# Revealed Comparative Advantage and Competitiveness: An Analysis of India's Trade Potential with Central Asia

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# Abstract

Historically India shares a strong bonding with the Central Asian Republics (CARs), connected through the â€eSilk Routeâ€. The Collapse of USSR, the countries of Central Asia became independent nations. The Central Asian region includes developing economies and is rich in variety of oil, gas and mineral resources. India has been exploring ways to accelerate and integrate its trade, economic and investment relations with these landlocked countries that also have huge geopolitical and strategic importance. Overall, Indiaâ€<sup>™</sup>s trade with the Central Asia still needs to be tapped to its fullest potential, but there are several initiatives that India has taken to enhance its economic engagement with the region. The current paper attempt to explore and identify the economic and trade relations between the Central Asian economies and India by adopting a series of methods involving intensity indices, various measures of comparative and stability indices. The results reveal an untapped potential between both the regions and complementarity of commodity trade that could be explored for further integration of trade between India and the Central Asian Region.

#### Introduction

India shares a thick historical bond with the Central Asian economies of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. The history of the ancient literature provides that, both were the powerful centres and share a great deal of economic and trade share along with strong cultural relations through the connecting "Silk Route", (Malik & Mir, 2014; Kusuma, 2022; Min, 2024). However, the international relations were controlled by Moscow during the earlier Soviet era, after the year 1991 each independent nation started to have direct economic and international relations with the other countries of the World.

With the fast changing geo-political and geo-economical strategies, tariff wars, changing geopolitics in Afghanistan, India views its central

Asian strategy as crucial one. Central Asia is a resource-rich region that offers opportunities for Indian businesses in sectors such as energy, mining, and infrastructure. India has been exploring ways to boost its trade and investment with Central Asia, including "International North- South Transport Corridor (INSTC)" that helps to link, India with Russia and Europe via Central Asia and Iran. India has also signed bilateral agreements with several Central Asian countries to promote trade and investment. Additionally, India has been involved in several infrastructure projects in the region, including the construction of a 200-km railway line in Afghanistan that will connect with the Iranian port of Chabahar, providing India with an alternate route to access Central Asia and Europe. India has also been exploring opportunities to increase its energy cooperation with Central Asia, which could help the country to serve its energy needs of its growing economy (Kurbanov & Khoshimov, 2022).

Given this background the paper would analyse India's trade with the Central Asian region along with identification of commodity trade potential between India and the CAR and explore the trade relations between both the region. Following the results few policy implications will therefore be highlighted to enhance trade between India and the Central Asia.

# **Survey of Literature**

During the post-Soviet era, Central Asia has emerged as a hotspot of geo-economics, geo-political and geo strategic importance. The region has vast reserves of natural mineral resources like hydrocarbon and deposits of uranium along with vast potential for hydro power. And the region emerged as pivot for intra and international economic and trade linkages (Kothari, 2020). With the unfolding of the 'Asian Century', the countries of Central Asian are attempting to integrate with the countries towards the east through variety of international co-operation agreements like 'Shanghai Cooperation Organization', 'Asian Infrastructure Investment Bank' and the 'Eurasian Economic Union' (Contessi, 2016). The geographic location of CAR countries play a significant role in connecting Asia with Europe. Along with this strategic role these countries face a major disadvantage too, because of their geography as these countries are landlocked, thereby transportation has been the major hurdle in trade and movement (Kamalbek & Burulcha, 2020; Na and Na, 2024). Geographically, Central Asia is the central to the Eurasian region is considered as one of the world's earliest inhabited regions of the world and home of the ancient and highly developed civilization. India has given a special space to the central Asia in its foreign policies and has a historical connect between Central and Indian subcontinent since dates back to the Indus Valley Civilization to the current geopolitical world. India and Central Asian Region (CAR) have economic complementarity in terms of resources, manpower and market (Arif & Gupta 2013). The current period has seen the growth of south-south trade partnerships and the trade volume between India and CAR countries would have been nearly 9 to 10 times larger than the current volumes, the trade route which is continuously prone to geo-political tensions and political disturbances is the major barrier to integration with the CAR countries (Seema & Agarwal, 2017). In the post pandemic geopolitical situation security has remained a crucial focal point of India-Central Asian relations. Furthermore, India joined as the member of Shanghai co-operation organization in the year 2017, which includes Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan led by China that provides a forum to establish security relationship within the region. "Central Asia Regional Economic Cooperation" digital strategy of 2030 is to expand the digital technology and scale up the digital literacy across the CAR, this provides an opportunity for India's technology sector and Tech. Start-ups to provide expertise to the Central Asian countries. Similarly, improved supply chain connectivity between India and the Central Asia can improve Medical Tourism for the Central Asian Region (Schulz, 2022). India's trade with Central Asia region accounts for over \$2 billion, the India has supported CAR a support of extending a credit line of \$1 billion to the regional countries of Central Asia in transport, energy, Information Technology(IT), medicine, education and agriculture along with supporting the grants in social projects. The India EXIM bank also provided with a credit line of \$448 million to the

