at 0.4 million with total geographical area of 5.8 thousand square kilometer. The gross national income of Brunei country is worked to 15.1 billion USD and its purchasing power parity is estimated at 29.3 billion USD. The per capita income of Brunei country is worked to 37320 USD and per capita purchasing power parity is worked to 72190 USD. The population of Cambodia country is observed as 15.3 million with total geographical area of 181 thousand square kilometer. The gross national income of Cambodia is worked to 15.6 billion USD and its purchasing power parity is estimated at 47.2 billion USD. The per capita income of Cambodia country is worked to 10.20 USD and per capita purchasing power parity is calculated as to 3080 USD.

The population of Indonesia country is estimated at 254.5 million with total geographical area of 1910.9 thousand square kilometer. The gross national income of Cambodia country is worked to 923.7 billion USD and its purchasing power parity is estimated at 2592.3 billion USD. The per capita income of Indonesia country is

estimated to 3630 USD and per capita purchasing power parity is worked to 10190 USD. The population of LAOS PDR country is estimated at 6.7 million with total geographical area of 236.8 thousand square kilometer. The gross national income of LAOS PDR country is worked to 11.1 billion USD and its purchasing power parity is computed at 33.8 billion USD. The per capita income of LAOS PDR country is worked to 1660 USD and per capita purchasing power parity is worked to 5060 USD. The population of LAOS PDR country is estimated at 6.7 million with total geographical area of 236.8 thousand square kilometer. The gross national income of LAOS PDR country is worked to 11.1 billion USD and its purchasing power parity is estimated at 33.8 billion USD. The per capita income of LAOS PDR country is worked to 1660 USD and per capita purchasing power parity is worked to 5060 USD. The population of Malaysia country is estimated at 29.9 million with total geographical area of 330.8 thousand square kilometer. The gross national income of Malaysia country is worked to 332.5 billion USD and its purchasing power parity is estimated at 740.8 billion USD. The per capita income of Malaysia country is worked to 11120 USD and per

capita purchasing power parity is worked to 24770 USD

The population of Myanmar country is estimated at 53.4 million with total geographical area of 676.4 thousand square kilometer. The gross national income of Myanmar country is worked to 68.1 billion USD and its purchasing power parity is estimated at 204.30 billion USD. The per capita income of Myanmar country is worked to 1270 USD and per capita purchasing power parity is worked to 3040 USD The population of Philippines country is estimated at 99.1 million with total geographical area of 300 thousand square kilometer. The gross national income of Philippines country is worked to 347.5 billion USD and its purchasing power parity is estimated at 837.6 billion USD. The per capita income of Philippines country is worked to 3800 USD and per capita purchasing power parity is worked to 8450 USD. The population of Singapore country is estimated at 5.5 million with total geographical area of 0.7 thousand kilometer. The gross national income of Singapore country is worked to 301.6 billion USD and its purchasing power parity is estimated at 439 billion USD. The per capita income of Singapore country is worked to 55150 USD and per capita purchasing power parity is

worked to 8270 USD The population of Thailand country is estimated at 67.7 million with total geographical area of 513.1 thousand square kilometer. The gross national income of Thailand country is worked to 301.7 billion USD and its purchasing power parity is estimated at 1006.9 billion USD. The per capita income of Thailand country is worked to 5780 USD and per capita purchasing power parity is worked to 14870 USD

The population of Vietnam country is estimated at 90.70 million with total geographical area of 331 thousand square kilometer. The gross national income of Vietnam country is worked to 171.9 billion USD and its purchasing power parity is estimated at 485.2 billion USD. The per capita income of Vietnam country is worked to 1890 USD and per capita purchasing power parity is worked to 5350 USD. The population of India is estimated at 1295.3 million with total geographical area of 3286.3 thousand square kilometer. The gross national income of India country is worked to 2028 billion USD and its purchasing power parity is estimated at 7292.8 billion USD. The per capita income of India is worked to 1520 USD and per capita purchasing power parity is worked to 5630 USD.

