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Towards a Free Trade Area in South Asia: Charting A Feasible Course for Trade Liberalisation with Reference to India's Role

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Core IV-B, Fourth Floor, India Habitat Centre Lodhi Road, New Delhi - 110003 (India) Tel: +91-11-2468 2177/2180; Fax: +91-11-2468 2173/74

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[^0] be directed to the author(s). RIS Discussion Papers are available at www.ris.org.in

# Towards a Free Trade Area in South Asia: Charting a Feasible Course for Trade Liberalization with Reference to India's Role 

Indra Nath Mukherji
Abstract: Four rounds of exchange of trade concessions have taken place under the South Asian Preferential Trading Arrangement (SAPTA). Initiated since December 1995, negotiations under SAPTA have been based on Positive List approach. A large number of products have however been offered concessions exclusively to Least Developed Countries (LDCs). India has offered the largest number of concessions, particularly favouring LDCs with tariff preferences ranging from $50-100$ percent. This paper examines the impact of tariff concessions on India's preferential trade in the first three rounds of SAPTA negotiations in relation to its total bilateral trade with Bangladesh, Maldives, Pakistan and Sri Lanka covering the period 1996-97 to 2002-03. The hypothesis is that tariff cuts are expected to induce faster growth in India's preferential trade in relation to its bilateral trade. The study reveals that owing to lack of proper targeting, low preferential margins, non-concern with a variety of non-tariff barriers, and the emergence of more ambitious Indo-Lanka Free Trade Agreement, the performance of India's preferential trade under SAPTA has been lackluster. However, there are a few hopeful pointers. There has been relatively better targeting of trade preferences between India and Pakistan leading to increasing share in India's preferential trade in recent years for products exchanged preferences in the Second Round. Bangladesh has been the main beneficiary of India's offer of duty-free access to least developed countries on selected products under the Third Round and their immediate positive response in terms of increasing shares in India's preferential imports is just beginning to be observed. The paper suggests a few modalities to meet the required prerequisites for a smooth transition from SAPTA to SAFTA. Experience from the operation of SAPTA suggests that mere tinkering with modest preferential margins, maintaining unduly long phase-out period to attain the goal of a free trade area without concern for deeper forms of integration such as removal of non-tariff barriers, investment cooperation and improvement in trade facilitation measures could make SAFTA largely irrelevant.

## 1. Introduction

Preferential trading is one of the mildest forms of an integrative arrangement. Under the arrangement, the Contracting States (CS) offer a preferential margin with respect to trade barriers in relation to their MFN rates. CS having disparate levels of development as well as trade regimes, find this an acceptable instrument for initiating regional trade liberalisation. Such an arrangement nevertheless

* Professor, South Asia Studies, School of International Studies, Jawaharlal Nehru University. Email: inmk0506@mail.jnu.ac.in. The research for preparation of this paper has been supported by RIS. However, the usual disclaimer applies.
provides the building blocks towards accelerated regional trade liberalisation culminating in a free trade area within a defined time frame. Under a free trade area the CS eliminate all trade restrictions on their mutual trade, while maintaining restrictions in their trade with non- CS at a level they deem appropriate. When all CS decide on a common external tariff, then the arrangement translates itself in a more cohesive customs union. The most comprehensive integrative arrangement arises in the nature of a common market when all CS agree not only to allow free movement of goods and services, but all the factors of production including capital and labour. The Agreement on South Asian Preferential Trading Arrangement (SAPTA), which has been made operational since December 7th, 1995 thus, symbolises the beginnings of the very first stage of an integrative arrangement among the member countries of SAARC. The Agreement on South Asian Free Trade Area (SAFTA) signed at the Twelfth SAARC Summit held in Islamabad from 4-6 January 2004 symbolises the second stage of regional integration.

The idea of regional co-operation in South Asia was first mooted in May 1980. Following consultations amongst the countries of the region, Foreign Secretaries of the seven South Asian Countries (SACs), viz. Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka met for the first time in Colombo in April 1981. This was followed, a few months later, by the meeting of the Committee of the Whole, which identified five broad areas of regional cooperation. The Foreign Ministers, at their first meeting in New Delhi in August 1983, formally launched the Integrated Program of Action (IPA) through the adoption of a Declaration on South Asian Regional Co-operation (SARC). At the first summit held in Dhaka on 7-8 ${ }^{\text {th }}$ December 1985, the Charter was adopted establishing the organization of South Asian Association for Regional Cooperation (SAARC).

The reconstituted IPA presently called South Asian Integrated Programme of Action (SIPA) covers seven agreed areas of co-operation. The first attempt towards moving into core areas of trade and economic co-operation was the commissioning by the SAARC Secretariat, a Regional Study on Trade, Manufactures and Services. The study was completed in 1991 outlining a number of recommendations for promoting regional co-operation in the core economic areas. The Council of Ministers at its Ninth Session in Male in July 1991 endorsed the study and decided to set up a high level Committee on Economic Co-operation (CEC)

At the Colombo Summit in December 1991, the Heads of State or Government of SAARC approved the establishment of the Inter-Governmental

Group (IGG) to seek agreement on an institutional framework under which specific measures for trade liberalisation among SAARC Member States could be advanced. The IGG met twice to evolve a Draft Agreement on SAARC Preferential Trading Arrangement (SAPTA).

The CEC at its third meeting in New Delhi in November 1991 recommended that the Draft Agreement on SAPTA, with a few modifications, be approved by the Council of Ministers at its next Twelfth Session in Dhaka. Subsequently, the Council of Ministers signed the Framework Agreement on SAPTA in Dhaka on $11^{\text {th }}$ April 1993. The signing of SAPTA was a landmark achievement of the Seventh SAARC Summit held in Dhaka. The New Delhi Summit held from 2-4 ${ }^{\text {th }}$ May 1995, formally approved the proposals for preferential trade worked out by the IGG and later endorsed by the SAARC Foreign Ministers. With all the member countries having ratified the Agreement, the same came into force on December $7^{\text {th }}, 1995$ - the date which marks the end of the first decade of SAARC's existence

In view of the very modest or symbolic nature of regional trade liberalisation achieved in the First Round, the CS were looking forward to more far reaching trade liberalisation in course of the Second Round. At the end of two-day meeting of SAARC Commerce Ministers held from 7-8 ${ }^{\text {th }}$ January 1996 a joint communiqué reiterated a commitment to accelerate the SAPTA process and to the realization of the South Asian Free Trade Area (SAFTA) as the goal preferably by the year 2000 but not later than 2005 .

With a view to launching the Second Round, the IGG met in Colombo during $14-15^{\text {th }}$ March 1996 and subsequently between $7-8^{\text {th }}$ September in Islamabad. The IGG met for the third time between 25-26 October, 1996 in New Delhi to finalize the National Schedule of Concessions (NSC) under the Second Round which was placed before a meeting of CEC to be held between $28-29^{\text {th }}$ October, 1996. The NSC for the Second Round was concluded at the fourth meeting of the Inter-Governmental Group (IGG) held in Katmandu from $29-30^{\text {th }}$ November 1996. It was decided that all necessary procedures would be completed so that the Schedules as finalized during the Second Round enter into force by March $1^{\text {st }}$, 1997. In a significant development, at the Ninth SAARC Summit held in Male from 12-14 ${ }^{\text {th }}$ May 1997, the Heads of State or Government, decided to accelerate the pace of transition of SAPTA to SAFTA latest by the year 2001

Between February and June 1997 all SAPTA CS issued customs notifications giving effect to tariff concessions negotiated during the Second Round.

The Council of Ministers at its nineteenth session (Male, 10-11 ${ }^{\text {th }}$ May 1997) welcomed the start of the Third Round of Trade Negotiations under SAPTA and agreed that the process of liberalization of regional trade should be accelerated. It directed the IGG on trade liberalization to conduct negotiations on sectoral and across-the-board basis. It urged the removal of non-tariff and other barriers. Accordingly, the Third Round of Negotiations under SAPTA was initiated in SAARC Secretariat, Katmandu from 29-31 ${ }^{\text {st }}$ July 1997 and concluded in November 1998. Negotiations for the Fourth Round were scheduled to be concluded in September 1999. However the Meeting of the Inter-governmental Group to finalize the SAPTA Third Round in Male in July 1999 could not be concluded.

The First Meeting of Inter-Governmental Group on Trade Liberalization to initiate Fourth Round of SAPTA took place in SAARC Secretariat from March 27-28, 2002.

According to the latest information available ${ }^{1}$ India issued its customs notification (No. 105/990) for the Third Round on 10 August 1999. All other SAARC CS were required to issue the same by October 1999.

A summary of customs notifications issued by CS of SAPTA is presented in Table 1 below:

Table 1: Customs Notifications Issued by SAARC Member States

| Rounds | Issuing countries | Date of issue |
| :--- | :--- | :--- |
| First | All SAARC CS | $7-12-1995$ |
| Second | Bangladesh | $26-02-1997$ |
|  | Bhutan | $04-02-1997$ |
|  | India | $01-03-1997$ |
|  | Maldives | $01-03-1997$ |
|  | Nepal | $31-03-1997$ |
|  | Pakistan | $13-06-1997$ |
|  | Sri Lanka | $17-06-1997$ |
| Third | India | $10-08-1999$ |
|  | Other Contracting States | By 31-10-1999 |

The operationalisation of SAPTA in December 1995 and the subsequent three rounds of negotiations entailing tariff liberalization have been the major developments in regional trade liberalization. A modest beginning was made in the First Round when 226 products were conceded at the HS 6-digit level. The number of products offered concessions accelerated to 1868 and 3456
items during the Second and Third Rounds, making a total of 5550 items of which 3449 items were exclusively for Least Developed Countries (LDCs), viz. Bangladesh, Bhutan, Maldives and Nepal. The largest number of concessions was offered by India, being 2927 products of which as many as 2450 products were in favor of LDCs. ${ }^{2}$ The details of the tariff concessions offered by all CS has been presented in Table 2.

The tariff concessions offered has varied in depth from 5-100 per cent. The tariff cuts offered by India have been the deepest, varying from 25-100 per cent for LDCs and 10-90 per cent for all countries. The other countries offered much milder tariff cuts ranging from 7.5-10-15-20 per cent for all countries (except Sri Lanka, which offered cuts up to 75 per cent). The details of tariff cuts offered by CS has been presented in Table 3.

Ever since the conclusion of Third Round of negotiations, Bangladesh had been seeking from India duty-free imports on a number of items of export interest to it. As a result of bilateral negotiations India agreed to offer Bangladesh duty-free imports in respect of 40 tariff lines with effect from 20 August 2002 (customs notification No. 85/2002) and on another 39 items with effect from 22 May 2003 (customs notification No.82/2003). These concessions were deepened by incorporating them on products already negotiated under Third Round of SAPTA negotiations as applicable to all LDCs.

During the Tenth SAARC Summit at Colombo in 1998, encouraged by the progress made by SAPTA negotiations, SAARC leaders decided to set up a Committee of Experts to draft a Treaty on South Asian Free Trade Area (SAFTA). The Treaty was expected to lay down legally binding schedules for freeing trade among the SAARC countries and to provide a predictable and transparent time path for achieving a free trade area in the South Asian region. However with growing political tensions in the region, this has not been achieved until the Islamabad Summit.

As noted above, a landmark development in the process of trade liberalization in the region was noted in the Twelfth SAARC Summit held in Islamabad from 4-6 January 2004. Among other measures, an Agreement on South Asian Free Trade Area (SAFTA) was finally signed. The Agreement superceded the SAPTA Agreement of 1993. However notwithstanding the supercession of SAPTA by this Agreement, the National Schedule Concessions exchanged under SAPTA framework would remain available to the CS until
Table 2: Number of Products on Which Tariff Concessions have been extended by SAARC Member States in the Three Rounds of Trade Negotiations Under SAPTA
Table 3: Depth of Tariff Concessions Agreed by the SAARC Member States in the Three Rounds of First Round Segotiations under SAPIA (\%)

|  | First Round |  | Second Round |  | Third Round |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: |
|  | For LDCs | For All | For LDCs | For All | For LDCs | For All |
| Bangladesh | 10 | 10 | 10 | 10 | 10,15 | 10 |
| Bhutan | $10,13,15$ | 15 | 15 | 10 | $10,18,20$ | 10 |
| India | 50,100 | $10,25,30,50,90$ | 25,30 | $10,15,25,40$ | $50-100$ | 10,20 |
| Maldives | 7.5 | 7.5 | 15 | 10 | 5,10 | 5,10 |
| Nepal | 10 | 10 | 15 | 10 | 10,15 | 10 |
| Pakistan | 15 | 10 | 15 | 10 | 30 | 20 |
| Sri Lanka | 10,15 | 10,20 | $10,50,60$ | 10 | $10,30,50$ | 10 |
| Source: SAARC Secretariat. |  |  |  |  |  |  |

completion of the Trade Liberalization Programme. The Agreement will come into force on $1^{\text {st }}$ January 2006 upon completion of formalities, including ratification by all CS and issuance of a notification thereof by the SAARC Secretariat. In the meanwhile a number of other issues will also need to be sorted out, viz., the determination by each CS of a Sensitive List of products that would not be subject to trade liberalization, modalities for revenue compensation to LDCs undergoing trade liberalization, determination of rules of origin, and finally, the modalities for providing assistance to LDCs and for phasing out of non-tariff barriers.

SAFTA Agreement will pursue a Trade Liberalization Programme following a schedule of tariff reductions. The non-LDCs are expected to bring down their tariffs to between 0-5\% in seven years whereas the LDCs are required to do the same in ten years.

## 2. Methodology

As noted above SAPTA has been operationalised in phases since December 1995. It is now time to take stock of its impact on expansion of intra regional trade. Such an exercise is possible when the data is available electronically. The researcher had access to such data from the Director General of Commercial Intelligence and Statistics (DGCI \& S), Kolkata and the Ministry of Commerce website (www.dgft.delhi.nic.in). The data was obtained at 8- digit level of aggregation under the Harmonized System (HS). This is the highest level of disaggregation available from the Indian source. The concessions exchanged by the SAPTA Contracting States (CS) was generally at 6- digit level of aggregation. With effect from the Third Round, concessions were sometimes also exchanged at a much higher level of aggregation as under Chapters (2digit HS classification). Products at 8 - digit level of aggregation are hence subsets of those aggregated under 6- digit, 4 - digit or 2-digit levels. Hence all products under the 6 -digit, 4 - digit or 2 - digit levels were aggregated to conform to 8 -digit classification in respect of which concessions were exchanged. The objective of such a disaggregated study is to examine the effect of trade liberalization as minutely as possible.

The objective of this exercise is to ascertain as to whether India's offer of concessions on negotiated products has resulted in an increase in its imports of sub products relative to its overall bilateral imports. In case of India's offer to Least Developed Countries (LDC's), imported products are sought to be identified only in terms of those offered exclusively to LDC's. However in
respect of products offered concessions to all countries, the PI both from LDCs as well as non-LDCs are identified. To obtain a macro perspective the values of all concessional products are summed up and the share of this aggregated value is looked at as a percentage share of India's total bilateral imports from that country. The period of analysis is initiated from 1996-97, roughly the year from which exchange of concessions was initiated to the year 2002-03, the last year of data availability at the time of analysis. In case the rate of increase in preferential imports is more rapid than total bilateral imports in general, positive impact consequent to tariff reductions may be subsumed.

A similar procedure was followed in assessing as to whether trade concessions offered by other CS to India stimulated the latter country to export more to the former. The rising value share of products conceded concessions by other CS in favor of India could be considered to be a reflection of the positive impact on India's exports. Accordingly a rising percentage share of such concessional exports in relation to total bilateral exports to CS would be reflected. In this context only those products offered concessions by other CS to all countries are taken into consideration. In this context it may be important to take note that when one CS offers concession to the other bilaterally, these concessions becomes available to all other CS (unless the concessions have been advanced exclusively in favor of the LDC's.). Similarly when a CS offers concession on any product exclusively to an LDC, the same becomes available to all other LDCs.

It is worth noting here that currently India has bilateral free trade agreement with Bhutan and a partial free trade agreement with Nepal. ${ }^{3}$ As such no concessions have been exchanged by India with Nepal and Bhutan under SAPTA. Hence the present study does not attempt to analyze the impact of tariff preferences on India's imports from or exports to these two countries and their import share in India's total bilateral imports. ${ }^{4}$ Thus this study is confined to India's preferential trade with four South Asian Countries (heretofore S-4)

## 3. India's Bilateral Trade with S-4

India's trade with S-4 is presented in Table 4. The table clearly reveals India's positive trade balance with S-4. It will be seen that India has been having trade surplus with all S-4 countries (with the exception of Pakistan in 1998-99). Besides this surplus trade has been also increasing over time as may be seen from the export-import ratio.