government of Uzbekistan (Kurbanov & Khoshimov, 2022). The changing dynamics in Afghanistan had pushed India to play a pro-active role in the Eurasian region and rework on its Central Asian strategy, which can be seen in through the 'Extended Neighbourhood' and the 'Connect Central Asian' strategies.

#### Database & Methodology

The paper employs a combination of empirical methodology of Intensity Indices, gravity coefficient and various methods of competitive indices to select the commodities that have trade potential between India with CAR. Similarly, the stability of these indices is identified along with the distribution of beta values. The required data for analysis is gathered from various secondary sources of the WTO, IMF and UNCTAD sources. Various statistical tools (SPSS 16.0, advanced excel), Greta and advanced excel were applied for the purpose of analysis.

#### Measuring the Indices & Gravity Coefficient

The export and import intensity indices are the two indices used to observe the trends of trade between India and Central Asia. The Indices were calculated for the period 1995 to 2021. Similarly, the Gravity Coefficient (GC) measure is assessed for India's trade with the CAR region. Similarly various methods of Balassa's index were adopted to identify the commodity trade potential.

#### Trends of Trade between India and Central Asia

India had been integrating with the East Asian region through the initiatives of "Look East Policy" and further through the "Act East Policy", however the integration of India and the CAR (Central Asian Region) have not been able to tap the potential of the each other's diverse resources base that existed. The values of TII and III present the same scenario.