Table: 2 India ASEAN Merchandise Trade (U.S. \$ Billion)

Year	India's exports to ASEAN	Share in India's Total exports	India's Imports from ASEAN	Share in India's total Imports	Trade Balance	Total Trade
2000-01	2.91	6.5	4.15	8.2	-1.24	7.06
2005-06	10.41	10.10	10.88	7.3	-0.47	21.29
2006-07	12.61	10.0	18.11	9.7	-5.50	30.72
2007-08	16.41	10.1	22.67	9.0	-6.26	39.08
2008-09	19.14	10.3	26.20	8.6	-7.06	45.34
2009-10	18.11	10.1	25.80	8.9	-7.69	43.91
2010-11	25.63	10.3	30.61	8.3	-4.98	56.24
2011-12	36.74	12.0	42.16	8.6	-5.42	78.9
2012-13	33.00	11.0	42.87	8.7	-9.87	75.87
2013-14	33.13	10.5	41.28	9.2	-8.15	74.41
2014-15	31.81	10.2	44.71	10.0	-12.90	76.52
2015-16	25.20	9.6	39.84	10.5	-14.64	65.04
Growth Rate	88.45	32.29	89.58	21.90	91.53	89.15
CV	47.73	12.67	46.39	9.65	-59.00	46.63

Source: Import Export Data Bank, Government of India, Department of Commerce
<http://www.commerce.nic.in/eidb/default.asp>

ANOVA					
Source of Variation	SS	df	MS	F	F crit
Variation due to years	1101.51	11	100.1373	1.881466	2.014046
Variation due to trade components	9207.984	4	2301.996	43.25188	2.583667
Error	2341.813	44	53.22303		
Total	12651.31	59			

Table 2 presents data on the Indian ASEAN Merchandise Trade. It could be noted that India exported goods and services worth of 2.91 billion USD in 2000-2001 and it moved to 25.20 billion USD in 2015-2016, recording a growth of 88.45 percent. The growth rate shows 47.73 percent coefficient of variation. This is due to high level export value of goods and reported during the period 2011-2012 to 2014-2015. India shared 6.5 percent of exports to the ASEAN countries from 2000-2001 to 2015-2016, recording a growth of 32.29 percent during the period along with year wise variation of 12.67 percent as per the result of coefficient institution.

India imported goods and services worth of 4.15 billion USD in 2000-2001 and it rose to 39.84 billion USD in 2015-2016, from the ASEAN countries indicating a growth of 89.58 percent during the period along with coefficient of variation of 46.39 percent. This level of variation is due to slow growth of imports from 2000-2001 to 2007-2008 and thereafter, it became rapid. India shared 8.2 percent of imports from the ASEAN countries in 2000-2001 and it went upto 10.5 percent in

2015-2016, reporting a growth of 21.90 percent along with coefficient of variation of 9.65 percent. The trade balance of India with ASEAN countries is estimated at 1.24 in 2000-2001 and it increased to 16.64 in 2015-2016, showing a growth of 91.53 percent trade balance between India and ASEAN nations with the fluctuation of 59 percent coefficient of variation. The total trade between India and ASEAN countries is estimated at 7.06 billion USD in 2000-2001 and it moved to 65.04 billion USD in 2015-2016, indicating a growth of 89.15 percent with the fluctuation of 46.63 percent coefficient variation.

The anova two way model is applied for further discussion. At one point, the computed anova value 1.88 is lesser than its tabulated value at 5 per cent level significance. Hence, the year wise variation in merchandise trade between India and ASEAN countries is statistically identified as insignificant. In another point, the computed anova value 43.25 is greater than its tabulated value at 5 per cent level significance. Hence, the variation among the trade components is statistically identified as significant.

Table 3 Country Wise India's Trade Potential

Partner	2000	2009	2012	2012	2015	2018	Growth Rate	CV
	Actual	Actual	Actual	Potential	Potential	Potential		
Brunei	0.003	0.511	1.002	2.143	2.897	40.22	99.99	204.21
Cambodia	0.009	0.545	0.121	1.028	1.983	3.875	99.77	116.56
Indonesia	1.308	10.736	20.261	33.443	43.439	50.328	97.40	71.86
Lao PDR	0.005	0.021	0.168	0.845	1.439	3.023	99.83	128.21
Malaysia	1.957	8.387	14.171	27.663	34.435	38.825	94.96	71.30
Myanmar	0.227	1.405	1.875	6.308	8.983	11.559	98.04	91.02
Philippines	0.249	1.017	1.610	8.852	11.032	13.011	98.09	94.82
Singapore	2.308	12.769	22.487	26.909	31.122	35.276	93.46	56.40
Thailand	0.845	4.276	8.966	18.338	21.002	25.635	96.70	75.29
Vietnam	0.220	2.149	5.599	9.918	12.983	16.230	98.64	79.89
ASEAN	7.131	41.316	76.261	135.447	169.315	201.784	96.47	72.25

ANOVA

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>F crit</i>
Variation due to countries	4439.457	9	493.273	9.90282	2.095755
Variation due to years	3690.415	5	738.083	14.81756	2.422085
Error	2241.512	45	49.81137		
Total	10371.38	59			

Data presented in table 3 indicate the country with India's trade potential with ASEAN. It could be noted that India has 0.003 billion US \$ trade with Brunei in 2000 and it is expected to grow 40.22 billion US \$ in 2018, showing a growth of 99.99 per cent with co-efficient of variation of 204.21 per cent in the period of analysis. This level of variation is due to very low level trade potential of India with Brunei from 2000 to 2015 and it will be very rapid from 2015-2018.