## 4. India's Preferential Trade with S-4

India's preferential trade (henceforth PT) with S-4 countries has been presented in Table 5. The table reveals that as in case of India's overall trade with S-4, India has generally a positive preferential trade balance with all S-4 countries (with the exception of Bangladesh during 1997-98 to 2000-01). However the preferential trade balance is not as much skewed in India's favour as in case of its overall trade with S-4. However preferential trade imbalance is more marked in case of its transactions with Sri Lanka and Maldives than it is in case of other S-4 countries. Since India had offered the largest number of concessions, particularly to LDCs in the Third Round beginning August 1999, one should have expected its preferential imports (henceforth PI) to go up since this year. However we do not see this in the data obtained. Similarly India started receiving concessions since the second and third rounds. However the data obtained does not show any marked increase in its preferential exports (henceforth PE) to S-4 countries since the beginning of the new millennium (except in case of its PE to Pakistan and Sri Lanka during the year 2002-03.
5. India's Preferential Trade with S-4 as Share in Bilateral Trade

A more appropriate assessment is to examine the share of India's PT in the overall bilateral trade with S-4 countries. The presumption is that trade flows in concessional products are expected to grow faster that overall bilateral trade.

### 5.1 Preferential Imports

Figure 1 presents India's PI as percent of total bilateral imports and data source.. It will be observed that while India's PI share from Bangladesh increased up to 1998-99, it stated declining since then in spite of India's substantial increase in the number of products offered concessions to the latter as a LDC. In case of Maldives while the share increased up to 2001-02, it declined in the next year. In case of Pakistan the trend is clearly one of declining share till 1998-99 but an increasing fluctuating share since then. It is notable that even though India's PI from Pakistan declined in value terms in the last year of this study; in terms import share the trend is an increasing one. India's PI from Sri Lanka has been both marginal as well as static. The reason for stagnation in India's PI from Sri Lanka could possibly be the result of Indo Lanka Free Trade Agreement (ILFTA) in operation since March 2000.

### 5.2 Preferential Exports

Figure 2 presents India's PE as percent of its bilateral exports to $\mathrm{S}-4$ countries and the data source. It will be seen that except for Pakistan, India's PE to S-4 has

Figure 1: India's Preferential Imports from S-4.

|  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 0 | 1996-97 | 1997-98 | 1998-1999 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
| - Bangladesh | 41.91 | 64.22 | 80.34 | 67.63 | 66.19 | 65.96 | 57.07 |
| - Maldives | 10.25 | 27.84 | 35.94 | 36.01 | 22.85 | 68.09 | 29.24 |
| - Pakistan | 72.75 | 51.54 | 10.07 | 36.42 | 52.44 | 59.29 | 65.21 |
| - Sri Lanka | 2.21 | 3.45 | 2.46 | 2.03 | 1.84 | 3.31 | 2.24 |

been quite marginal in relation to the country's total bilateral exports. The trend in the export shares reveals lack of buoyancy. Only a marginal increase in export share is visible in case of India's PE to Bangladesh. In case of Maldives the export share is both marginal as well as static. In case of Pakistan we notice an increasing share up to 1998-99, a declining one between 1998-1999 to 2000-01 and a mildly increasing share since then. In case of Sri Lanka the share is a declining one. This could again be the consequence of ILFTA.


## 6. India's Preferential Imports Disaggregated by Rounds

As we are aware, trade liberalization under SAPTA has been at different points of time under different rounds of negotiations. Hence it is essential to disaggregate the trade flows under different rounds so as to assess more closely the impact of trade liberalization. This section attempts to do this.

### 6.1 Preferential Imports

India's PI from Bangladesh as percent of total imports disaggregated by rounds is presented in Figure 3. It will be seen that India's PI under SAPTA Round 1 and Round 2 (henceforth SR-1 and SR-2) was either nil or negligible. Most of India's PI were in SR-3. Hence the trend in PI share has been by and large the same as seen under aggregated analysis (Figure 1) India's PI from Maldives by Rounds has been presented in Figure 4. It will be seen that India's PI from Maldives were limited to only products offered under SR-3. Thus the impact can be expected only from 1999-2000. We notice an increase in the share of PI from 2000-01 to 2001-02 but it declined sharply the next year.

India's PI from Pakistan under different Rounds has been presented in Figure 5. It will be observed that India's PI from Pakistan began only from SR-2 and SR3. While the products offered under SR-2 does not show any increasing trend, we notice an increasing trend for products offered concessions under SR-3.




India's PI from Sri Lanka by Rounds has been illustrated in Figure 6. It will seen that India's PI from Sri Lanka were only in respect of products offered concessions under S-2 and SR-3. Apart from being very modest shares, no definite trend is visible. This again reflects the loss of relevance of SAPTA in the context of ILFTA.

## Figure 6: India's Preferential Imports from Sri Lanka



### 6.2 Preferential Exports

India's PE to Bangladesh as percent of its total bilateral exports to that country has been shown in Figure 7.

India's PE to Bangladesh is observed in all the three rounds of SAPTA negotiations. India's major PE to Bangladesh was in respect of products offered concessions under SR-2. The share of PE under SR-1 was quite modest and declining since 1999-2000. The share of PE of products offered concessions

Figure 7: India's Preferential Exports to Bangladesh

under SR-2 declined up to 1998-99, but its share increased steadily up to 200102 , dipping marginally in 2002-03. However this share was considerably higher than in 1998-99. It will be noticed that only 4.6 percent of India's bilateral exports to Bangladesh liberalized in 2002-03.

A much smaller share of India's PE to Maldives has been liberalized, being less than one percent in 2002-03. India's exports to Maldives was liberalized in all the three rounds of which the share of products liberalized was highest under SR-1 as may be seen in Figure 8.

A very modest share of India's bilateral exports to Pakistan was liberalized under SR-1 and SR-3 as may be seen in Figure 9. Most of the liberalized exports were conceded concessions under SR-2. The overall share of liberalized exports of India to Pakistan was around 30 percent during the last three years of this study. This share increased between 1998-97 to 1998-99, then declined between 1998-99 to 2000-01. Since then a mildly increasing share is observed.

India's overall PE to Sri Lanka under the three rounds shows a declining trend as may be seen in Figure 10. India exported products offered concessions in all the three rounds, with not much difference in the shares exported under them. No more than 7 percent of India's exports to Sri Lanka had been liberalized during 2002-03. As in case of exports, SAPTA does not appear to be India's preferred route for PE to Sri lanka.


Figure 9: India's Preferential Export to Pakistan

igure 10: India's Preferential Export to Sri Lanka


## 7. Macro Impact Assessment Disaggregeted by Sectors

In this section we examine the share of preferential trade in total bilateral trade in terms of sectors, which is in terms of various Sections of the Harmonized System (henceforth HS) of classification. There are 21 Sections and 99 Chapters of the HS classification. We examine here the share of each Section in total bilateral imports / exports. This gives us an idea of the structure of preferential
trade and its change over the study period. A definition of the various Sections (indicating the constituent Chapters) is presented in Annex 1

### 7.1. Preferential Imports

India's PI in terms of different Sections from Bangladesh has been presented in Table 6 and illustrated in Figures 11(a), (b). It will be seen that textile and textile articles (S-XI) constituted the largest share in India's bilateral imports from Bangladesh. Compared to the period 1996-97 to 1997-98, their average import shares were higher in the subsequent years. In 2002-03 this group constituted nearly 95 percent of India's PI from Bangladesh. The next most important product group was live animals and animal products (S-I) whose share has been declining over the years (the most perceptible decline being in 2002-03). The import shares of other product groups were very modest. However some products which showed higher average import shares in the last three years of the study as compared to the first four years were products of chemical and allied industries (S-VI), raw hides and skins (S-VIII), textile and textile articles (S-XI), articles of stone, plaster cement etc. (S-XIII) and miscellaneous manufactured articles (S-XX). Figures 11(a) and 11(b) reflect the composition of India's PE during the years 1996-97 and 2002-03 respectively. Overall we notice greater import concentration on textiles even though some new sectors seem to have emerged.

India's PI from Maldives is presented in Table 7 and Figures 12(a), (b). It will be observed that India's import structure is very narrow being concentrated in live animal and animal products (S-I), base metals and articles of base metals (S-XV) and textile and textile articles (S-XI). These three product groups accounted for about 68 percent of India's total PI from Maldives during 200102 and 2002-03 respectively. In none of the product groups an increase in the share in India's bilateral imports may be observed. In fact, the import shares of base metals declined from 2000-01 to 2002-03. However compared to almost negligible imports during the first three years (except for live animals), the average imports were generally higher in the last three years for nearly all product groups reflecting some import diversification.

India's PI from Pakistan in terms of sectors is presented in Table 8. The data reveals that India's major PI in 2002-03 were products of chemical and allied industries (S-VI), mineral products (S-V), and vegetable products (S-II). These together accounted for over 99 percent of India's PI from Pakistan. Since 199899 the percentage shares of all these products have shown a rising trend even

|  |  | $1996-97$ | $1997-98$ | $1998-99$ | $1999-2000$ | $2000-01$ | $2001-02$ | $2002-03$ |
| :--- | :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| Total Bilateral* |  | 22090.99 | 18884.54 | 26252.5 | 33865.95 | 36778.27 | 28194.05 | 30029.34 |
| Section | Chapter |  |  |  |  |  |  |  |
| All Sections |  | 41.91 | 64.22 | 80.34 | 67.63 | 66.19 | 65.96 | 57.07 |
| I | $01-05$ | 7.39 | 20.66 | 23.05 | 8.82 | 6.5 | 7.18 | 0.82 |
| II | $06-14$ | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| III | 15 | 0.19 | 0.08 | 0.03 | 0.04 | 0 | 0 | 0 |
| IV | $16-24$ | 0 | 0.02 | 0.02 | 0.16 | 0.01 | 0.12 | 0.41 |
| V | $25-27$ | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| VI | $28-38$ | 0.02 | 0.21 | 0.07 | 0.38 | 0.39 | 0.2 | 0.22 |
| VII | $39-40$ | 0 | 0.37 | 0.17 | 0.14 | 0.12 | 0.08 | 0.19 |
| VIII | $41-43$ | 0.02 | 0.11 | 0.1 | 0.08 | 0.16 | 0.12 | 0.89 |
| IX | $44-47$ | 0 | 0 | 0.02 | 0 | 0 | 0 | 0 |
| X | $47-49$ | 0.02 | 0.28 | 0.43 | 0.05 | 0.05 | 0.13 | 0.15 |
| XI | $50-63$ | 34.23 | 42.25 | 56.04 | 56.8 | 58.18 | 56.35 | 53.9 |
| XII | $04-67$ | 0 | 0.01 | 0.02 | 0 | 0 | 0 | 0 |
| XIII | $68-70$ | 0.02 | 0.05 | 0.05 | 0.1 | 0.23 | 0.29 | 0.18 |
| XV | 0 | 0 | 0.03 | 0.03 | 0 | 0.09 | 0 |  |
| XVI | $02-83$ | 0.02 | 0.16 | 0.28 | 0.81 | 0.5 | 1.32 | 0.26 |
| XVIII | 0 | 0 | 0.03 | 0.16 | 0 | 0.01 | 0 |  |
| XX | $90-92$ | 0 | 0.01 | 0.02 | 0.05 | 0.04 | 0.07 | 0.05 |

Note: * denotes value in Rs. Lacs

Figure 11 (a) Preferential Imports from Bangladesh by HS Sections: 1996-97


Figure 11(b) India's Preferential Imports from Bangladesh: 2002-03




Figure 12 (a) India's Preferential Imports from Maldives by HS


Figure 12 (b): India's Preferential Imports from Maldives 2002-03


## 

Figure 13 (a) India's Preferential Imports from Pakistan 1996-97


Figure 13 (b): India's Preferential Imports from Pakistan: 2002-03

though the value of India's PI from Pakistan declined significantly in 2002-03 from the previous years. Figures 13(a), (b) shows the changing import structure. The emergence of chemicals (S-VI) is particularly evident.

Table 9 presents India's PI from Sri Lanka by sectors. It will be seen that in 2002-03 vegetable products (S-II) and articles of stone, plaster etc. (S-III), products of chemical and allied industries (S-VI) accounted for 88 percent of India's PI from Sri Lanka. Most of the import shares are modest and none of these show any increasing trend. Figures 14(a), (b) show the change in structure of imports during the period of our study. No significant change in the composition is observed.

### 7.2 Preferential Exports

India's PE to Bangladesh by Sections of the Harmonized System has been presented in Table 10. It will be observed that in 2002-03 prepared foodstuffs etc. (S-IV) accounted for about two-thirds of India's PE to Bangladesh. This share has been increasing between 1998-99 and 2001-02. The shares of PE of other sectors is quite marginal and do not show any positive trend.

Figures 15(a) (b) show the changing export structure with prepared foodstuffs (S-IV) replacing textiles (S-VI) as the most dominant group.

In Table 11 India's PE to Maldives by sectors has been presented. It is clear that the different sectors account for only a very small share of India's total exports to Maldives. In 2002-03 products of chemical and allied industries (SVI) together with miscellaneous manufactured articles (S-XX) accounted for 70 percent of India's PE to Maldives. No increasing share in any of the sectors is apparent. Figure 16 (a) (b) shows the changing composition of India's PE. A marginal increase in the share of chemicals (S-VI) is to be seen.

India's PE to Pakistan has been presented in Table 12. It will be seen that in 2002-03 products of plastics, rubber etc. (S-VII), together with mineral products (S-V), products of chemical and allied industries (S-VI) and prepared foodstuffs etc. (S-IV) together accounted for 86 percent of India's total PE to Pakistan. The share of mineral products has been increasing steadily since 1990-2000. Similarly the share of plastic and rubber products increased steadily up to 1998-99, declining marginally in 2002-03. The shares of prepared foodstuffs (S-IV) and chemicals and allied industries (S-IV) appear to be declining since 1998-99. Figures 17(a) (b) shows a comparison of the export composition over
Table 9: India'sPreferential Imports from Sri Lanka by HS Sections/Chapters as Percent of Total Bilateral

|  |  | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total Bilatera** |  | 15209.06 | 11220.3 | 15850.32 | 19166.62 | 20560.65 | 32134.15 | 33675.01 |
| Section | Chapter |  |  |  |  |  |  |  |
| All Sections |  | 2.21 | 3.45 | 2.46 | 2.03 | 1.84 | 3.31 | 2.24 |
| I | 14-Jun | 1.26 | 1.83 | 1.11 | 0.76 | 0.77 | 1.01 | 0.77 |
| IV | 16-24 | 0.02 | 0.07 | 0.04 | 0.05 | 0 | 0 | 0.01 |
| V | 25-27 | 0.64 | 0.28 | 0 | 0.05 | 0 | 0.03 | 0.01 |
| VI | 28-38 | 0.18 | 1.09 | 0.34 | 0.29 | 0.33 | 0.44 | 0.34 |
| VII | 39-40 | 0.02 | 0 | 0.03 | 0.05 | 0.13 | 0.03 | 0.07 |
| VIII | 41-43 | 0 | 0.01 | 0.24 | 0 | 0 | 0.01 | 0.12 |
| IX | 44-47 | 0 | 0 | 0.01 | 0.07 | 0.02 | 0 | 0 |
| X | 47-49 | 0.09 | 0.02 | 0.03 | 0.06 | 0.1 | 0.03 | 0.01 |
| XI | 50-63 | 0 | 0 | 0.48 | 0.48 | 0.03 | 0 | 0 |
| XII | 64-67 | 0 | 0.16 | 0.1 | 0.09 | 0.15 | 0.03 | 0.03 |
| XIII | 68-70 | 0 | 0 | 0.06 | 0.08 | 0.26 | 1.6 | 0.87 |
| XV | 72-83 | 0 | 0 | 0.02 | 0.02 | 0.03 | 0.11 | 0 |
| XVI | 84-85 | 0 | 0 | 0 | 0.05 | 0 | 0 | 0 |
| XVIII | 90-92 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| XX | 94-96 | 0 | 0 | 0.01 | 0 | 0.01 | 0.03 | 0 |

Figure 14 (a): India's preferential Imports from Sri Lanka by HS Sections: 1996-97


Figure 14 (b): India's Preferential Imports from Sri Lanka 2002-03


Figure 15(a): India's Preferential Exports to Bangladesh by HS Sections: 1996-97


Figure 15(b): India's Preferential Export to Bangladesh by
HS Sections: 2002-03


|  |  | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total Bilateral* |  | 3625.27 | 3246.49 | 3524.19 | 3163.67 | 11243.47 | 12817.56 | 15285.94 |
| Section | Chapter |  |  |  |  |  |  |  |
| All Sections |  | 0.91 | 0.65 | 0.66 | 2.00 | 0.97 | 1.23 | 0.97 |
| III | 15 | 0 | 0.26 | 0.00 | 0.02 | 0.01 | 0.03 | 0.08 |
| V | 16-24 | 0.03 | 0 | 0.03 | 0 | 0.06 | 0.01 | 0.05 |
| VI | 28-38 | 0.17 | 0.04 | 0.06 | 0.22 | 0.28 | 0.58 | 0.34 |
| VII | 39-40 | 0.02 | 0 | 0 | 0 | 0.10 | 0.09 | 0.05 |
| VIII | 41-43 | 0 | 0 | 0 | 0 | 0.00 | 0.03 | 0 |
| IX | 44-47 | 0 | 0.09 | 0.12 | 0.26 | 0.23 | 0.03 | 0.03 |
| XI | 50-63 | 0 | 0.00 | 0.01 | 0.15 | 0 | 0 | 0.01 |
| XII | 64-67 | 0 | 0 | 0.04 | 0.17 | 0.00 | 0.01 | 0.03 |
| XIV | 71 | 0 | 0 | 0 | 0 | 0.01 | 0.03 | 0.03 |
| XX | 94-96 | 0.69 | 0.26 | 0.39 | 1.18 | 0.26 | 0.41 | 0.34 |