# **Chart.1Export Intensity Index (EII) and Import Intensity Index (III) of India's Trade with Central Asian Countries**

Source: Chart based on Appendix. Table.1 & 2

In order to explore the trade pattern between India and the CAR countries the intensity of trade relations (Export Intensity Index, the EII) and (Import Intensity Index, the III) were identified for the five Central Asian countries, representing in the Chart.1. Among the five countries of the Central Asian Region, India's trade relations had been greatest with Kazakhstan. The Export Intensity Index (EII) value of India with Kazakhstan were at 0.380 (1995) and this increased to 1.451 (1998) till 2000 (1.167) and their after the EII saw a gradual a decline, but again regained since the year 2009 and reached 0.285 (2021). A gradual rise in Indiaâ€<sup>™</sup>s exports since 2014 as a result of trade agreements. The Import Intensity Index (III), has seen a consistent rise since the year 2012 (0.156) till the year 2021 (1.527). For most of the years the values have been great than 1, presenting a greater integration of trade between India and Kazakhstan. Kyrgyzstan is comparatively a less developed economy among the CAR Countries, its GDP growth rate is 1.8% during the period 1991 to 2020. During the initial period of the year 1995 it is 0.013, it gradually rose to 4.838 during the year 2000. The volume of trade between India and Kyrgyzstan has been increasing over the years. Both the countries have signed several bilateral agreements to facilitate trade and economic co-operation. For the years 2006, 2007 it has been a positive value of EII 1.967 and 1.095, there after there was a gradual decline of EII to 0.321 (2021). The TII of Kyrgyzstan is 0.058 (1995), for the years 2001 to 2005 the III values were greater than 1 and later there was a decline, for the year 2021 (0.003). Observing the extent of trade potential both the countries continue to engage to enhance business to business interactions and explore new opportunities in various sectors such as IT, agriculture, Pharma and tourism. Tajikistan is a relatively poor country in the Central Asian Region. Though there has been a gradual rise in the GDP growth rates, the per capita GDP has been the smallest among the CAR. The EII and the III values has been the lowest, when compared to the other countries. The values of EII, have been greater compared with the values of III. The EII during the year 1995 is (1.014) during the year 2003, it is 0.777 and again in the year 2015(1.079), by the year 2021 it stood at 0.601. The III has been 0.395 (1995), for the year 2002 (1.225) and this gradually registered at 0.0075 (2021), the bilateral trade volumes between India and Tajikistan has been gradually rising and ranging between \$100 m to \$200 m annually. Owing to the greater complementarity between the two countries, there is a further potential for growth. The relations between India and Turkmenistan has been modest and had been fluctuating during the period of the study. The volume of trade between the economies has been relatively low when compared to other CAR countries, however but some potential for growth has been found. The EII for the year 1995 has been found at 0.145 during the initial period of study and increased to 1.031 by the year 2001 and reached 1.570 (2021). The III is at 0.364 (1995), 2003 (0.701) and 2021 it is at 0.564. Uzbekistan had been the most populous country in the Central Asian Region, the volume of trade between India and the Uzbekistan has been growing gradually, the current India and Uzbekistan trade volume reaching the value at 690.5 US\$ and the Joint Economic Commission in place between India and Uzbekistan also contributed positively to enhance trace between India & Uzbekistan, the EII during the year 1995 is 0.458 and for the years 2002 to 2005 it has been greater than 1 and gradually declined after for the year 2001 (0.617). The III was registered at 0.622 during the year 1995, for the year 2014 it was at 0.0090 and by the year 2021 is has been registered at 0.057. Both the nations established a Joint Economic Commission to enhance the bilateral trade relations between the two regions. The overall EII and III presents a gradually improving intensity of export and import trade relations between India and the CAR region and further could be enhanced through accelerating the trade volumes between the both the regions. Accelerating the commodity trade potential could help in increasing trade volumes which is analysed in the following sections.

Gravity Coefficient of India's Trade with Central Asia									
Year	Kazakhsta n	Kyrgyzstan	Tajikistan	Turkmenista n	Uzbekistan				
1995	0.2445	0.0440	0.7608	0.233754	0.517				
1996	0.1893	0.2539	0.1907	0.091388	0.224				
1997	0.7520	1.3549	-	0.150665	0.400				
1998	0.9039	1.1459	0.2668	0.236919	0.361				
1999	0.8293	2.6870	0.5882	0.39519	0.553				
2000	0.7143	2.9683	0.5289	0.228661	0.544				
2001	0.6142	1.8183	-	0.164092	0.671				
2002	0.4096	2.1113	-	0.273717	0.775				
2003	0.3724	2.9392	0.7439	0.527425	1.035				
2004	0.3684	3.8822	0.6697	0.491429	0.819				
2005	0.2600	2.2155	0.4271	0.468486	0.895				
2006	0.2593	1.4566	0.2760	0.412664	0.584				
2007	0.1794	0.7672	0.2912	0.348855	0.375				
2008	0.2212	0.3243	0.3678	0.25148	0.456				
2009	0.2802	0.4225	0.6285	0.285201	0.287				
2010	0.2164	0.3430	0.5543	0.233468	0.264				
2011	0.1644	0.3868	0.2895	0.159403	0.337				
2012	0.2136	0.2879	0.4072	0.189439	0.373				
2013	0.3136	0.2813	0.3337	0.172471	0.361				
2014	0.6409	0.2840	0.5615	0.250962	0.466				
2015	0.3778	0.3535	0.9624	0.473562	0.452				
2016	0.5055	0.3148	0.6064	0.406189	0.404				
2017	0.8045	0.4578	0.6622	0.371181	0.523				
2018	0.6715	0.2747	0.4642	0.382477	0.550				
2019	1.1604	0.2698	0.2711	0.179807	0.408				
2020	1.4887	0.4698	0.3497	0.295465	0.546				
2021	0.7299	0.2683	0.4484	0.496914	0.422				