India recorded trade potential of 0.009 billion USD with Cambodia in 2000 and it is expected to grow 3.875 billion US \$ in 2018 with the growth potentials of 99.77 per cent along with co-efficient of variation of 116.56 per cent during the period, due to slow growth of trade between 2000 and 2012.

India had 1.308 billion US \$ trade potential with Indonesia in 2000 and it is expected to grow 50.328 billion US \$ in 2018 recording a growth of

97.40 per cent along with co-efficient of variation of 71.80 per cent. This is due to range of expected growth of trade potential from 2012 to 2018.

India's trade potential with Lao PDR was 0.005 billion US \$ in 2000 and it is expected to grow 3.023 billion US \$ in 2018, registering a growth of 99.83 per cent during the period along with fluctuation of 128.21 per cent co-efficient of variation. India recorded trade potential of 1.957 billion US \$ in 2000 and it is expected to multiply 38.825 billion US \$ in 2018, showing a growth of 94.96 per cent along with co-efficient of variation of 71.30 due to low trade potential from 2000 to 2009. Myanmar had trade potential of 0.227 billion US \$ with India in 2000 and it is expected to grow 11.559 billion US \$ in 2018, recording 98.04 per cent growth with co-efficient of variation of 91.02 per cent. The trade potential of India with Philippines was 0.249 billion US \$ in 2000 and it is expected to grow 13.011 billion US \$ in 2018,

recording a growth of 98.04 per cent along with co-efficient of variation of 94.82 per cent.

India had trade potential 2.308 billion USD with Singapore in 2000 and it is expected to move 35.276 billion US \$ in 2018, showing a growth of 93.46 per cent with co-efficient of variation of 56.40 per cent during the period. India's trade potential with Thailand was 0.845 billion US \$ in 2000 and it is expected to grow 25.635 billion US \$ in 2018, indicating a growth of 96.70 per cent along with co-efficient of variation of 75.29 per cent. India had trade potential of 0.220 billion US \$ with Vietnam in 2000 and it is expected to move 16.230 billion US \$ in 2018, recording a growth of 98.64 per cent along with co-efficient of variation of 79.89 per cent.

The anova two way model is applied for further discussion. At one point, the computed anova value 9.90 is lesser than its tabulated value at 5 per cent level significance. Hence, the country wise variation in trade potential between India and ASEAN countries is statistically identified as significant. In another point, the computed anova value 14.81 is greater than its tabulated value at 5 per cent level significance. Hence, the variation among the years of the study period is statistically identified as significant.

CONCLUSION

It could be seen clearly from the above discussion that the overall population of ASEAN nations is estimated at 623.2 million and India's population is worked out to 1295.3 million and ASEAN population is only 8.6 percent of the Indian population. However the total geographical area of ASEAN countries is estimated at 4486.7 thousand square kilometer and it is 3287.3 in the case of total geographical area of India. The gross national income of ASEAN countries is estimated at 2578.8 billion USD and it is only 2028 billion USD in the case of Indian gross national income. The purchasing power parity income of ASEAN countries are 6616.4 billion USD and it is 7292.8 in the case of India's purchasing power parity income. Among the ASEAN countries the per capita income of Singapore is highest among the ASEAN countries. The per capita income of Brunei ranks

the second position and Malaysia the third position.

It is observed from the result of the study that India's exports to ASEAN countries shows 88.45 percent and India's imports from the ASEAN nations indicates the 89.58 percent growth during the period 2000-2001 to 2015-2016. An average of India shared 10 percent of exports to the ASEAN nations and it is 9 percent in the case of India imported goods and services from the ASEAN nations. In general 89 percent of growth has been observed with respect to total trade between India and ASEAN countries during the period 2000-2001 to 2015-2016.

It is referred from the result of the study that all the countries of ASEAN had trade with India and it was 7.131 billion US \$ in 2000 and it is expected to grow 201.784 billion US \$ in 2018, recording a growth of 96.47 per cent along with 72.25 per cent co-efficient of variation. The trade potential between India and Indonesia ranks the first position among the ASEAN countries, Brunei the second, Malaysia the third, Singapore the fourth, Thailand the fifth, Vietnam the sixth, Philippines the seventh, Myanmar the eighth, Cambodia the ninth and Lao PDR the last.

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