Figure 16(a) India's Preferential Exports to Maldives by HS
Sections: 1996-97


Figure 16(b) India's Preferential Exports to Maldives by HS Sections: 2002-03



Figure 17(a) India's Preferential Exports to Pakistan by HS Sections: 1996-97
$\square \square I I$
$\square I I I$
$\square \mathrm{~V}$
$\square \mathrm{~V}$
$\square \mathrm{VI}$
$\square \mathrm{VII}$
$\square \mathrm{IX}$
$\square \mathrm{X}$
$\square \mathrm{XI}$
$\square \mathrm{XIII}$
$\square \mathrm{XIV}$
$\square \mathrm{XV}$
$\square \mathrm{XVI}$
$\square \mathrm{XVIII}$

## $\square \|$ $\square I I I$ $\square V$ $\square V$ $\square V I$ $\square V I I$ $\square I X$ $\square X$ $\square X I$ $\square X I I I$ $\square X V$ $\square X V$ $\square X V I$ $\square X V I I I$



Figure 17(b) India's Preferential Exports to Pakistan by HS Sections; 2002-03

[^1]|  |  | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total Bilateral* |  | 169346.97 | 181820.10 | 183901.48 | 216298.03 | 292446.20 | 300884.76 | 445711.70 |
| Section | Chapter |  |  |  |  |  |  |  |
| All Sections |  | 11.21 | 13.83 | 10.15 | 11.07 | 10.73 | 5.29 | 3.65 |
| VI | 28-38 | 2.25 | 2.17 | 2.09 | 1.70 | 1.72 | 1.55 | 1.30 |
| VII | 39-40 | 0.83 | 1.00 | 0.40 | 0.04 | 0.10 | 0.02 | 0.01 |
| XI | 50-63 | 1.90 | 2.72 | 1.67 | 1.33 | 1.74 | 0.89 | 0.69 |
| XIII | 68-70 | 0.02 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| XIV | 71 | 1.96 | 4.86 | 4.35 | 5.68 | 3.71 | 1.55 | 0.12 |
| XV | 72-83 | 3.77 | 2.74 | 1.19 | 1.68 | 3.15 | 1.02 | 1.19 |
| XVI | 84-85 | 0.33 | 0.26 | 0.35 | 0.61 | 0.30 | 0.21 | 0.31 |
| XVIII | 86-89 | 0.15 | 0.08 | 0.09 | 0.04 | 0.01 | 0.04 | 0.02 |

Figure 18(a) India's Preferential Exports to Sri Lanka by HS


Figure 18(b) India's Preferential Exports to Sri Lanka by HS
Sections: 2002-03

the years 1996-97 and 2002-03. They reveal the increasing share of plastics (SVII) and declining share of prepared foodstuffs (S-IV).

India's PE to Sri Lanka has been presented in Table 13. In 2002-03 products of chemical and allied industries (S-VI) and products of base metals (S-XV) accounted for 68 percent of India's total PE to Sri Lanka. None of the sectors show any increasing share. Figures 18(a) (b) do not reveal significant change in the export composition.

## 8. Micro Impact Assessment by Products

### 8.1 Preferential Import

In micro impact assessment we examine the trend in India's PI at the highest level of disaggregation viz. at 8 -digit level of H.S. classification.

In this section the product groups identified in the previous section are disaggregated in terms of products and this supplements the information obtained for broad products groups or sectors (HS Sections).

In Table 6 we had identified textile and textile articles (S-XI) as the most important product group in India's PI from Bangladesh. Figure 19 presents the top 7 products in terms of their bilateral import shares from Bangladesh. The Figure establishes that the most important product in this group in 2002-03 was jute, raw or retted (HS 5303 1001) and cotton dress shirts (HS 2052001) accounting 44.79 and 1.84 percent respectively of India's bilateral imports from Bangladesh.

It will be seen that the share of jute bagging for raw cotton (HS 63051004) declined significantly during 2002-03 as compared to previous years. This is the main factor causing a decline in the share of textiles as a group. It is quite clear that India's PI from Bangladesh is dominated by only one product and except for the top two imports, all the other products have an import share of less than one percent.

The data further reveals the emergence of some new products in India's PI. If by a new product we define as one which was not being imported prior to SR3 (1998-99) say in 1996-97 but which were being so imported in 2002-03, one notes quite a number of such products, even though their import shares are quite miniscule. However this points to some import diversification, even though quite modest. Annex 2 gives the details of top 50 products being imported by India from Bangladesh.

Figure 19: India's Top Seven Preferential Products Imported from Bangladesh


Figure 20 presents India's PI of top seven products from Maldives. It will be seen that the share of the product corals unworked simply prepared (H.S. 05080001 ) increased significantly since 1998-99. Next in importance was waste and scrap of papers whose share increased from 1998-99 to 2001-02, but declined the next year.

The products beams, channels, pillars \& girders prepared (HS 73089001), and shirts of silk, hand printed (HS 62059001), bleached dyed and printed jute fabrics (HS 53109001) were being imported for the first time in 2002-03. The details of top 34 products being imported by India has been presented in Annex-3. The table reveals that quite a number of products began being imported in 2002-03. These were suits of other fibres, (HS 61041909), rubber thread. (HS 40169904) and a number of others. This could have contributed to import diversification, however modest. However the share of one product, namely, foreign cotton of all staple lengths (HS 5210025) declined significantly in 2002-03 as compared to 2001-02. This explains why the share of textiles as a group declined over this period.

India's top seven PI from Pakistan is presented in Figure 21. It will be seen that two products namely, phthalic anhydride (HS 509173500) and rock salt (HS 25010002) dominated India's PE from Pakistan in 2002-03. The two other

Figure 20 : India's Imports of Top Seven Products from


Figure 21 : India's Preferential Imports of Top Seven Products from Pakistan


Figure 22: India's Imports of Top Seven Products from Sri Lanka

products being imported were tamarind dried (HS 08134001) zinc oxide (HS 28170001 ). The most important product can be considered to be a new product since it was not being imported prior to 2000-01. The detail of top 50 PI from Pakistan is presented in Annex - 4.

India's top seven PI from Sri Lanka is presented in Figure 22. It will be seen that the import shares of all products are extremely modest being less than one percent of total bilateral imports. The top two imports in 2002-03 were pine oleoresins (HS 68022100) and others (HS 0682210). The import share of marble blocks tiles polished (HS 68022109) seems to have increased since 2000-01, the first year when PI became visible. Details of India's PI of top 50 products from Sri Lanka has been presented in Annex -5.

### 8.2 Duty Free Imports

Since the impact on PI is most likely to be felt on duty-free or zero duty products, we have analysed the same in figure 23 below. Since India has already duty-free imports from Nepal and Bhutan and since Maldives is quite a marginal supplier to India, we have taken note of duty-free imports from Bangladesh which is likely to be the main beneficiary. It is interesting to note the marked positive impact of India's imports from Bangladesh in the last year of data examined,

Figure 23: India's Import of Top Seven Duty-Free products
from Bangladesh

viz. 2002-03. The products whose import share increased significantly in 200203 were medicine-others, insulating wires, vaccines for diphtheria, toothpaste, analgesic, surgical catgut etc

It will be noticed that many of these products are new since they were not imported prior to the application of zero duty on them. These products are also non conventional manufactured goods which have contributed to export diversification of exports of Bangladesh to India. It is also notable that the positive impact has been felt within one year of trade liberalisation. Given a longer time, one could expect the possibility of further increase in the exports of these products to India.

### 8.3 Preferential Exports

India's PE of top seven products to Bangladesh has been presorted in Figure 24. These products together accounted for 44 percent of India's total bilateral preferential export to Bangladesh. The most important product exported was soya oil cake solvent extracted (HS 23040002). Its share increased from less than one percent prior to 2000-01 to 2.49 percent in 2002-03. No trend in visible for other products. The details of top 50 product exported by India to Bangladesh have been presented in Annex-6.

Figure 24 : India's Preferential Exports of Top Seven Products to


India's top seven PE to Maldives has been presented in Figure 25. It will be apparent that these exports constitute a very small share of India's total bilateral exports to Maldives. Nor is any increasing share of any product visible.

Figure 25 : India's Preferential Exports of Top Seven Products to Maldives


Figure 26: India's Export of Top Seven Preferential Exports to Pakistan


The details of India's PE of top 50 products of to Maldives is presented in Annex - 7 .

India's PE of top seven products to Pakistan is presented in Figure 26. It will be seen that the share India's PE of polypropylene increased since 1999-

Figure 27 : India's Preferential Exports of Top Seven products to Sri
Lanka


2000 to 2001-02, but declined in 2002-03. Similarly the export share of iron ore fines went up since 2000-01 to 2002-03. The share of meal of soyabean has however come down steadily since 1998-96. The details of India's top 50 exports to Pakistan have been presented in Annex 8.

India's top seven PE to Sri Lanka have been presented in Figure 27. In 2002-03 auto rickshaw accounted for nearly two percent of India's bilateral exports to Sri Lanka. The other important exports were part and accessories of vehicles, cotton-grey, flat-rolled products, carbon black and acetylene black. However except for auto rickshaw, the other products did not account even for one percent of India's total bilateral exports. None of the export shares of these products show any increasing trend. The details of the top 50 products exported preferentially to Sri Lanka have been presented in Annex 9

## 9. Modalities for Regional Trade Liberalization

### 9.1 Positive List Approach

Under this approach trade liberalization is negotiated by CS selectively on a list of products several approaches such as product-by-product, sectoral across-the-board, or direct trade measures.

## (a) Product-by-product Approach

Under this approach negotiations take place on a product-by-product basis, generally on the basis of 6-digit HS classification. The CS draw up request lists bilaterally with other CS. The CS after examining the requests made, concede the concessions if found acceptable. After negotiations among bilateral pairs of CS has been completed, the various bilateral lists are multilateralised in which a single National List of Concessions for each country is prepared by merging all offers made for common products. Those offers made only to LDCs are indicated separately. This process has the advantage of products being identified so as to meet the needs and requirements of concession requesting CS and the capacity and feasibility of concession offering countries to consider such requests. If properly targeted, on intensely traded products, it can lead to effective trade liberalization. However a product-by-product approach has a number of limitations. The approach, by its very nature, is likely to be protracted in nature and long and cumbersome, being cautious in nature. Generally negotiators follow the product coverage objective rather than trade coverage principle. The result is that quite often-long lists of products are conceded concessions with very modest trade coverage. This problem however arises due to lack of proper negotiations rather then on the approach itself.

The product-by-product approach however it subject to a number of other limitations. Firstly some products conceded concessions could be those that are being sourced entirely from the partner country that requested concessions. In such a case even though the product may be intensely traded, the scope for additional imports by the concession offering country is limited. Secondly, this approach does not take note of products that are not being traded bilaterally (and are hence not identified), but have a trade potential based on the supply and demand possibilities globally. This could happen when a specific product is being exported globally by a CS, which at the same time being imported globally by another CS, even in the absence of bilateral trade among the two. In such a situation considerable trade potential exists which given trade preferences, could lead to emergence of bilateral trade. Finally, this approach makes no distinction between possibilities of either trade creation or diversion consequent to trade liberalisation. In order to analyze the welfare implications, one needs to examine these two effects from the point of view of import competitiveness vis-à-vis the rest of the world. Finally, one limitation of this approach is the role of vested stakeholder who might lobby against specific products that are likely to affect them adversely. The first two rounds in SAPTA negotiations used this approach.

### 9.2 Sectoral Approach

Under this approach trade liberalization could be identified to certain sectors such as chemical, textiles or say primary agricultural products for which concessions may be offered across-the-board. The sectors are generally identified in terms of more aggregative product classification, generally under Chapters (2-digit) of the HS of classification. Since the product coverage is much larger, trade liberalization can be expedited more vigorously. However this approach, if not properly directed, could lead to problems similar to the one based on product-by-product principle. Besides countries having a narrow list of exportable products may still prefer negotiating on a product-by-product basis. The Third Round in SAPTA negotiations used this approach in combination with the previous approach.

### 9.3 Potential Trade Approach

Under this approach the CS are positioned as suppliers and markets. Products of CS that are being traded globally are first identified. The existing trade between the two countries (if any), is then deducted from the minimum of the two values of world exports of the supplier country and the world imports of the
market country to arrive at the potential bilateral trade (PBT). The supplying countries' revealed comparative advantage (RCA) is also available. In order to minimize the possibility of trade diversion, generally supplying countries having favorable RCA (greater than 1) should be favored with tariff concessions.

The advantage of PBT approach is that the supply/demand possibilities in the identified products as also their RCA can be ascertained. In such a method it is possible to identify even products not currently being traded among the CS , and yet having a potential ${ }^{5}$.

## 10. Intra-Industry Trade

Sustainable trade required effective linkage with investment countries in the region particularly with the least developed ones; do not have adequate supply capability to cater to the markets of other CS. Since India is one of the relatively developed countries of the region having some industrial presence through joint ventures, this section tries to identify how more such possibilities could be identified. The hypothesis is that high intra-industry trade, in terms of both value of the index as well as value of bilateral trade in similar products provides opportunity to shift from trade to investment and vice versa. In the first case India may consider investing in another CS in manufacturing a product, which it has been exporting for the domestic market of the importing country. In case it manufactures this product also for the Indian market, this investment also generates trade. Such a possibility well is higher the greater the intra-industry trade in the identified products.

Annex tables 10-15 presents India's intra-industry trade with Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka respectively. The top 100 products having highest bilateral trade in identical products have been listed. The twin characteristics of both high bilateral trade as well as high value of index of intra-industry trade should be considered to suggest Indian manufacturing industries that could possibly move to the neighboring countries either as joint ventures or as wholly owned subsidiaries. The products manufactured in these enterprises could be offered concessional or duty free access to India. This could help not only the sustain and stimulate intra-regional trade, but also help to some extent, to moderate India's excessive and growing bilateral trade imbalances with the other CS

Taking note of the criterion mentioned above, it is possible to identify some joint ventures/wholly owned subsidiaries that India could set up in the
neighbouring countries. A look at Annex 10 suggests that in Bangladesh manufacturing units relating to shirts not hand printed (HS 62053002), tanned or crust hides-grains finished (HS 41043101), sacks and bags of other plastics (HS 39232900), other finished tanned leather (41061909) etc. could be ideal manufacturing opportunities for Indian entrepreneurs to set up in Bangladesh.

The opportunities for Indian investment in Bhutan is presented in Annex 11. It will be seen that in case Bhutan opens up the foreign direct investment, Indian manufacturers could consider investing in sweetened flavored waters (HS22029000), tubes and pipes (HS 73030009), or in sweet biscuits (HS 19053005).

Annex 12 presents information on India's intra-industry trade with Maldives. Some possibilities of Indian investment in manufacturing articles for conveyance or packing of goods of plastics (HS 3923900), air conditioning machines (HS 84151000), water pumps (HS 84130909), bone meals (HS 5069001), etc.

India's intra-industry trade with Nepal has been presented in Annex 13. A look at the data reveals possibilities for Indian joint ventures in Nepal in manufacture of toothpaste (HS 33061002), ayurvedic and unani medicines, (HS 30039001, 30049001), household and laundry soaps (HS 34011909), beer from malt (HS 22030000), and a number of other products.

Annex 14 shows the intra-industry trade of India with Pakistan. This points to the possibility of setting up Indian joint ventures in cane sugar (HS 17011109), some chemical products (such as those defined by HS 37079001, 39021000). However political constraints impede this possibility for the present.

India's intra-industry trade with Sri Lanka has been presented in Annex 15. The data reveals the possibility of Indian joint ventures in Sri Lanka for the manufacture of printing and writing paper nes. (HS 48026009), other articles of plastic goods (HS 39269009), soap cutting and moulding machinery,(HS 84798919), cartons and cases of corrugated paper hoard (HS 48191009) etc.essions from the CS if not already conceded.

## 11. Transiting to a Free Trade Area

As stated earlier, the Twelfth SAARC Summit held in Islamabad the CS finally signed the Agreement on South Asian Free trade Area (SAFTA). The Agreement draws up a blueprint for trade liberalization program for South Asia. The

Agreement stipulates among others, the following measures relating to trade liberalization.