Table. 1 : Gravity Coefficient of India's Trade with Central Asia

Source: Calculated from the unctad.org

The Gravity coefficient has been one of the determinants that reflects the gravity of trade between the countries. The gravity coefficient helps to explore the gravity of trade that exists between the two regions India and the Central Asian countries (Table.1). The values of Gravity Coefficient (GC) presents that India and the CAR have not been able to take the full advantage of its trade complementarity. One of the factor of hindrance has been the lack of common boundary with the Central Asian countries. The trade gravity values between India and the five Central Asian Countries present the under-utilized trade potential between the countries. The volume of trade between the two could be further enhanced by accelerating the trade ties between the nations. The GC values between India and Kazakhstan presents decent trade gravity which could be further enhanced. Initially the value of GC were at 0.244 (1995) and this further increased to 1.16 (2019), 1.488 (2020). India's Oil and gas companies under the government sector has been heavily investing in Kazakhstan. When compared the GC values between India and Kazakhstan the values have been higher than the other 4 countries of Central Asia. The economy of Kyrgyzstan is largely supported by its sectors like agriculture, mining and terrorism. Initially the GC values have been at 0.441 (1995), it reached a maximum of 3.88 during the year 2004 and thereafter there was a gradual decline to 0.268 (2021). India and Tajikistan share cordial trade relations with a gradual rise in the total volume of trade between the two During the year 2022 India's exports to countries. Tajikistan \$74 USM and imports is at \$43USM. The total volume of gravity co-efficient has been at 0.76 during the year 1995 and this stood at 0.44 during the year 2021. India and Turkmenistan gravity coefficient values have been a gradual rise from 0.233 (1995) to 0.412 (2006) and thereafter a decline and again regained in (0.448) 2021. With the complete potential yet to be gained both the nations signed 8 MOU's in the year 2018 in the areas of Peace, disaster management, renewable energy, education and agricultural research. The total bilateral trade between India and Turkmenistan was at US\$M 192.01. The values of GC also seen a gradual rise with 0.237 (1995) to 0.496 (2021). During the year 2003 it was at 0.491. India and Uzbekistan have a modest bilateral turnover of over 300m US\$ by 2020. Pharmaceuticals is a major area of trade and investment. Medical tourism to India has increased sharply resulting in the rise in the values of GC values to 0.517 (1995) and to 0.422 (2021). The values of GC presents underutilized complementarity between CAR and the India.

#### Analysis of Results - Revealed Comparative Advantage

India has historical, cultural civilizational links between

India and the Central Asian region. India requires energy resources is a perfect complement to the energy rich CAR region. Transportation has been a major hurdle trade with the landlocked CAR region. There were several initiatives "International North-south Transport Corridor, connecting India to Russia & Europe through the Central Asia & Iran, and the Turkmenistan-Afghanistan-Pakistan -India. TAPI Pipeline were some of the initiatives to support the transportation and supply chain network. The commodity trade potential between India and the Central Asian Region is identified through 39 commodities under 7 distinct categories (Table.II). The Annual Revealed comparative Advantage (RCA) indices were identified for four categories B (Balassa's Index), RTA (Revealed Trade Advantage Index), In RXA (log RXA) and the RC (Revealed Competiveness), to identify the commodity trade potential between India and the CAR. The mean value of Blass Index (B, RTA, In.RXA, RC) for the period 2016 -2021 were analysed and presented in the above Table. The indices reveal a similar trading pattern with all the four indices [(Balassa's Index- 'B'), (Relative Trade Advantage-'RTA'), (Relative Export Advantage- 'RTA'), (Relative Import Advantage Index-'RMA') were presented for analysis. The Balassa's index could be seen in 27 commodities, the relative trade advantage is identifies with respect to 31 distinct commodity groups, where the RTA>0, similarly the relative export advantage (In RXA>0) is seen in 26 commodity trade patterns.

					Coefficient of Variation			
		Me	an		(Percent)			
			InR					
Product Group	В	RTA	XA	RC			In	
	>1	>0	>0	>0	В	RTA	RXA	RC
Food & Live Animals:	Food & Live Animals:							
Live Animals other than animals of division 03	0.254	0.241	-0.596	1.035	120.076	123.365	-102.328	41.993
Meat and meat preparations (01)	4.215	4.215	0.625	4.745	51.560	9.510	6.542	3.531
Dairy products and birds' eggs (02)	0.680	0.663	-0.168	1.595	25.823	26.600	-68.124	8.870
Fish, crustaceans, molluscs and preparations thereof (03)	22.43 6	22.30 3	1.351	2.224	22.562	22.830	7.772	9.065
Cereals and cereal preparations (04)	1.089	1.019	0.037	1.367	11.711	15.952	142.428	32.470
Vegetable and Fruits (05)	0.662	-0.195	-0.179	-0.101	11.714	-130.588	-27.177	-140.543

# Table. II: Revealed Comparative Advantages of India with respectto Central Asian Countries by Product Group and Index, 2016-2022

Sugar sugar propagations and honoy (06)	0.012	0 0 10	0.055	2 112	15 780	45 078	25 326	7 000
Coffee tea cocoa spices and		0.940	0.955	2.112	43.709	43.970	23.320	7.909
manufactures thereof (07)	10.318	10.071	1.014	1.631	9.484	10.193	4.108	8.947
Feedstuff for animals (excluding unmilled cereals) (08)	3.650	3.200	0.562	0.904	33.023	40.063	29.294	29.007
Miscellaneous edible products and preparations (09)	2.025	3.595	0.306	1.571	16.195	33.511	23.128	0.967
Food, basic excluding tea, coffee, cocoa and spices (SITC $0 + 22 + 4$ less 07)	1.684	1.114	0.226	0.480	8.997	19.800	16.446	11.681
Beverages and Tobacco:								
Beverages (11)	0.738	0.539	-0.132	0.575	11.961	16.867	-41.942	15.493
Tobacco and Tobacco Manufactures (12)	1.759	1.729	0.245	1.785	15.438	15.614	29.285	8.046
Mineral Fuels, Lubricants and Related Mate	rials							
Crude Rubber (Including Synthetic and reclaimed) (23)	1.129	-9.490	-9.490	-0.936	59.116	-23.756	492.767	-31.214
Coal, coke and briquettes (32)	0.094	-8.237	-8.237	-2.066	105.386	-17.701	-30.390	-12.401
Petroleum, petroleum products and related materials (33)	0.307	-2.477	-5.030	-1.225	12.728	-32.901	-10.361	-8.585
Gas, natural and manufactured (34)	0.005	-2.477	-2.284	-2.666	11.184	-30.371	-2.269	-4.785
Electric current (35)	0.350	0.328	-0.455	0.128	86.975	99.797	-113.359	741.624
Chemicals and Related Products, n.e.s								
Organic Chemicals (51)	55.683	48.192	1.746	0.827	53.550	156.999	13.097	57.528
Inorganic Chemicals (52)	0.143	-1.604	-0.843	-1.083	29.310	-38.333	-18.051	-15.276
Dyeing, tanning and colouring materials (33)	32.867	32.1788	1.517	1.686	12.953	13.097	3.713	6.110
Medicinal and pharmaceutical products (54)	47.428	47.138	1.676	2.223	11.342	11.484	2.897	6.215
Essential oils for perfume materials and cleaning preparations (55)	g <b>13.990</b>	13.779	1.146	1.825	17.053	17.149	7.025	4.681
Fertilizers other than group 272	0.071	-3.860	-1.152	-1.755	30.479	-28.374	-13.687	-14.026
Manufactured Goods								
Leather, leather manufactures and dressed furskins (61)	2.587	-7.759	0.413	-0.594	27.215	-49.429	25.721	-38.253
Rubber manufactures, n.e.s. (62)	39.126	36.360	1.592	2.217	37.837	40.694	12.497	8.612
Cork and wood manufactures (excluding furniture) (63)	10.662	10.523	1.028	1.875	21.281	21.483	9.264	4.402
Textile yarn and related products (65)	3.534	3.006	0.548	0.826	18.615	23.242	15.176	16.141
Paper and Paper Manufactures	38.040	37.638	1.580	1.970	21.305	21.451	5.943	3.276
Iron and steel (SITC 67)	0.842	0.530	-0.075	0.423	22.936	33.498	-133.640	21.983