- Entry into force of the Agreement on $1^{\text {st }}$ January 2006 upon completion of formalities, including ratification by all CS and issuance of a notification thereof by the SAARC Secretariat. The Agreement supercedes SAPTA even though the framework of concessions under the former remains intact.
- The Agreement set out a trade liberalization programme for the CS. Under this programme the non-LDCs are required to bring down their tariffs to 0 5 percent by 2013, except Sri Lanka which is required to do so by 2014. However non-LDCs are required to bring their tariff to 0-5 percent for the products of LDCs by 2009 in respect of products of export interest to the latter.
- The LDCs are required to bring down their tariffs to 0-5 percent by 2016.
- The CSs are required to announce a Sensitive List in respect of which trade liberalization will not apply. This List will be reviewed every four years or earlier.
- The CS are to notify the SAARC Secretariat all non-tariff and para-tariff measures to their trade on an annual basis which is to be reviewed by a Committee of Experts to examine their compatibility with WTO provisions.
- Apart from greater flexibility and special regard for LDCs by non-LDCs in respect of various trade restrictive measures adopted by them, the CSs agreed to establish appropriate mechanisms to compensate the LDCs for their loss of customs revenue following trade liberalization.
- Rules of origin have to be negotiated by the CS and incorporated in the Agreement as an integral part. ${ }^{6}$

The above elements of the Agreement thus stipulates a number of preparatory measures before the Agreement can be operationalised. These are

- The preparation and announcement of Sensitive List in respect of which trade liberalization would not apply.
- The determination of appropriate rules of origin that is expected to be more flexible than those accepted under SAPTA.
- The announcement of non-tariff barriers on their trade by each CS to the SAARC Secretariat.
- A mechanism to provide for revenue compensation to LDCs by non-LDCs, and
- A Mechanism to provide technical assistance to LDCs

This section throws some light on how the above measures could be operationalised.

### 11.1 Rules of Origin

Since the SAFTA CS have to move from PTA to FTA, the application of appropriate Rules of Origin (ROO) becomes of prime importance since SAFTA does not anticipate any movement towards a customs union. Thus appropriate designing of ROO becomes crucial to the satisfactory functioning of a PTA / FTA. The ROO should be so designed as not to become so protective as to act as a non-tariff barrier. At the same time it should ensure that it does not lead to trade deflection from non-member states and facilitates adequate value addition in originating states that contributes to an expansion of intra-regional trade. Besides, the ROO must address the different levels of development of the CS.

Table 14 below lays down the current ROO as applicable in SAPTA
It will be observed that the existing ROO is one-dimensional, relying only on the percentage test criterion. This could encourage the substitution of more costly domestic inputs for cheaper foreign inputs. It has thus been suggested that change in tariff heading as also specific process test criterion could be supplemented in identified sectors. In the latter case the percentage test criterion could be relaxed. There is further scope for relaxation of ROO without encouraging trade deflection. This could be done by

- Encouraging greater regional input sourcing by providing more favorable regional cumulation
- Even if tariff heading change criterion is accepted, this criterion could be dispensed with when the concession receiving country is using say, less than 10 percent of inputs from non-member states or say when it is sourcing more than 80 percent of its inputs from other CSs.
- Products of regional joint ventures could be permitted more favorable ROO. ${ }^{7}$


### 11.2 Sensitive List

As stated, under the SAFTA Agreement each CS is required to prepare a Sensitive List of items on which trade liberalization will not apply. The list of such items prepared by the Ministry of commerce is presented in Annex 26. It will be observed that most of the products in India's Sensitive List are mainly primary products drawn from live animals and animal products, vegetable products, prepared foodstuffs, fats and oils, rubber products, textiles, marble and ceramics, second hand motor cars, etc. India imported Rs. 2752 million of such products in 2002 and 2003. While offering reduced tariffs these products may be phased out in the last few years.

|  | BEFOREAMENDMENT |  | AFTER AMENDMENT |  |
| :---: | :---: | :---: | :---: | :---: |
|  | $\begin{array}{r} \text { For } \\ \text { Non-LDCs } \end{array}$ | $\begin{array}{r} \text { For } \\ \text { LDCs } \end{array}$ | $\begin{array}{r} \text { For } \\ \text { Non-LDCs } \end{array}$ | $\begin{array}{r} \text { For } \\ \text { LDCs } \end{array}$ |
| Rule 3 (a): Not wholly produced or obtained |  |  |  |  |
| Domestic Value Addition in an Exporting Country | 50\% | 40\% | 40\% | 30\% |
| Maximum Input permitted from Non-Contracting States (i.e. from Outside the SAARC region) | 50\% | 60\% | 60\% | 70\% |
| Rule 4: Cumulative Rules of Origin |  |  |  |  |
| Aggregate Domestic Value Addition in an Exporting Country including inputs sourced from within the SAARC region. | y 60\% | 50\% | 50\% | 40\% |
| Maximum Input permitted from outside the SAARC Region. | 40\% | 50\% | 50\% | 60 |

### 11.3 Phasing out Non-Tariff Barriers

The World Bank has identified some of the NTBs in an overview of Trade
Policies in South Asia to include:

- Bangladesh's list of banned and restricted products, and the institutional holdovers from its old general import licensing system
- Other QRs e.g. Sri Lanka's bans on imports of tea and spices, Nepal's ban on imports of machine made woolen yarns.
- TRIMS regulations, especially Pakistan's TRIMS applied to its auto industry.
- Pakistan positive list for imports from India. This should be revisited, and when politically feasible, expanded or abolished, preferably in conjunction with the relaxation of travel, communication and other barriers to business relations by both countries.
- Regulations, which prevent or restrict imports of second hand goods, especially in India and Pakistan.
- India's parastatal import monopolies of rice, wheat and other agricultural commodities, and its agricultural TRQs. These are linked, however, to a broader set of agricultural/food security policies, and removing or phasing out the import barriers would need to be part of broader reforms of these policies.
- State trading import monopolies of petroleum products, fertilizers, and others.
- The use of sanitary and phytosanitary (SPS) rules and technical regulations to limit imports and protect domestic producers. Under the WTO SPS and TBT agreements, these rules are supposed to not discriminate between imports and domestic products. It would be in the economic interests of South Asian countries to modify rules that are in fact discriminating (e.g. the Indian BIS rules for imported steel) and to ensure that new rules are framed and actually applied in a neutral manner. Pro-active domestic initiatives to do this would be far preferable to allowing protective SPS and TBT rules to function in the expectation that an exporting country will perhaps eventually object at the WTO. ${ }^{8}$

Given the nature of non-tariff barriers mentioned above, the CS need to identify these at the earliest with a view to relaxing them or at least ensuring that these do not unnecessarily act as hindrance to trade flows between the member states. It is unfortunate that the SAFTA agreement does not set any time limit to the phasing out of these barriers.

## 12. Impact of Trade Liberalization

Various scholarly studies have been done to estimate or simulate the possible expansion in regional trade following trade liberalization.

Jayaraman (1978) looked at the static effects of a hypothetical customs union in South Asia. The study suggests that a customs union becomes effective when the post-union common external tariff consists of the lowest pre-union rate. The gains are however of a small magnitude. ${ }^{9}$

Another study on the static welfare effects of a South Asian customs union, computed the common external tariff by taking the weighted average rates of all country averages showed that the expected welfare gain for the region as a whole is likely to be quite modest, not exceeding 0.07 percent of the region's total regional product.( Rahman et al, 1981)

Mukherji ${ }^{10}(1998)$, on the basis of 1994-95 data and assumed price import demand elasticity, estimated that in case of free trade imports would increase by 26 percent from South Asian Countries, but only by 15 percent in case of 50 percent reduction in tariffs. Empirical research by Srinivasan and Canonero, using gravity model suggest that although potential gains from preferential liberalization are less than those from unilateral liberalization, they are substantial, and the smaller countries are likely to gain more than larger countries from regional integration. Their simulation shows that the effect of removing all tariffs would be to increase total trade between 3 percent of GDP for India and 59 percent of GDP for Nepal and in between for other countries.

The empirical studies thus give a mixed picture with widely varying results. Generally gravity models present an overtly positive scenario while those based in on price elasticity present quite modest results.

The current study does not offer any promising picture of the impact of tariff concessions. Thus the more modest results are perhaps more grounded in reality than those that point to the sky.

However none of the studies are able to factor in the prevalence of nontariff barriers that characterize this region. Unless these are factored in, it will be difficult to make quantitative estimates that are close to the reality in this region.

## 13. Concluding Observations

This paper has attempted to track the impact of SAPTA on bilateral preferential trade flows on conceded products both from the point of view of India's imports as well as exports since SAPTA negotiations were implemented by the end of 1995. The analysis has been done both at the macro level and micro product levels. In terms of the number of products conceded concessions, regional trade liberalization was quite modest to start with, but was accelerated during the Second and Third Rounds of SAPTA.

It may be recalled that while SAPTA First Round negotiations were implemented since 7 December 1995, the Second Round got implemented between end February 1997 and mid June 1997. All CS implemented the Third Round only by end October 1999. Our data covers the period 199697 to 2002-03, which is not adequate to analyse the full impact of all concessions exchanged, particularly those during the Third Round. A limited number of observations have this precluded rigorous time series statistical analysis to bring out robust results. The analysis is thus based on intuitive observation of the trade flow data proceeding and subsequent to trade liberalization.

The study is initiated at the macro level and then proceeds to the sectoral level and finally to the micro level of products classified at the highest available level of disggregation, viz. 8-digit HS level. The period of trade flows covers broadly the period prior to exchange of concessions and the period following it.

The positive outcomes are fragmented and far separated. Only a few illustrations of a positive nature can be offered. We have noted that India offered the largest number of concessions both in terms of numbers as well as in terms of the depth of tariff cuts, particularly to LDCs. In view of this Bangladesh and Maldives were expected to benefit the most from exports to India..

Aggregative data in fact shows that India's preferential imports (PI) from Bangladesh after increasing quite rapidly from 1998-97 to 2001-02, declined in 2002-03. The import share increased between 1996-97 to 1998-99 but has been declining since then even though the number of concessions offered and the value of PI by India from Bangladesh was the highest in the Third Round.

One interesting finding of this study is the continuing increasing share in India's PI from Pakistan since 1998-99. This has been so in spite of a substantial decline in India's bilateral as well as PI from Pakistan in 200203. This points to the better performance of Pakistan's PE to India, particularly in respect of products that were exchanged during SR-2 as compared to its total bilateral exports. With respect to the other two CS, India's PI show fluctuations.

The value of India's PE to S-4 has been increasing but not so much in relation to total bilateral exports. The only exceptions are a modest increase in shares of PE to Bangladesh from 1998-99 t0 2001-02 and to Pakistan from 2000-01 to 2002-03. In case of both the cases India's PE share increased during SR-2. Thus both India and Pakistan were able to improve their preferential trade shares for products exchanged concessions during SR-2. It is unfortunate that these two countries could not accelerate their negotiations during SR-3 to gain even more from their preferential trading.

With respect to sectoral patterns in preferential trading, one notices some very modest export diversification of products exported to India by Bangladesh, Pakistan and Maldives, facilitated by the emergence of new products entering the Indian market.

At the micro-product level one notable finding of this study is the positive impact on preferential imports from Bangladesh in respect of duty-free products. These are non-traditional products such as chemicals and medical appliances. Since this has been realized within a few months of trade liberalization, a continuing trend is expected as information on such products as also the benefits realized are felt. Owing to limited weight of these products in India's total PI from Bangladesh, its rising share could not be observed in our macro analysis. If India were to offer similar duty-free imports on other products as requested by Bangladesh, perhaps it would lead to similar increase in imports and help Bangladesh further diversify its exports to India. It appears that whereas India would like to make such a move under a free trade agreement with Bangladesh, the latter is perhaps more inclined to a regional approach.

In case of other products, only a handful of them show positive increasing share in India's PI. Otherwise the import shares are characterized by large fluctuations. The products reflecting increasing PI shares are raw jute imports
from Bangladesh (since 2000-01), coral un-worked from Maldives (since 199899), phthlic anhydride from Pakistan (a new product whose share increased from 2000-01, and marble, travertine-others from Sri Lanka since 2000-01)

India's PE whose share increased included soya oilcake to Bangladesh, toothpowder and wooden furniture to Maldives, and polypropylene and iron ore lumps to Pakistan.

The study has taken the view that bilateral trade can be self-sustaining when backed by investment linkages. In this context it has identified a large number of products in respect of which India has intra-industry trade. It has suggested that India could set up manufacturing units in the neighboring countries in respect of some products having high intra-industry trade and also having high intra-industry trade index. Such industries, when set up in neighboring countries, could meet not only the needs of the host countries, but also some of the requirements of the Indian market. This could in turn, moderate to some extent, the trade imbalances.

The study has pointed to very limited success of SAPTA in enhancing intra-regional trade, which continues to remain at around 4-5 percent of intraregional trade of the CS. The major constraints to expansion of intra-regional trade have been inadequate and poor targeting of products offered concessions, lack of any initiative to deal with non-tariff barriers, and to deal with a number of trade facilitation measures.

The transition to SAFTA based on Negative List approach from January 1, 2006 will no doubt simplify the modalities for future trade negotiations. Unfortunately the time phase for moving to a free trade area clearly demonstrates the lack of political will to pursue fast track regional trade liberalization. SAFTA's Trade Liberalisation Programme if implemented, will lead to a free trade area in the region only in 2016. During this period faster trade liberalization both at the multilateral as well as competing regional levels could make SAFTA largely irrelevant. Thus SAFTA has to offer much more than what other competing regional arrangements are offering. This is best illustrated by the lackluster preferential trading between India and Sri Lanka under SAPTA in the context of more comprehensive and outward oriented ILFTA.

This paper has highlighted some possibilities and modalities by which of SAPTA could transform swiftly to SAFTA. The Trade Liberalization Programme
that will be launched thereafter must however take a much more holistic approach by bringing under its timetable the removal of a variety of non-tariff barriers, and setting well defined time bound plan to promote a number of trade facilitation measures. The SAFTA CS could also decide to accelerate the trade liberalization programme by opting to reduce the phasing out period as provided under the Framework Agreement.

## Endnotes

Information obtained from Ministry of Commerce Government of India on 5 December 2001.

2 Bilaterally the largest number of non-reciprocal concessions were offered in favor of Bangladesh (later multilatrealised in favor of all LDCs.
${ }^{3}$ While India provides duty- free access to Nepalese imports from Nepal, the latter country provides only $10-20 \%$ preference to Indian imports.
${ }^{4}$ Granting of preferences to competing products imported by India from other South Asian countries could of course reduce the relative competitiveness of imports from Nepal or Bhutan just in the same way as India's competitiveness to these two countries could be eroded by former two countries' grant of concessions on products competing with Indian exports to them. But this has not been attempted in this study
5 For an illustration of implications of different approaches to Positive List trade liberalization see Mukherji I.N., "Charting a Free Trade Area in South Asia: Instruments and Modalities" in Srinivasan T.N., Trade, Finance and Investment in South Asia, Social Science Press, New Delhi, 2001, pp. 78-121
6 SAARC Secretariat, Agreement on South Asian Free Trade Area
7 For an exhaustive discussion on the rationale of different criteria on rules of origin see Panchmukhi V.R. and Ram Upendra Das, "Conceptual and Policy Issues in Rules of Origin: Implications for SAPTA and SAFTA", South Asia Journal. Vol.2., No.2, 2001.
8 World Bank, Workshop on Regional Trade Policies in South Asia, Colombo, October 2-3. 2003.
, Jayaraman, T.K., Economic Cooperation in the Indian Subcontinent, A Customs union Approach", New Delhi; Orient Longman
${ }^{10}$ Mukherji I.N.,(1978), "The South Asian Preferential Trading Arrangement: Identifying Products in India's Regional Trade", Asia Pacific Development Journal, Vol.5. No.1, June 1998.
Annex 1: Description of Sections under the Harmonised System