Machinery and Transport Equipment									
Specialised machinery (72)	10.452	10.117	1.019	1.489	24.661	25.535	10.577	9.698	
Telecommunication and sound recording apparatus (76)	12.179	11.014	1.086	0.975	52.436	60.098	24.515	36.238	
Electrical machinery, apparatus and appliances, n.e.s. (77)	7.267	6.093	0.861	0.801	12.841	14.186	6.514	12.705	
Road vehicles (78)	14.578	14.379	1.164	1.825	53.075	53.922	18.497	14.380	
Other transport equipment (79)	4.484	3.770	0.652	0.750	53.150	63.519	37.023	35.988	
Miscellaneous Manufactures Articles									
Furniture and parts thereof (82)	28.224	27.859	1.451	1.875	30.636	30.921	8.856	5.420	
Travel goods, handbags, etc. (83)	13.638	32.380	1.135	1.668	36.010	36.711	14.669	13.389	
Footwear (85)	17.083	16.901	1.233	1.944	36.044	36.307	18.745	10.586	
Professional and scientific instruments, n.e.s. (87)	4.539	3.538	0.657	0.657	21.288	28.614	13.524	19.862	

Source: Analysis done for B, RTA, logRXA and RC,

Further the above reviews presents Indian economy as perfect complement to the Central Asian economies which provide enough room for international trade (Arif & Gupta 2013). Finally the Revealed Competitiveness is seen in 31 products where the RC>0. The final summary statistics of

the mean and the CV for the four Indices of the all the products (B, RTA, In.RXA and RC) are presented in the Table II. The values registered under the CV (Co-efficient of Variation) for these categories also present a fairly stable index over a period of 6 years period of time.

Percentage of the Product Groups where:							
Inde v	RCA 2016	an d	RID 2021	and	RID 2021	and	RCA 2016
Inde x							
В	71.79		28.21		30.77		69.23
RTA	70.26		29.74		26.25		73.75
In							
RXA	68.23		31.77		46.25		53.75
RC	72.26		27.74		26.74		73.26

## Table.III Stability of the Revealed Comparative Advantage Index

Source: Author's Calculation based on Table, II

The details of the Coefficient of Variation examined in the earlier table presently a fairly stable values over the period studies (6 years). Further to validate this the authors adopted a series of measures, a simple measure to understand the stability (Table. III) is to find the RCA of the identified products in time 't', but a disadvantage i.e RCD in the later period (t+1). Similarly, to identify RCD in the initial time period 't' and an RCD in the 't+1' period. The analysis presents that Balassa's Index that 71.79% of the products were having RCA during the period 2016 and this

shifted to 28.21( RCD) during the period 2021. Similarly, 30.77% of the commodities were having disadvantage during the year 2016 and this shifted to RCA (2021) of 69.23%. The analysis of Revealed competitiveness (RC) reveals that 72.26% of the commodities exhibited Revealed Competitiveness (RC) and 26.74% of the commodities exhibited (RC) during the year 2016 and this shifted to 73.26% by the year 2021. The table presently a clear shift in the revealed comparative advantage in these commodities

for which India exhibited a shift to the revealed independence during the period 2016, but this proportion is

26.74%. Similarly, the percentage of the commodities which have RCA shifted to RCD also fairly maintained a similar value.

Summary Statistics	2016	2017	2018	2019	2020	2021
Mean	9.103	11.353	12.448	11.132	10.256	11.057
Maximum	57.678	79.382	101.320	48.075	47.680	51.900
	Perce	ntof 'B'				
<1	26	27	28	28	28	28
<2	21	23	26	24	23	26
<3	21	23	25	22	17	22
<4	18	20	22	13	15	18

Table. IV Distribution of Balassa Index and 'B' Value

Source: Calculated from the Table, II

However examining the distribution of Balassa's value (Table. IV) over the period of study, India's RCA index which was 9.103 (means) during the year 2021 rose to 11.057 during the year 2021. The maximum value also which was 57.67 in the year 2016, experienced a decline to

51.90 in the year 201. The percentage of 'B Value' greater than '1' during the initial period (2016) of assessment it is 26% and this was 28% by the year 2021. The percentage values of 'B' which was (<3) was 21% and this rose to 22% by 2021and 'B' values (<4) were similar during the year 2018 and 2021.

#### **Conclusion & Policy Implications**

The overall analysis of India's trade with CAR economies presents immense potential of India's trade with the Region, the trade potential product groups analysed presents immense potential that could be tapped by singing in and co-operating the areas of export potential, focussing on infrastructure and transport feasibility with the land locked countries. Similarly, focusing on the tariff lines and geopolitical scenario also would increase the trade feasibility between the economies.

Involvement of Chine in the Central Asian Region (CAR), and the formation of 'One Belt and One Road' initiative and other factors, can be carefully dealt with the right strategy. The resource rich CAR is a perfect complementary to the manufacturing and technology driven changing India's basket of exports. The Balassa's index was found present in 27 commodities, the Relative Competiveness is identified with respect in 31 distinct commodity groups also supports the contention of accelerating its trade & economic relations between India and the CAR region.

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Year	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
1995	0.38	0.013	1.014	0.145	0.458
1996	0.169	0.19	0.177	0.172	0.282
1997	0.563	2.433	0.239	0.219	0.672
1998	1.451	1.704	0.118	0.324	0.642
1999	1.193	3.607	0.576	0.612	0.512
2000	1.167	4.838	0.748	0.463	0.499
2001	0.206	0.323	-	0.091	0.933
2002	0.084	0.539	-	0.161	1.291
2003	0.083	0.12	0.777	0.433	1.57
2004	0.081	0.082	0.531	0.417	1.239
2005	0.12	0.634	0.186	0.51	1.263
2006	0.364	1.967	0.136	1.031	0.631
2007	0.267	1.095	0.261	0.979	0.543

#### Appendix. Table. 1 Export Intensity Index of India's Trade with Central Asian Countries

Year	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
2008	0.288	0.452	0.267	0.596	0.396
2009	0.359	0.632	0.495	0.402	0.429
2010	0.318	0.51	0.401	0.342	0.44
2011	0.387	0.419	0.309	0.314	0.508
2012	0.354	0.371	0.351	0.445	0.571
2013	0.34	0.369	0.421	0.379	0.549
2014	0.339	0.37	0.653	0.593	0.712
2015	0.34	0.453	1.079	0.71	0.581
2016	0.303	0.403	0.627	0.695	0.486
2017	0.24	0.408	0.421	0.774	0.644
2018	0.256	0.323	0.465	1.063	0.678
2019	0.301	0.342	0.36	0.73	0.519
2020	0.387	0.631	0.499	0.872	0.835
2021	0.285	0.321	0.601	1.57	0.617

Source: Calculated from the unctad.org

# Appendix. Table. 2 : Import Intensity Index of India's Trade with Central Asian Countrie

Yea r	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
1995	0.177	0.058	0.395	0.364	0.622
1996	0.249	0.189	0.204	0.032	0.122
1997	1.125	0.048	-	0.045	0.091
1998	0.436	0.096	0.292	0.041	0.077
1999	0.733	0.818	0.474	0.072	0.468
2000	0.650	0.645	0.321	0.066	0.506
2001	1.075	2.926	0.317	0.235	0.322
2002	0.817	2.923	1.225	0.422	0.239
2003	0.708	4.280	0.519	0.701	0.564
2004	0.674	5.268	0.503	0.499	0.465
2005	0.392	2.065	0.374	0.521	0.546
2006	0.214	0.099	0.250	0.362	0.479
2007	0.113	0.018	0.133	0.147	0.200
2008	0.212	0.010	0.157	0.114	0.344
2009	0.223	0.013	0.243	0.059	0.127
2010	0.204	0.011	0.260	0.101	0.115
2011	0.099	0.096	0.061	0.077	0.167
2012	0.156	0.010	0.122	0.036	0.089
2013	0.351	0.005	0.004	0.056	0.096
2014	1.071	0.005	0.025	0.067	0.096
2015	0.413	0.016	0.087	0.298	0.163
2016	0.693	0.024	0.115	0.202	0.173
2017	1.266	0.152	0.351	0.133	0.210
2018	1.062	0.028	0.098	0.556	0.136
2019	1.762	0.022	0.002	0.051	0.098
2020	2.204	0.063	0.003	0.010	0.047
2021	1.527	0.003	0.075	0.564	0.057

Source: Calculated from the unctad.org

Abbreviations: RC-Revealed Competitiveness CAR- Central Asian Region EII-Export Intensity Index

III-Import Intensity Index : RCA- Revealed Comparative Advantage RTA-Revealed Trade Advantage

RXA-Revealed Export Advantage RID-Revealed Import Dependence