| Sections | Description | Chapters |
| :--- | :--- | ---: |
| I-XXI | Total | $\mathbf{0 1 - 0 5}$ |
| I | Live Animals, Animal Products | $\mathbf{0 6 - 1 4}$ |
| II | Vegetable Products | $\mathbf{1 5}$ |
| III | Fats or Oils \& Cleavage products; Prepared Edible Fats; Waxes | $\mathbf{1 6 - 2 4}$ |
| IV | Prepared Foodstuffs; Beverages, Spirits \& Vinegar; Tobacco \& Manuf. Substitues | $\mathbf{2 5 - 2 7}$ |
| V | Mineral Products | $\mathbf{2 8 - 3 8}$ |
| VI | Products of Chemical \& Allied Industries | $\mathbf{3 9 - 4 0}$ |
| VII | Plastics, Rubber \& Articles Thereof | $\mathbf{4 1 - 4 3}$ |
| VIII | Raw Hides, Skins, Leather, Fur \& Articles Of Animal Gut (Excl. Silkworm), | $\mathbf{4 4 - 4 7}$ |
|  | Travel Goods, Handbags \& Similar Containers | $\mathbf{4 7 - 4 9}$ |
| IX | Wood, Cork, Wood Charcoal \& Articles Threof; Basketware \& Wickerwork, Straw | $\mathbf{5 0 - 6 3}$ |
| X | Wood Pulp or other Cellulose Material, Wastes/Scrap Of Paper or Paperboards | $\mathbf{6 4 - 6 7}$ |
| XI | Textiles \& Textile Articles | $\mathbf{6 8 - 7 0}$ |
| XII | Footwera, Headgear, Umbrella, Walking Sticks, Prepared Feathers, Artificial Flowers | $\mathbf{7 1}$ |
| XIII | Articles of Stones, Plaster Cement, asbestos, Mica, ceramic Etc.; Glass \& Glassware | $\mathbf{7 2 - 8 3}$ |
| XIV | Pearls; Precious Stones, Metals; Semi-Precious stones, Imitation Jewellery | $\mathbf{8 4 - 8 5}$ |
| XV | Base metals \& Articles of Base Metals |  |
| XVI | Machinery \& Mechanical Appliances; Elec. Equip, Sound \& Television Image recorders \& Reproducers | $\mathbf{8 6 - 8 9}$ |
|  | \& Parts \& Accessories Thereof | $\mathbf{9 0 - 9 2}$ |
| XVII | Vehicles, Aircraft, Vessels \& Assosciated Transport Equipment | $\mathbf{9 3}$ |
| XVIII | Oiptical, Photographic, Cinematographic, Measuring, Checking Precision Medical or Surgical Equip, |  |
|  | Clocks Watches, Musical Instruments, Parts \& Accessories Thereof | $\mathbf{9 4 - 9 6}$ |
| XIX | Arms Ammunitions, Parts \& accessories Thereof | $\mathbf{9 7 - 9 9}$ |



| HSCODE | DESCRIPTION | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 3074101 | CUTTLE FISHLIVE FRSHOR CHLLD | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.09 |
| 52029901 | NSOFT WASTEEE.G.DROPINGS,FLY BONDS \& OTHR WASTEFROM | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.08 |
|  | THEBELOWROOMCARDING ENGINECOMBER,INTER,SLUBBINGS |  |  |  |  |  |  |  |
| 85071000 | LEADACIDACCUMULATORS OFA KIND USEDFOR | 0.00 | 0.10 | 0.16 | 0.71 | 0.25 | 0.80 | 0.06 |
|  | STARTINGPISTONENGINES |  |  |  |  |  |  |  |
| 62079929 | ALLOTHERSIMILAR GARMENTS OFOTHER FIBRES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.06 |
| 69111001 | TBLWAREKITCHENWAREOFBONECHINA \& SOFTPRCLN | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 | 0.06 |
| 85078000 | OTHERACCUMULATORS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.07 | 0.06 |
| 41041011 | FINSHED CHROMEAND SEMI-CHROMEUPPER LEATHER | 0.02 | 0.06 | 0.09 | 0.00 | 0.00 | 0.00 | 0.05 |
|  | PRODUCED FROMCALFSKINS |  |  |  |  |  |  |  |
| 17039002 | NMOLASSES (EXCLUDING CANE) INEDIBLE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.05 |
| 32061101 | OTHER COLRINGMATRS-CONTING $80 \%$ OR | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0 | 0. 05 |
|  | MR BYWT. OFTITANIUMDIOXIDE |  |  |  |  |  |  |  |
| 20041001 | CHIPS, FRIED | 0.00 | 0.00 | 0.00 | 0.01 | 0.00 | 0.03 | 0.05 |
| 85079009 | OTHER PARTS | 0.00 | 0.00 | 0.02 | 0.00 | 0.07 | 0.01 | 0.05 |
| 20098001 | mango juice | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 | 0.04 |
| 62053002 | SHIRTS.NOTHAND PRNTD OFMANMADEFIBRES | 0.00 | 0.00 | 0.00 | 0.00 | 0.97 | 0.06 | 0.04 |
| 39269009 | OTHERS | 0.00 | 0.01 | 0.05 | 0.01 | 0.10 | 0.05 | 0.04 |
| 52051409 | OTHERS | 0.00 | 0.00 | 0.00 | 0.0 | 0.0 | 0.00 | 0.04 |
| 69089002 | CERAMICMOSAIC TILES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 | 0.03 |
| 96071909 | OTHERS | 0.00 | 0.01 | 0.02 | 0.01 | 0.02 | 0.03 | 0.03 |
| 32041101 | DISPERSEYELOW 13(DURANOL BRIL YELOW6G) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
| 62082102 | COTNNGHTDRSS \& PYJMS,MLMDE,NOTHND PRNTD | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
| 85069000 | PARS OFPRIMARY CELLS \& PRIMARY BATTERIES | 0.02 | 0.00 | 0.00 | 0.00 | 0.08 | 0.00 | 0.03 |
| Top 50 |  | 34.22 | 42.18 | 56.01 | 56.72 | 48.96 | 54.28 | 56.64 |
| Remaining 1449 Products |  | 22.05 | 24.33 | 10.91 | 17.23 | 11.68 | 0.43 | 0.45 |

Annex 3: India's Preferential Imports of Top 34 Products as Percentage of Total Bilateral Imports from Maldives

Continued Annex 4

SCODE DESCRIPTION

| HSCODE | DESCRIPTION | 1996-97 | 1997-98 | 1998-99 1999-2000 |  | 2000-01 | 2001-02 | 2002-03 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 13019048 | PINEOLEORESINS | 0.80 | 1.58 | 0.14 | 0.19 | 0.63 | 0.87 | 0.73 |
| 68022109 | MARBLETRAVERTINEANDALABASTER-OTHERS | 0.00 | 0.00 | 0.00 | 0.00 | 0.06 | 0.31 | 0.61 |
| 68022101 | MARBLEBLOCKS/TILES,POLISHED | 0.00 | 0.00 | 0.00 | 0.00 | 0.17 | 1.00 | 0.25 |
| 28241001 | LITHARGE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.10 |
| 41041059 | OTHERS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.06 |
| 29181509 | OTHER SALTSAND ESTERS OF CITRIC ACID | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.06 |
| 28251002 | HYDRAZINEHYDRATE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.05 |
| 13019069 | LACNATURALGUMS-OTHER | 0.00 | 0.05 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 29181504 | DISODIUM HIDROGENCIRTATE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 29181502 | SODIUMCITRATE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 40169901 | RUBBER COTS FOR TEXTILE INDUSTRY | 0.00 | 0.00 | 0.03 | 0.03 | 0.05 | 0.01 | 0.03 |
| 40169909 | TANNED OR CRUSTHIDES-WET | 0.02 | 0.00 | 0.00 | 0.00 | 0.08 | 0.00 | 0.03 |
| 41041012 | FNSHDCALFLETHR OFVGTBL(CHROM)TANNAGE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
| 64022009 | OTHER FOOTWEAR WITHUPPER STRAPS OR | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 | 0.03 | 0.03 |
|  | THONG ASMBLD TO SOLE BY MEANS OFPLUGS |  |  |  |  |  |  |  |
| 29173902 | DIOCTLPHTHALATE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
| 41041019 | OTHER DRESSED-AND FINISHED CALFSKINS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| 33019019 | AQUEOUS DISTLLATES OFNATRLPRFUMENES | 0.00 | 0.05 | 0.00 | 0.03 | 0.00 | 0.00 | 0.02 |
| 68022102 | MARBLEMONUMENTS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| 25049002 | GRAPHITEOTHERSIZES | 0.00 | 0.06 | 0.00 | 0.03 | 0.00 | 0.03 | 0.01 |
| 49011001 | PRINTEDBOOKS | 0.05 | 0.02 | 0.00 | 0.01 | 0.01 | 0.00 | 0.01 |
| 41041001 | BUFFALOCALFSKNS CHROMETNND (UNFISISHED) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 28352909 | OTHERS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 | 0.01 |
| 22090001 | BREWEDVINEGAR | 0.02 | 0.04 | 0.00 | 0.02 | 0.00 | 0.00 | 0.01 |
| 22090002 | SYNTHETIC VINEGAR | 0.00 | 0.03 | 0.04 | 0.03 | 0.00 | 0.00 | 0.01 |
| 40169906 | RUBBERCUSHION | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 33019003 | ESSENTIALOILS-OTHER | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 33019001 | MATTARS OFALL KINDS INFIXED OIL BASE | 0.00 | 0.00 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 |
| 8134009 | OTHRS(EXCEPT DRIED CITRUS FRUIT),DRIED | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 33019009 | OTHRCONCNTRTS OFESSNTLOLSINFATS, INFXD OILS/IN WAXED OBTNDBY CLDABSRPTN ETC | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.07 | 0.00 |





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g%88%g
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8042909 OTHERS

THR VGTBLMTRLSBOUND
THER WOODENFURNITURE
ETRICITY METERS
59000 ELCTRLINSLTRS OFOTHR MATRLS
ARBONBRUSHES
THR BALLOR ROLLER BEARINGS INCL
ATES FRESH (EXCLUDING WETDATES)
TRESFRESH(EXX
HERPLATES,SHEETS,STRIPS
先
THERS

| DE | DESCRIPTION | 1996-97 | 1997-98 | 1998-991999-2000 2000-01 |  |  |  | 2002 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| HSCODE | DESCRIPTION | 1996-97 | 1997-98 |  |  |  | 2002-03 |
| 23040002 | SOYA OL-CAKESLVNTEXTRCTD(DEFATD)VARITY | 0.00 | 0.07 | 0.04 | 0.49 | 1.45 |  | 2.86 | 2.49 |
| 23040003 | MEALOFSOYABEANSLVNTEXTRCTD(D) | 0.03 | 0.07 | 0.12 | 0.58 | 0.83 | 0.25 | 0.45 |
| 15131900 | COCONUT (COPRA) REFINED OIL \& FRACTIONS | 0.03 | 0.08 | 0.07 | 0.17 | 0.14 | 0.10 | 0.19 |
| 38081029 | OTHERS | 0.14 | 0.11 | 0.08 | 0.15 | 0.23 | 0.14 | 0.16 |
| 25210001 | LIMESTONEFLUX;LIMESTONE ANDOTHERCALCAREOUS STONESUSEDINMNF OFCEMENT | 0.10 | 0.18 | 0.07 | 0.68 | 0.13 | 0.13 | 0.1 |
| 26011103 | IRON ORE FINES ( $62 \%$ FE\& ABOVE) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.09 |
| 23040001 | OL-CAKE \& OIL-CAKEMEALOFSOYA BEAN EXPELLER VARIETY | 0.00 | 0.02 | 0.02 | 0.03 | 0.05 | 0.02 | . 08 |
| 26060002 | BAUXITE(MATURAL)CALCINED | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.05 |
| 26210009 | OTHER SLAG AND ASHES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 | 0.05 |
| 38081001 | ALDRIN | 0.01 | 0.00 | 0.01 | 0.02 | 0.02 | 0.04 | 0.05 |
| 23069001 | OIL-CAKE \& OIL-CAKEMEALOFMOWRA SEEDS EXPELLER VARIETY | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.04 |
| 30061001 | STERILESURGCLCATGUT,SMLRMTRLS\&STRLETISSUEADHSVS | 0.01 | 0.02 | 0.04 | 0.07 | 0.09 | 0.06 | 0.04 |
|  | FORSURGICAL WOUNDCLOSURE |  |  |  |  |  |  |  |
| 51052901 | WOOLTOPS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 23069002 | OLL-CAKE \& OLL-CAKE MEAL OFMUSTARD SEEDS EXPELLER VARIETY | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 28030009 | CARbonblacknes | 0.00 | 0.01 | 0.01 | 0.04 | 0.02 | 0.02 | 0.03 |
| 23099001 | COMPOUNDEDANIMAL FEED | 0.16 | 0.64 | 0.62 | 0.30 | 0.17 | 0.49 | 0.03 |
| 26180000 | GRNULATDSLAG(SLAG SAND) FROMIRON/STEEL | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
| 23069029 | OIL-CAKE\& OTHR OIL-CAKEMEAL SEEDS OLEGNS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
|  | FRUTSNES SLVNTEXTRCTDVARTY |  |  |  |  |  |  |  |
| 26209000 | OTHRASA\&RESDUS OFMTLSMETALLIC COMPOUNDS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| 25210009 | LIMESTONEFLUX | 0.10 | 0.05 | 0.08 | 0.14 | 0.04 | 0.05 | 0.02 |
| 23069012 | SLVNTEXTRCTD(DFATD) VARIETY SLVNTEXTRCTD (DEATD) VARIETY | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| 51121901 | MWOVENFABRICS,HANDLOOM,COMBED WOOL | 0.00 | 0.00 | 0.00 | 0.10 | 0.04 | 0.00 | 0.02 |
| 90183201 | SUTURENEEDLES | 0.00 | 0.00 | 0.01 | 0.02 | 0.00 | 0.02 | 0.02 |
| 23099009 | OTHERS | 0.34 | 1.01 | 0.34 | 0.58 | 0.63 | 0.65 | 0.02 |
| 28030002 | CARbonblackfor rubberindustries | 0.00 | 0.01 | 0.01 | 0.01 | 0.02 | 0.01 | 0.02 |
| 90189039 | ANESTHETICAPPARATUS | 0.00 | 0.02 | 0.01 | 0.01 | 0.01 | 0.01 | 0.02 |
| 23069003 | OLL-CAKE\& OLL-CAKEMEAL OFMUSTARD SEEDS | 0.00 | 0.00 | 0.00 | 0.01 | 00 | 0.00 | 0.02 |
|  | SOLVENTEXTRACTED(DEFATTED) VARI |  |  |  |  |  |  |  |


| HSCODE | DESCRIPTION | 1996-97 | 1997-98 | 1998-9919 | 999-2000 | 2000-01 | 2001-02 | 2002-03 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 38081024 C | CIPERMETHRINTECHNICAL | 0.01 | 0.01 | 0.02 | 0.04 | 0.04 | 0.02 | 0.01 |
| 55033000 | STAPLEFIBRS OFACRLC/MODACRLCNT CRD/CMBD | 0.05 | 0.00 | 0.00 | 0.01 | 0.03 | 0.00 | 0.01 |
| 23099002 | CONCENTRATEDFOR COMPOUNDANIMALFEED | 0.07 | 0.02 | 0.01 | 0.12 | 0.02 | 0.07 | 0.01 |
| 23069019 | OIL-CAKE \& OIL-CAK MEALOFOTHR OILSEEDS \& | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
|  | OLEGNS FRUTS NES EXPLLR VARTY |  |  |  |  |  |  |  |
| 23021001 | MAIZEBRAN | 0.01 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 23064002 | OLL-CAKE \& OIL-CAKEMEALSOLVENTEXTRCTD (DEFATTED) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 |
|  | VARIETY OFRAPE/COLZA SEE |  |  |  |  |  |  |  |
| 90189009 | OTHERMEDICALINSTRUMENTS 9 APPLIANCES | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | 0.01 | 0.01 |
| 23069013 | OIL-CAKE \& MEALOFSAL-DE-OILED | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 90189008 B | BLOOD TRANSFUSIONAPPARATUS INCLPLASTIC CONTAINER/BAGS | 0.00 | 0.00 | 0.00 | 0.01 | 0.00 | 0.02 | 0.01 |
| 51071003 | WORSTEDWEAVINGYARN | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 8061000 | GRAPES FRESH | 0.08 | 0.14 | 0.07 | 0.05 | 0.06 | 0.01 | 0.01 |
| 23099003 P | PREPARATIONS OFA KIND USED INANIMALFEEDING—OTHERS | 0.04 | 0.08 | 0.04 | 0.08 | 0.02 | 0.07 | 0.01 |
| 23069015 | OILCAKEANDMEALOFCASTOR SEEDS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 40070000 | VULCANISED RUBR THREAD ANDCORD | 0.00 | 0.01 | 0.00 | 0.00 | 0.01 | 0.00 | 0.01 |
| 51122001 | WOVENFABRICS, HANDLOOM | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 11063005 F | FLOUR, MEAL \& PWDR OFDRIEDLEGUMINOUS VEG.- | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
|  | OFTHE OTHER PRODCTOFCH. 8 |  |  |  |  |  |  |  |
| 11081909 S | STRARCHES | 0.01 | 0.01 | 0.00 | 0.01 | 0.00 | 0.00 | 0.01 |
| 84462101 | COTTONWEAVING MCAHINES,AUTOMATIC | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 30011001 P | PANCREATIN \& DRIED PWDR OFPANCREAS | 0.00 | 0.00 | 0.00 | 0.00 | 0.05 | 0.03 | 0.01 |
| 84481109 | OTHER(E.G.CARD REDUCING,COPYING,PUNCHINGOR | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
|  | ASSEMBLINGMCHNS FR USE THEREWITH |  |  |  |  |  |  |  |
| 51111109 | WOVENFABRICS OTHRTHANHANDLOOM | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| 23050002 | OIL-CAKE\&OIL-CAKEMEALOFGROUNDNUTSLVNT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
|  | EXTRACTEDVARITY(DEFATTED) |  |  |  |  |  |  |  |
| Top50 |  | 1.52 | 3.16 | 2.05 | 5.90 | 6.92 | 8.69 | 8.12 |
| Remaining 2 | 270 Products | 2.17 | 0.66 | 0.67 | 0.46 | 0.54 | 0.49 | 0.17 |

Annex 7: India's Preferential Exports of Top Fifty Products as Percentage of Total Bilateral Exports to Maldives

| HSCODE | DESCRIPTION | $1996-97$ | $1997-98$ | $1998-99$ | $1999-00$ | $2000-01$ | $2001-02$ |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |



| HSCODE | DESCRIITION | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 39021000 | polyproplene | 0.04 | 1.13 | 0.26 | 1.17 | 5.38 | 13.10 | 9.51 |
| 26011103 | NIRON ORE FINES ( $22 \%$ EE\& ABOVE) | 0.81 | 3.60 | 3.88 | 0.75 | 0.35 | 1.48 | 4.05 |
| 26011101 | NIRON ORELUMPS (60PRCNTFE \& ABOVE) | 1.48 | 2.12 | 1.08 | 0.00 | 0.52 | 1.24 | 3.54 |
| 23040003 | MEAL OFSOYABEANSLVNTEXTRCTD (DEFATD) | 10.23 | 12.28 | 22.56 | 12.22 | 5.84 | 1.24 | 3.33 |
| 76061101 | Electrolyti Plates or Sheets |  | 0.14 | 0.34 |  | 0.34 | 0.50 | 0.80 |
| 12099109 | vegetablesems for planting nes. | 0.55 | 0.80 | 2.07 | 1.39 | 0.33 | 0.46 | 0.72 |
| 32030001 | CUTCH(ATECH) ExTRACTS | 1.65 | 1.46 | 2.63 | 2.72 | 1.19 |  | 0.64 |
| 39023000 | Propylenecopolymers | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.61 |
| 40012100 | NATrL LUURR INSMKD Sheers | 0.00 | 0.00 | 0.00 | 0.02 | 0.21 | 0.51 | 0.58 |
|  | ALUMINIUMINGOTS-NOTALLOYED | 0.00 | 0.00 | 0.00 | 0.49 | 0.00 |  | 0.51 |
| 7031001 | ONIONS FRESH ORCHILIED | 0.00 | ${ }^{0.04}$ | 1.09 | 0.00 | 0.13 | 0.07 | 0.45 |
| 72201101 32041605 | NSKELPS(TRTPSFOR PPES \& TUBES) REACTIVEBLIES | 0.00 0.53 | ${ }^{0.00}$ | ${ }_{0}^{0.01}$ | ${ }_{0}^{0.00}$ | ${ }_{0}^{0.04}$ | ${ }_{0}^{0.05}$ | 0.0.42 |
| 32041601 | REACTIVEYELIOWS | 0.79 | 0.57 | 1.31 | 1.65 | 0.52 | 0.33 |  |
| 26011104 | niron ore fines below 62Percentfe) | 0.00 | 0.00 | 0.00 | 0.00 | 0.40 | 0.57 | 0.34 |
| 32041608 | reactiveblacks | 1.05 | 0.69 | 1.05 | 1.11 | 0.31 | 0.29 | 0.32 |
| 12119926 | AYURVEDIC \& UNAANIHERBSN.ES. | 0.20 | 0.23 | 0.19 | 0.93 | 0.60 | 0.38 | 0.28 |
| 29173909 | OTHERS | 0.00 | ${ }^{0.01}$ | 0.06 | 0.24 | 0.14 | 0.05 | 0.25 |
| 12119015 | PSYLLIUMHUSK (ISOBGULHUSK) | 0.02 | 0.31 | 0.18 | 0.69 | 0.18 | 0.41 | 0.22 |
| 293711001 | OXYTOCLN | 0.08 | 0.07 | 0.25 | 0.33 | 0.24 | 0.32 | 0.22 |
| 32041602 | REACTVEORANGES | 0.50 | 0.59 | 0.61 | 0.40 | 0.22 | 0.16 | 0.21 |
| 23040002 | SOYa OL-CAKE SLVNTEXTRCTD(DEFATD)VARTY | 0.86 | 0.32 | 0.05 | 1.13 | 1.08 | 0.60 | 0.20 |
| 32041249 | Other acid black (Non-AZO) | 0.07 | 0.09 | 0.30 | 0.35 | 0.17 | 0.19 | 0.16 |
| 32041603 | Reactivereds | 0.48 | 0.42 | 0.58 | 0.33 | 0.08 | 0.18 | 0.16 |
| 32041201 | ACIDYELIOWS | 0.11 | 0.08 | 0.14 | 0.09 | 0.05 | 0.11 | 0.15 |
| 8134001 | tamarind dried | 0.06 | 0.08 | 0.06 | 0.26 | 0.02 | 0.02 | 0.13 |
| 28311002 | Sodum Sulphoxylate | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 | 0.14 | 0.13 |
| 29173904 | DIMETHYL Phthalate | 0.09 | 0.68 | 0.04 | 0.01 | 0.05 | 0.29 | 0.13 |
| ${ }^{13011001}$ | SHELAC.HANDMADEEXCLLBUTTONLAC) | ${ }_{0}^{0.00}$ | ${ }^{0.00}$ | ${ }^{0.02}$ | ${ }_{0}^{0.03}$ | ${ }^{0.03}$ | ${ }^{0.03}$ | 0.10 |
| 1219049 | PLANTS \& PARTS OFPLANTS USD FR PERFUME-OTHERS | 0.51 | 0.25 | 0.59 | 0.25 | 0.07 | 0.03 | 0.10 |


| HSCODE | DESCRIPTION |
| :--- | :--- |
| 32041401 | DIRECTYELLOW 12(CHRYSOPAENINEG)AZO |
| 29181601 | CALCIUMGLUCONATE |
| 13011003 | SEEDLAC |
| 72222011 | BRIGHTBARS-NCKLCHROMIUMAUSTENITICTYPE |
| 32041319 | OTHERS BASICYELLOW(NON-AZO) |
| 12099101 | CABBAGE SEEDS USEDFOR SOWING |
| 32041741 | PIGMENTBLUE 15(PATHALOCYANINBLUE) |
| 32041751 | PIGMENTGREEN7(PATHALOCYANINEGREEN) |
| 32019001 | GAMBIEREXTRACTS |
| 32041208 | ACID BLACKS(AZO) |
| 74071009 | OTHERRREIENDCOPPER BARS \&RODS |
| 32041311 | BASICYELLOW2(AURAMINE0)NON-AZO |
| 13011002 | SHELLAC,MACHINEMADE(EXCL.GARNETLAC) |
| 32041211 | ACIDYELLOWS(NON-AZO) |
| 73110009 | OTHER PRESSURECONTAINERSFORTRANSPORTOR |
|  | STORAGE OFCOMPRESSED GASES |
| 39061000 | POLYMETHYLMETHACRYLATE |
| 28182001 | ALUMINACALCINED |
| 32041101 | DISPERSEYELOW 13(DURANOLBRILYELOW 6G) |
| 73110001 | LIQUEFIEDPETROLEUMGAS(L.P.G.)CYLINDER |
| 13023203 | GUARGUMTREATED \&PULVERISED |
| Top50 |  |
| Remaining 415 products |  |

ontinued Annex 8


Annex 10: Intra-Industry Trade Between India and Bangladesh (2000-01)

| 8 -Digit HS | Description | Exports | Imports | Bilateral Trade | IIT-2000-01 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 99930009 | SPECIAL TRANSACTIONSN.E.S. | $7.9 \mathrm{E}+08$ | 24489071 | 812035261 | 6.03 |
| 27011901 | COKING COAL | $7.3 \mathrm{E}+08$ | 7300542 | 740968020 | 1.97 |
| 52051109 | COTTONYARN-MEASURING 714.29 DECTREX-OTHERS | 5.4E+08 | 112902 | 543469559 | 0.04 |
| 63051009 | OTHER COATED OR IMPREGNATED JUTEBAGS ANDSACKS EXCEPTTRAVELGOODS | 18053 | 339660137 | 339678190 | 0.01 |
| 3026901 | HILSAEXCLDLIVRS \& ROES FRSH/CHLLD | 69900 | 238705394 | 238775294 | 0.06 |
| 49011001 | PRINTED BOOKS | 1.7E+08 | 654150 | 170826224 | 0.77 |
| 99930002 | RETURNEDGOODS | 351684 | 69945236 | 70296920 | 1.00 |
| 52052209 | COTTONYARN-OTHERS | 7E+07 | 375223 | 70282672 | 1.07 |
| 30049099 | OTHERS,PUTUPFOR RETALL SALE | $7 \mathrm{E}+07$ | 28246 | 69671474 | 0.08 |
| 60029209 | KNITEDOR CROCHETTED FABRICS-OTHERS | $5.9 \mathrm{e}+07$ | 398850 | 59531345 | 1.34 |
| 62053002 | SHIRTS,NOT HAND PRNTD OFMANMADEFIBRES | 4639591 | 35560483 | 40200074 | 23.08 |
| 8061000 | GRAPES FRESH | $2.5 \mathrm{E}+07$ | 63500 | 25073406 | 0.51 |
| 41043101 | SUEDESINCLUING GRAINFINSHED | 1043901 | 23105023 | 24148924 | 8.65 |
| 34031909 | LUBRICATING PREPARATIONS-OTHERS | 2.1E+07 | 2845955 | 23738604 | 23.98 |
| 85071000 | Leadacid accumulators ofa kindused for starting pistonengines | $1.4 \mathrm{E}+07$ | 9064376 | 22771181 | 79.61 |
| 38231900 | Industrial monocarboxylic fattyacids-other | 93000 | 18572450 | 18665450 | 1.00 |
| 84261900 | OTHR(TRNSPRTR CRNS,GANTRY CRNS,BRDG CRNS) | 5043105 | 11240000 | 16283105 | 61.94 |
| 39269009 | OTHER ARTICLES-OTHERS | 1.1E+07 | 3673745 | 14758465 | 49.79 |
| 3055909 | OTHERDRIEDN.E.S.NTSMKD | $1.4 \mathrm{E}+07$ | 522525 | 14335602 | 7.29 |
| 49029002 | JOURNALS \& PERIODICALS | $1.2 \mathrm{E}+07$ | 9906 | 12448193 | 0.16 |
| 41043909 | TANNED OR CRUSTHIDES AND HIDES - OTHERS | 486294 | 11882449 | 12368743 | 7.86 |
| 84472019 | KNITTING MACHINES,N.E.S. | $1.1 \mathrm{E}+07$ | 663570 | 12113316 | 10.96 |
| 34011103 | TIOLETSOAPS OTHER THANDENTALSOAPS | 1793202 | 10055880 | 11849082 | 30.27 |
| 99930001 | SAMPLES | $1.1 \mathrm{E}+07$ | 100989 | 11484320 | 1.76 |
| 48025105 | TISSUEPAPER | $1.1 \mathrm{E}+07$ | 122070 | 11252384 | 2.17 |
| 39241000 | TABLEWARE \& KITCHENWAREOFPLASTICS | $1.1 \mathrm{E}+07$ | 129816 | 11212796 | 2.32 |
| 84522900 | OTHER SEWING MACHINES | $1.1 \mathrm{E}+07$ | 208975 | 11179471 | 3.74 |
| 39232900 | SACKS \& BAGS (INCL CONES)OFOTHR PLASTICS | 8794924 | 554907 | 9349831 | 11.87 |
| 41061909 | OTHER FINSHD TANNDLTHR FROM GOATAND KIDSKINS | 2108668 | 7142815 | 9251483 | 45.59 |
| 84518039 | OTHER MACHINERY-OTHERS | 8355127 | 188963 | 8544090 | 4.42 |
| 54026904 | ACRYLICFLLAMENTYARN | 7337034 | 806179 | 8143213 | 19.80 |


| 8 -Digit HS | Description | Exports | Imports | Bilateral Trade | IIT-2000-01 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 52085109 | OTHERFABRICS,HANDLOOM | 6535195 | 1394547 | 7929742 | 35.17 |
| 85079009 | OTHER PARTS | 4632114 | 2411010 | 7043124 | 68.46 |
| 52084909 | OTHERS | 4954814 | 318167 | 5272981 | 12.07 |
| 84281001 | LIFTS FOR GOODS \& PERSONS | 2328752 | 2700000 | 5028752 | 92.62 |
| 52010015 | INDIAN COTTON OFSTAPLELENGTH 34.5MMANDABOVE (1.12/32") | 4767862 | 92406 | 4860268 | 3.80 |
| 28352500 | CALCIUMHYDROGENORTHOPHOSPHATE("DICALCIUMPHOSPHATE") | 4620410 | 67103 | 4687513 | 2.86 |
| 39019000 | OTHR POLYMERSOFETHYLINE INPRIMARY FORMS | 3132348 | 1541481 | 4673829 | 65.96 |
| 85069000 | PARS OFPRIMARY CELLS \& PRIMARY BATTERIES | 1127206 | 3025574 | 4152780 | 54.29 |
| 41061901 | CHROMEANDSEMI-CHROMEGOATSUEDE | 548167 | 3483132 | 4031299 | 27.20 |
| 49019900 | OTHR PRINTDBOOKS ETCOFHDNO. 4901 | 3444103 | 50197 | 3494300 | 2.87 |
| 84859000 | OTHR MCANRY PARTS OFHEADING 8485 | 2561747 | 914014 | 3475761 | 52.59 |
| 54011000 | SEWING THRED OFSYNTHETIC FILAMENTS | 1019730 | 2174294 | 3194024 | 63.85 |
| 62052001 | COTNDRESSSHIRTS,HANDLM,NTHAND PRINTED | 88960 | 3062975 | 3151935 | 5.65 |
| 85322909 | ELECTRICALCAPACITORS-OTHERS | 2114624 | 1031006 | 3145630 | 65.55 |
| 85068009 | OTHER PRIMARY CELLAND PRIMARY BATTERIES; | 2554787 | 493236 | 3048023 | 32.36 |
| 96071901 | JIP FASTENERS | 2602507 | 397285 | 2999792 | 26.49 |
| 33059004 | PREPARATIONS FOR USEIN HAIR | 2838350 | 106588 | 2944938 | 7.24 |
| 41052009 | OTHR PREPAREDLTHR OF SHEEPANDLAMB SKINS | 2086452 | 781381 | 2867833 | 54.49 |
| 49111001 | TRDEADVRTSG MATERLS COMRCLCATALGE \& LIKE | 2785259 | 4325 | 2789584 | 0.31 |
| 96062100 | BUTTONS OFPLSTCS,NTCVRDWTHTXTLMTRL | 2517808 | 86033 | 2603841 | 6.61 |
| 84089009 | OTHER ENGINES-OTHERS | 2555208 | 12649 | 2567857 | 0.99 |
| 20098001 | MANGOJUICE | 2509971 | 36309 | 2546280 | 2.85 |
| 19053003 | SWEETBISCUITS | 2198242 | 82183 | 2280425 | 7.21 |
| 48211009 | PAPER OR PAPERBOARD-PRINTED | 2168565 | 68939 | 2237504 | 6.16 |
| 19053009 | OTHER WAFFLES \& WAFERS | 707377 | 1203650 | 1911027 | 74.03 |
| 28182001 | ALUMINACALCINED | 1173171 | 674088 | 1847259 | 72.98 |
| 96071101 | JIP FASTENERS | 1789674 | 42207 | 1831881 | 4.61 |
| 85399009 | ELECTRICFILAMENTLAMPS-PARTS-OTHERS | 1792782 | 2276 | 1795058 | 0.25 |
| 85439000 | PARTS OFARTICLES OFHEADING 8543 | 174271 | 1543164 | 1717435 | 20.29 |
| 49011002 | PAMPHLETS BOOKLETSBROCHURESLEAFLETS | 749859 | 932423 | 1682282 | 89.15 |
| 85299001 | PARTS FOR MEDICAL,SURGICALANDVETERINARYINSTRUMENTSANDAPPLIANCES | 1321345 | 229929 | 1551274 | 29.64 |
| 96071909 | SLIDEFASDENERS-OTHERS | 555227 | 913617 | 1468844 | 75.60 |

Continued Annex 10

| 8 -Digit HS | Description | Exports | Imports | Bilateral Trade | IIT-2000-01 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 73110009 | OTHER PRESSURECONTAINERS FOR TRANSPORTOR STORAGEOFCOMPRESSEDGASES | 1224372 | 58195 | 1282567 | 9.08 |
| 21050000 | ICECREAM \& OTHR EDBLICEW/NCONTNG COCOA | 1092580 | 117347 | 1209927 | 19.40 |
| 69091100 | CERMCWARES FR LABRTRY ETC OFPORCELAIN | 191381 | 923278 | 1114659 | 34.34 |
| 52084901 | MZARI BORDEREDSAREE | 126803 | 916438 | 1043241 | 24.31 |
| 85362009 | ELECTRICALAPPARATUS-AUTOMATIC CIRCUIT BREAKERS-OTHERS | 591834 | 427288 | 1019122 | 83.85 |
| 87032103 | SECONDHAND/USED MOTOR CARS(INCLUDING JEEP \& LAND ROVER),ASSEMBLED | 733650 | 183437 | 917087 | 40.00 |
| 54023909 | SYNTHETIC FILAMENT-OTHERS | 618271 | 156276 | 774547 | 40.35 |
| 39269001 | PVCBELTCONVEYOR | 690616 | 71815 | 762431 | 18.84 |
| 49119909 | OTHER PRINTED MATTER-OTHERS | 601759 | 22352 | 624111 | 7.16 |
| 49029001 | NEWSPAPER | 531380 | 3193 | 534573 | 1.20 |
| 33061001 | TOOTHPOWDER | 69148 | 457669 | 526817 | 26.25 |
| 85189000 | PARTS OFHDNG 8518 | 353039 | 163070 | 516109 | 63.19 |
| 19053001 | COMMUNIONWAFERS SEALING WAFERSETC | 123467 | 359182 | 482649 | 51.16 |
| 49021002 | JOURNALS\& PERIODICALS | 443579 | 35597 | 479176 | 14.86 |
| 61101002 | SWEATRS \& CARDIGNS OFWOOL/FINEANML HAIR | 423661 | 54422 | 478083 | 22.77 |
| 85333109 | FOR A POWER HANDLING CAPACITY NOT EXCEEDING 20W;-OTHERS | 431238 | 29698 | 460936 | 12.89 |
| 20041001 | CHIPS, FRIED | 278072 | 115567 | 393639 | 58.72 |
| 73110001 | LIQUEFIEDPETROLEUMGAS(L.P.G.)CYLINDER | 322341 | 60787 | 383128 | 31.73 |
| 85369001 | OTHER APPRATUS OFHEADING 8536 SPEED INCL REVRSNG STRTRS AT < $=60 \mathrm{VOLTS}$ | 357007 | 21042 | 378049 | 11.13 |
| 56081109 | OTHERS(EXCLNYLON) | 31380 | 285572 | 316952 | 19.80 |
| 48209000 | OTHR ARTCLS OF STATIONARY OFPAPR/PAPRBORD | 48750 | 2500 | 51250 | 9.76 |
| 83119000 | OTHR ARTCLS OFHEADING 8311 INCL PARTS | 3989 | 4768 | 8757 | 91.10 |

[^2]| 8-Digit HS | Description | Import | Export | Bilateral Trade | IIT-2000-01 |
| :--- | :--- | ---: | ---: | ---: | ---: |
| 39239000 | OTHRARTCLSFORTHE CNVYNCE/PCKNG OFGOODS | 4519999 | 23568 | 4543567 | 1.04 |
| 84151000 | WINDOW/WALLTYPESSELF-CONTAINEDAIRCONDITIONINGMACHINES | 4001898 | 10000 | 4011898 | 0.50 |
| 52091900 | OTHER COTTONFABRICS,UNBLEACHEDWEIGHINGMORETHAN200 GM PER SQM | 274482 | 204562 | 479044 | 85.40 |
| 8131909 | OTHERSPUMPS | 381106 | 15708 | 396814 | 7.92 |
| 5069001 | BONEMEAL | 44365 | 268309 | 312674 | 28.38 |
| 84099913 | PARTSOFDIESELENGINES,STATIONARY | 47424 | 13518 | 60942 | 44.36 |

Annex 13: Intra-Industry Trade Between India and Nepal (2000-01)

| 8 -Digit HS | Description | Exports | Imports | $\begin{gathered} \text { Bilateral } \\ \text { Trade } \end{gathered}$ | $\begin{array}{r} \text { IIT- } \\ 2000-01 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 15180009 | OTHER VEGETABLEOILS\&FATS | 50250 | 2216000000 | 2216050250 | 0.01 |
| 33061002 | TOOTHPASTE | 24238133 | 932738841 | 956976974 | 5.07 |
| 33061001 | TOOTHPOWDER | 896974 | 611391409 | 612288383 | 0.29 |
| 34011103 | tioletsoapsother thandental soaps | 4626641 | 492770059 | 497396700 | 1.86 |
| 30039001 | AYURVEDIC \& UNANIMEDICINES | 23867799 | 379339350 | 403207149 | 11.84 |
| 74081109 | OTHR COPPR WIRE WTHMAX CRS-SECDIAMTR>6MM | 13124701 | 360187347 | 373312048 | 7.03 |
| 30049001 | AYURVEDIC \& UNANIMEDCNS | 184269373 | 35674649 | 219944022 | 32.44 |
| 34060000 | CANDLESTAPERS AND THELIKE | 610576 | 187696461 | 188307037 | . 65 |
| 34011909 | HOUSEHOLD \& LAUNDRY SOAPSNE S(E.G.LQD) | 10291624 | 161704909 | 171996533 | 11.97 |
| 22030000 | BEER MADEFROMMALT | 108817307 | 42267722 | 151085029 | 55.95 |
| 74081101 | CUWLD WIRE WTH MAX CRS-SECDIAMTR 2 6MM | 24787938 | 125189197 | 149977135 | 33.06 |
| 24011009 | OTHER TOBACCONT STEMMD/STRIPPD | 136327871 | 10652427 | 146980298 | 14.50 |
| 39232900 | SACKS \& BAGS (INCLCONES)OFOTHR PLASTICS | 34699873 | 105808610 | 140508483 | 49.39 |
| 28170001 | ZINCOXIDE | 24402744 | 106730101 | 131132845 | 37.22 |
| 74031100 | CATHODS \& SECTNS OFCATHODS OF REFIND COP | 106265106 | 15739045 | 122004151 | 25.80 |
| 15162009 | OTHR VEG FATS \& OILS \& THEIR FRACTIONS | 745870 | 115496489 | 116242359 | 1.28 |
| 56071001 | CORDAGE,CABLE,ROPEANDTWINEOFJUTE | 21537744 | 87033495 | 108571239 | 39.68 |
| 39269009 | OTHERS | 13993540 | 83572282 | 97565822 | 28.69 |
| 33059001 | HAIR OL | 4145015 | 91274682 | 95419697 | 8.69 |
| 63051004 | jutesacking bags | 25680521 | 67474242 | 93154763 | 55.14 |
| 73069009 | OTHERS | 7908138 | 84019163 | 91927301 | 17.21 |
| 73061001 | GALVANISEDPIPES | 8951406 | 72423570 | 81374976 | 22.00 |
| 99930009 | SPECIAL TRANSACTIONS N.E.S. | 77433938 | 3264274 | 80698212 | 8.09 |
| 32030001 | CUTCH(CATECHU) EXTRACTS | 157402 | 79301123 | 79458525 | 0.40 |
| 39239000 | OTHR ARTCLS FOR THECNVYNCEPCKNG OFGOODS | 10895226 | 65929193 | 76824419 | 28.36 |
| 73051902 | NNON-GALVANISED(BLACK)PPPES | 2624537 | 71653647 | 74278184 | 7.07 |
| 55093200 | MULTIPLE(FOLDED/CABLED YRN CNTNG>=5\% OF ACRYLICMODACRYLIC STAPLE Fibres | 72539392 | 881104 | 73420496 | 2.40 |
| 85441101 | WINDING WIRE OFENAMELLED COPPER | 384570 | 70442075 | 70826645 | 1.09 |
| 55093100 | SINGLEYRNCNTNG 85\% OR MOREBY WTOFACRYLIC/MODACRYLIC STAPLEFIBRES | 19647439 | 51164728 | 70812167 | 55.49 |


| 8 -Digit HS | Description | Exports | Imports | Bilateral Trade | $\begin{array}{r} \text { ITT- } \\ 2000-01 \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 39232100 | SACKS \& BAGS OFPOLYETHYLENE (INCLCONES) | 5697094 | 61441395 | 67138489 | 16.97 |
| 52051101 | GREY | 19938875 | 45590285 | 65529160 | 60.86 |
| 12119026 | AYURVEDIC \& UNIANIHERBSN.E.S. | 390380 | 61390597 | 61780977 | 1.26 |
| 19021900 | OTHR UNCOOKD NOTSTFD/OTHRWSEPRPDPSTA | 5024538 | 56155302 | 61179840 | 16.43 |
| 73041002 | NBLANKS FOR TUBES,PIPES OF IRON OR STEEL | 48977 | 61029777 | 61078754 | 0.16 |
| 72101109 | NOTHER PLATES,SHEETS AND STRIPS | 11872916 | 49082227 | 60955143 | 38.96 |
| 62142001 | SHAWLSOFWOOL | 119650 | 60664613 | 60784263 | 0.39 |
| 87112003 | MOTOR-CYCLES | 58350995 | 104912 | 58455907 | 0.36 |
| 23099009 | NOTHERS | 233720 | 57636305 | 57870025 | 0.81 |
| 48026009 | PRINTING/WRITING PAPER N.E.S. | 15358986 | 41187569 | 56546555 | 54.32 |
| 9101001 | GINGER FRESH | 149618 | 55579099 | 55728717 | 0.54 |
| 74081901 | COPPER WELD WIRE WITHCROSS SECTON $<=6 \mathrm{MM}$ | 977372 | 52198639 | 53176011 | 3.68 |
| 4090000 | NATURALHONEY | 173680 | 50294612 | 50468292 | 0.69 |
| 53031001 | NJUTE,RAW OR RETTED | 46742489 | 1382903 | 48125392 | 5.75 |
| 55092200 | MULTIPLE(FOLDED)/CABLED YRN CNTNG $85 \%$ OR MORE BY WT OF POLYESTR STAPLE FIBRES | 32658179 | 14705453 | 47363632 | 62.10 |
| 84798919 | OTHERS | 44481834 | 1672000 | 46153834 | 7.25 |
| 54024200 | YARN OF POLYESTER,PRTLY ORNTD,UNTWSTD OR WTH A TWIST <= 0 TURNS PER MTR, SINGLE | 327834 | 42631872 | 42959706 | 1.53 |
| 44109001 | PLASTICLAMINATED SHEETS | 240779 | 39924374 | 40165153 | 1.20 |
| 54078119 | OTHERS | 725811 | 35868061 | 36593872 | 3.97 |
| 76012001 | ALUMINIUMINGOTS-ALLOYED | 19697252 | 15040277 | 34737529 | 86.59 |
| 76042909 | OTHER PROFILESALLUMINIUMALLOYS | 46175 | 33046680 | 33092855 | 0.28 |
| 50072019 | OTHER FABRICS | 18645661 | 13010031 | 31655692 | 82.20 |
| 20098001 | MANGOJUICE | 2008363 | 28937607 | 30945970 | 12.98 |
| 54024300 | YARN OFOTHER POLYSTER, SINGLE UNTWSTD/ATWIST<=50 TURNS PER MTR | 3036877 | 27677111 | 30713988 | 19.78 |
| 19053009 | OTHER WAFFLES \& WAFERS | 685709 | 29405048 | 30090757 | 4.56 |
| 53101003 | NHESSIAN CLOTHCNTNG $100 \%$ BY WT OF JUTE. | 11568709 | 17759837 | 29328546 | 78.89 |
| 84799009 | PRTS OFOTHR MCHNRY \& MCHNCLAPPLNCS,HVNG INDVDLFUNCTNS | 27109036 | 237630 | 27346666 | 1.74 |
| 17011109 | NOTHR CANESUGAR | 15751697 | 10975450 | 26727147 | 82.13 |
| 50072029 | WOVENFABRICS ODSILK OTHER FABRICS | 19493721 | 7199432 | 26693153 | 53.94 |
| 30033900 | OTHERMEDICAMENTS | 176115 | 26177240 | 26353355 | 1.34 |


| 8 -Digit HS | Description | Exports | Imports | $\begin{aligned} & \text { Bilateral } \\ & \text { Trade } \end{aligned}$ | $\begin{array}{r} \text { IIT- } \\ 2000-01 \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 54023300 | TEXTUREDYARNOFPOLYESTERS | 15484480 | 10382283 | 25866763 | 80.28 |
| 15131900 | COCONUT(COPRA) REFINED OIL \& FRACTIONS | 643493 | 25104808 | 25748301 | 5.00 |
| 85441909 | InSULATED WIRESN.E.S. | 3165131 | 21617225 | 24782356 | 25.54 |
| 20099000 | mixtrs ofjulces unfrmitd nt contng Spirit | 179145 | 23680716 | 23859861 | 1.50 |
| 73051101 | NGALVANISED PIPES | 4847221 | 16412948 | 21260169 | 45.60 |
| 73030009 | NOTHERS | 795877 | 20204382 | 21000259 | 7.58 |
| 54022001 | POLYESTER(TERYLENEDACRON) | 2973780 | 17673209 | 20646989 | 28.81 |
| 39012000 | POLYETHYLENEHVNG A SPCFC GRVTY 0.94/MORE | 46225 | 20434385 | 20480610 | 0.45 |
| 17019909 | NOTHR REFND SUGAR INCLUDNG CENTRIFUGALSUGR | 18354969 | 1261175 | 19616144 | 12.86 |
| 17019902 | CANESUGARREFIND | 11865750 | 7272124 | 19137874 | 76.00 |
| 19053003 | sweetbiscuits | 4667750 | 14088832 | 18756582 | 49.77 |
| 33049909 | OTHERS | 3101684 | 15180048 | 18281732 | 33.93 |
| 64041109 | OTHERS | 187077 | 17730951 | 17918028 | 2.09 |
| 54071039 | OTHER POLYESTER FABRICS | 2793946 | 14887796 | 17681742 | 31.60 |
| 54079402 | MOTHR SYNTHTC WOVNFABRICS,NOTHAND PRINTED | 5466600 | 12047022 | 17513622 | 62.43 |
| 98010009 | OTHER PROEECTS | 17147111 | 365760 | 17512871 | 4.18 |
| 99930001 | SAMPLES | 17258424 | 103789 | 17362213 | 1.20 |
| 29420079 | OTHERS | 16905521 | 393002 | 17298523 | 4.54 |
| 55094109 | OtHER SPUNYARN | 14265638 | 2820809 | 17086447 | 33.02 |
| 73061002 | NON-GALVANISED PIPES | 1614744 | 14479512 | 16094256 | 20.07 |
| 76041000 | BARS-RODS ETC.OF ALUMINIUM-NOT ALLOYED | 4630651 | 11189362 | 15820013 | 58.54 |
| 73110009 | OTHER PRESSURECONTAINERSFOR TRANSPORT ORSTORAGEOFCOMPRESSED GASES | 845267 | 14880823 | 15726090 | 10.75 |
| 62141001 | SCARVES OFSLLKMEASURING 60 CMORLESS OTHER THANHAND PRINTED | 201972 | 14918897 | 15120869 | 2.67 |
| 73110001 | LIQUEFIED PETROLEUMGAS(LP.G.)CYLINDER | 6341185 | 8286355 | 14627540 | 86.70 |
| 20098009 | OTHER FRUITJUICES | 441749 | 13800782 | 14242531 | 6.2 |
| 11010000 | NWHEATORMESLINFLOUR | 3212276 | 11025900 | 14238176 | 45.12 |
| 17024002 | GLUCOSESOLID | 2664905 | 11434700 | 14099605 | 37.80 |
| 39172909 | OTHER TUBES PIPES \& HOSES OF OTHR PLSTCS | 373713 | 13717414 | 14091127 | 5.30 |
| 7019000 | POTATOES FRESH ORCHILLED OTHER THANSEEDS | 13966272 | 46875 | 14013147 | 0.67 |


| 8-Digit HS | Description | Exports | Imports | Bilateral Trade | $\begin{array}{r} \text { IIT- } \\ 2000-01 \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 72101209 | OTHER PLATES,SHEETS,STRIPS | 7417555 | 6385188 | 13802743 | 92.52 |
| 54021009 | YARNOFOTHER POLYAMIDES(EXCLNYLON) | 2541155 | 11076871 | 13618026 | 37.32 |
| 55092100 | SINGLEYRNCNTNG 85\% OR MOREBYWT OFPOLYSTER STAPLEFIBRES | 1712077 | 11174453 | 12886530 | 26.57 |
| 74081902 | WELDING WIRE OF COPR WITH CROSS SECTION $<=6 \mathrm{MM}$ | 3919555 | 8857907 | 12777462 | 61.35 |
| 9093001 | CUMIN BLACK(KALIJIRI) | 12645431 | 3112 | 12648543 | 0.05 |
| 33051001 | HAIR SHAMPOOS (SPIRITUOUS) | 1937056 | 10526449 | 12463505 | 31.08 |
| 34011903 | TABLETSANDCAKES | 169766 | 11770105 | 11939871 | 2.84 |
| 99930002 | RETURNEDGOODS | 2121932 | 9801984 | 11923916 | 35.59 |
| 40011001 | NATRL RUBRLATEXNOTPREVULCANISED | 10234341 | 1579500 | 11813841 | 26.74 |
| 20095000 | TOMATOJUICE | 7805 | 11640260 | 11648065 | 0.13 |
| 32151909 | OTHR PRTNG INK \& PRINTRS COLRS | 5723408 | 5471178 | 11194586 | 97.75 |
| 76169909 | EXPANDEDMETALOFALUMINIUMANDALUMINIUMALLOYS | 9331448 | 1825529 | 11156977 | 32.72 |

Annex 14: Intra-Industry trade between India and Pakistan

| 8 -Digit HS | Description | Exports | Imports | Bilateral Trade | IIT-2000-01 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 17011109 | othr canesugar | 770869745 | 242564056 | 1013433801 | 47.87 |
| 37079001 | CHMCLPRDCTSMXD/CMPNDED FR PHOTUSES(FREXMPLDVLPS \& FIXERS) | 795025419 | 92885585 | 887911004 | 20.92 |
|  | WNINBULK |  |  |  |  |
| 39021000 | POLYPROPYLENE | 498093384 | 36625725 | 534719109 | 13.70 |
| 99930001 | SAMPLES | 459133760 | 281707 | 459415467 | 0.12 |
| 90330009 | OTHERS | 141991 | 142722795 | 142864786 | 0.20 |
| 49021001 | NEWSPAPER | 101979231 | 3479028 | 105458259 | 6.60 |
| 87089900 | OTR PRTS\&ACCSSRS OFVHCLS OF HDG 8701-8705 | 92636878 | 880230 | 93517108 | 1.88 |
| 12119049 | OTHERS | 59966678 | 23840080 | 83806758 | 56.89 |
| 14039009 | OTHERS | 51638604 | 17786722 | 69425326 | 51.24 |
| 48219000 | Otherlabels | 44496058 | 2349987 | 46846045 | 10.03 |
| 49019900 | OTHR PRINTD BOOKS ETC OF HD NO. 4901 | 39173595 | 1685778 | 40859373 | 8.25 |
| 53081002 | COIR YARN,NONBALED | 36294032 | 1037345 | 37331377 | 5.56 |
| 30039099 | OTHERS | 27997741 | 7055258 | 35052999 | 40.26 |
| 32071001 | PREPARDORGANICDYESTUFFPIGMENTSDRY | 28216768 | 4560004 | 32776772 | 27.83 |
| 83030000 | ARMORD/REINFRCDSAFES STRONG BOXS \& DOORS \& SAFEDPOSTLCKRS FR STRNG ROOMSCSH/DEEDBOXS ETCOFBASEMETAL | 31290727 | 329698 | 31620425 | 2.09 |
| 39079900 | OTHER POLYESTERS (SATURATED) | 29584184 | 1923232 | 31507416 | 12.21 |
| 58079000 | OTHR LABELS BADGES \& SMLRarTcls oftxtl matrls (ExCl woven) | 25183830 | 526231 | 25710061 | 4.09 |
| 35079001 | INDUSTRIALENZYMES(tEXTLEEASSIITANT) | 2542144 | 17890024 | 20432168 | 24.88 |
| 52051101 | GREY | 17950184 | 548314 | 18498498 | 5.93 |
| 12119026 | AYURVEDIC \& UNIANI HERBS N.E.S. | 12014806 | 4861660 | 16876466 | 57.62 |
| 39039000 | OTHR POLYMRS OFSTYRENE | 15195462 | 1012223 | 16207685 | 12.49 |
| 39203000 | PLTES SHTS ETC. OFPOLYMRS OFSTYRENE | 14959699 | 848563 | 15808262 | 10.74 |
| 32041601 | Reactiveyelows | 11387595 | 1992900 | 13380495 | 29.79 |
| 99919029 | OTHER,ASARTWARE | 10427 | 12496388 | 12506815 | 0.17 |
| 52051109 | OTHERS | 10887820 | 319406 | 11207226 | 5.70 |
| 12119015 | PSYLLUMHUSK (ISOBGULHUSK) | 7399623 | 3071036 | 10470659 | 58.66 |
| 73269019 | ALL OTHR ARTCLS OFIRNORSTLIINCL RUDRS \&OTHER STEERING OR RUDDER EQUIPMENT FOR SHIPSANDBOATS, N.E.S. | 9393367 | 114565 | 9507932 | 2.41 |
| 38123009 | RUBBER CHEMICAL-N.E.S.(E.G.BLOWING AGENT) | 763628 | 8035397 | 8799025 | 17.36 |


| 8 -Digit HS | Description | Exports | Imports | Bilateral Trade | IIT-2000-01 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 28181000 | ARTIFICIAL CORUNDUM | 6803828 | 1786460 | 8590288 | 41.59 |
| 99914009 | OTHERS | 7892 | 8036434 | 8044326 | 0.20 |
| 13019069 | OTHERS | 2052598 | 5843814 | 7896412 | 51.99 |
| 23040003 | NMEALOFSOYABEANSLVNTEXTRCTD (DEFATD) | 5657449 | 1746244 | 7403693 | 47.17 |
| 48211009 | PARTS \& ACCESSORIES OF HDG 9011 | 6842368 | 366000 | 7208368 | 10.16 |
| 32082009 | OTHR PAINTVRNSHBSDONACRYLC/VNYLPLYMR | 5803877 | 882954 | 6686831 | 26.41 |
| 9062000 | CINNAMON \& ITS TREEFLWRS CRSHD OR GRND | 3269762 | 2418583 | 5688345 | 85.04 |
| 8029001 | BETELNUT,WHOLE | 2575611 | 2258903 | 4834514 | 93.45 |
| 9092000 | OTHERS | 1916206 | 2667984 | 4584190 | 83.60 |
| 7139005 | URAD | 1942215 | 1876363 | 3818578 | 98.28 |
| 54023300 | TEXTUREDYARN OFPOLYESTERS | 89396 | 3713718 | 3803114 | 4.70 |
| 32049000 | OTHR SYNTHETICORGANIC COLORNGMATTER | 3143102 | 528015 | 3671117 | 28.77 |
| 39269009 | OTHERS | 171922 | 3143640 | 3315562 | 10.37 |
| 49011001 | PRINTEDBOOKS | 142642 | 2976651 | 3119293 | 9.15 |
| 32030001 | CUTCH(CATECHU)EXTRACTS | 508938 | 2561145 | 3070083 | 33.16 |
| 32041129 | OTHER DISPERSE RED | 2389069 | 457695 | 2846764 | 32.16 |
| 29173909 | OTHERS | 583100 | 2259276 | 2842376 | 41.03 |
| 99930009 | SPECIAL TRANSACTIONS N.E.S. | 2804002 | 1000 | 2805002 | 0.07 |
| 7139009 | OTHER | 1430484 | 1342475 | 2772959 | 96.83 |
| 9042002 | CHILLY POWDER | 1163564 | 1439426 | 2602990 | 89.40 |
| 12119025 | UNAB (INDIANJUJUBE OR CHINESEDATES) | 718678 | 1768078 | 2486756 | 57.80 |
| 9109904 | AJWANSEED | 731482 | 1571898 | 2303380 | 63.51 |
| 90262009 | OTHER INSTRUMENTS \& APPARATUS FOR MEASURING OR CHECKING OFPRESSURE | 2198486 | 2570 | 2201056 | 0.23 |
| 12112009 | OTHER GINSENGROOTS | 485228 | 1160587 | 1645815 | 58.97 |
| 73110009 | OTHER PRESSURECONTAINERS FOR TRANSPORTORSTORAGEOFCOMPRESSEDGASES | 1433850 | 18236 | 1452086 | 2.51 |
| 13011003 | SEEDLAC | 1046818 | 369600 | 1416418 | 52.19 |
| 84821001 | ADAPTER BALL BEARINGS(RADIAL TYPE) < = 50MM OR 2 INCHES BORE DIAMETER | 12466 | 1302314 | 1314780 | 1.90 |
| 12099109 | VEGETABLESEEDS FOR PLANTING N.E.S. | 871178 | 378006 | 1249184 | 60.52 |
| 32041139 | OTHERDISPERSEVIOLET | 1002381 | 177722 | 1180103 | 30.12 |
| 32159001 | .FOUNTAINPENINK | 911194 | 138600 | 1049794 | 26.41 |
| 7134000 | LENTILS (MOSUR),DRIED \& SHLD | 445414 | 449064 | 894478 | 99.59 |


Annex 15: Intra-Industry Trade Between India and Sri Lanka (2000-01)
$\stackrel{\infty}{\circ}$

| HS Code | Description | Exports-Sl | Imports-Sl | Bilateral Trade | IIT-2000-01 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 48211001 | PAPER OR PAPERBOARD-PRINTED | 4200220 | 4412481 | 8612701 | 97.54 |
| 48191001 | BOXES OF CORRUGATED PAPER \& PAPER BOARD | 4747422 | 3857433 | 8604855 | 89.64 |
| 19053009 | OTHER WAFFLES \& WAFERS | 6474017 | 2106272 | 8580289 | 49.10 |
| 55151900 | MFABRICS OFPOLYESTR STPL FBRS MIXDMAINLY OR SOLELY WITH OTHR FIBRS | 8523276 | 3622 | 8526898 | 0.085 |
| 33059001 | HAIROIL | 8507303 | 9517 | 8516820 | 0.22 |
| 39269009 | OTHER ARTICLES OFPLASTIC-OTHERS | 44520969 | 40357228 | 84878197 | 95.10 |
| 17041000 | CHEWINGGUMW/NSUGAR COATED | 482248 | 365141 | 847389 | 86.18 |
| 90301000 | INSTRUMENT AND APPARATUS FOR MEASURING OR DETECTING IONISING RADIATION | 118126 | 725297 | 843423 | 28.01 |
| 9041103 | BLACKPEPPERGARBLED | 3288854 | 80743028 | 84031882 | 7.83 |
| 19053003 | SWEETBISCUITS | 7990927 | 395723 | 8386650 | 9.44 |
| 99930009 | SPECIAL TRANSACTIONS N.E.S. | 82850915 | 385477 | 83236392 | 0.93 |
| 84731009 | PARTS OF OTHR MCHNS OF HDG NO. 8469 | 308542 | 7869947 | 8178489 | 7.55 |
| 55032000 | STAPLEFIBRES OFPOLYESTER NTCRD/CMBD | 6191389 | 1952309 | 8143698 | 47.95 |
| 84733002 | PARTS | 847324 | 7145472 | 7992796 | 21.20 |
| 60023000 | OTHR KNTTD/CRCHTDFBRCS OF A WIDTH $>30$ CMCNTNG BY WT> =5\% ELASTOMERCYRN/RUBR THRED | 551960 | 7434555 | 7986515 | 13.82 |
| 40151100 | SURGICALGLOVES | 2079823 | 5885322 | 7965145 | 52.22 |
| 73089009 | NOTHER STRUCTURE \& PARTS OFSTRUCTURES OF IRON \& STEEL (EXCLFLOATING STRUCTURES) | 7872007 | 5544 | 7877551 | 0.14 |
| 34011103 | TIOLET SOAPS OTHER THANDENTALSOAPS | 7609302 | 263754 | 7873056 | 6.70 |
| 69029001 | NFIRECLAY BRICKSANDSHAPES | 783184 | 2911 | 786095 | 0.74 |
| 84807900 | OTHR MOULDS FOR RUBBER/PLASTICS | 93627 | 692193 | 785820 | 23.83 |
| 61083102 | NIGHTDRESSESETC,EXCPTHAND CROCHETED;CTN | 9445 | 767593 | 777038 | 2.43 |
| 52122500 | MOTHR PRINTED WOVENFBRCS WGHNG $>200 \mathrm{G} / \mathrm{M} 2$ | 6484123 | 1280648 | 7764771 | 32.99 |
| 84807100 | INJCTN/CMPRSN TYPE MOULDS FR RUBBR/PLSTCS | 8974 | 7636327 | 7645301 | 0.23 |
| 39231001 | BOXES OF CORRUGATED PAPER \& PAPER BOARD | 7641100 | 2267 | 7643367 | 0.06 |
| 85049002 | PRTS OF OTHR ELECTRIC PWR MCHNRY OF HD8504POWER MACHINERY OF HDG 8504 | 671379 | 88811 | 760190 | 23.37 |
| 90241000 | MACHINES \& APPLIANCES FORTESTINGMETALS | 151796 | 607115 | 758911 | 40.00 |
| 84713009 | PORTSBLEDIGITALAUTOMATICDATA | 140226 | 609853 | 750079 | 37.39 |
| 87089900 | OTR PRTS\&ACCSSRS OF VHCLS OF HDG 8701-8705 | 51656 | 74697390 | 74749046 | 0.14 |
| 85441101 | WINDING WIRE OFENAMELLEDCOPPER | 955664 | 72591337 | 73547001 | 2.60 |


| HS Code | Description | Exports-S1 | Imports-S1 | Bilateral Trade | IIT-2000-01 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 84804900 | OTHR MOULDS FR METAL/METALCARBIDES | 10164 | 7319939 | 7330103 | 0.28 |
| 84482000 | PRTS \& ACCSSRS OFMCHNS OF HDGNO.8444/OFTHEIR AUXLRY MCHNRY | 7284612 | 3414 | 7288026 | 0.09 |
| 84701000 | ELECTRONICCALCULATORSCAPABLEOFOPERATNWITHOUT | 425312 | 300014 | 725326 | 82.73 |
| 68022101 | MARBLEBLOCKS/TILES,POLISHED | 3743486 | 3478608 | 7222094 | 96.33 |
| 49019900 | OTHR PRINTD BOOKS ETC OFHD NO. 4901 | 5142518 | 1820384 | 6962902 | 52.29 |
| 96062100 | BUTTONS OFPLSTCS,NTCVRDWTHTXTLMTRL | 6351346 | 578139 | 6929485 | 16.69 |
| 94034000 | WOODENFRNTR OFAKNDUSED INTHE KITCHEN | 503165 | 184933 | 688098 | 53.75 |
| 53051109 | OTHER RAW COCONUT FIBRE | 640359 | 44780 | 685139 | 13.07 |
| 39269003 | COUPLERS/PACKING RINGS/O-RINGS,ETC. | 506950 | 177527 | 684477 | 51.87 |
| 40082100 | PLTS SHTS STRPS OFNON-CELLULAR RUBR | 4619502 | 2188166 | 6807668 | 64.29 |
| 85322200 | OTHR FXDCAPACITORS,ALMNMELECTRLYTC | 285906 | 377438 | 663344 | 86.20 |
| 84692009 | OTHER TYPEWRITERS, ELECTRIC | 288605 | 6270210 | 6558815 | 8.80 |
| 73182900 | OTHERNON-THREADEDARTICLES | 6128837 | 296185 | 6425022 | 9.22 |
| 94032009 | OTHERS METALFURNITURE | 195158 | 447257 | 642415 | 60.76 |
| 39011001 | POLYETHYLENEHAVINGASPECIFIC | 5136321 | 1260842 | 6397163 | 39.42 |
| 48195000 | OTHR PACKNG CONTNRS INCLUDNG RECRDSLEEVS | 5954585 | 421322 | 6375907 | 13.22 |
| 39211900 | OTHR PLTES SHTS ETC OFOTHR PLSTCS CELULR | 6255659 | 60208 | 6315867 | 1.91 |
| 38021000 | ACTIVATEDCARBON | 5790234 | 510174 | 6300408 | 16.19 |
| 95069109 | OTHER GYMNASTIC/ATHLETIC REQUISITES | 606581 | 23269 | 629850 | 7.39 |
| 9023001 | BLACK TEA INPACKTS NOTEXCDNG 25 GM | 439500 | 5844908 | 6284408 | 13.99 |
| 58063909 | OFOTHERS TEXTILEMATERIALS | 1621593 | 4661002 | 6282595 | 51.62 |
| 40012100 | NATRL RUBR INSMKDSHEETS | 3030700 | 3207189 | 6237889 | 97.17 |
| 87141900 | ,OTHR PRTS \& ACCSSRS OF MOTR CYCLS(INCL MPD | 4832 | 61725104 | 61729936 | 0.016 |
| 33012907 | CINNAMONBARKOIL | 26303 | 35263 | 61566 | 85.45 |
| 33019001 | MATTARS OFALL KINDS INFIXED OIL BASE | 571454 | 38045 | 609499 | 12.48 |
| 40011001 | NATRL RUBR LATEX NOT PREVULCANISED | 2974837 | 3110230 | 6085067 | 97.77 |
| 29021900 | OTHERCYCLANES,CYCLENES\&CYCLOTERPENES | 359171 | 239503 | 598674 | 80.01 |
| 40095019 | TUBES-OTHERS | 500169 | 98100 | 598269 | 32.79 |
| 62029919 | OTHER SIMILAR GARMENTS, OF OTHER FIBRES | 358680 | 237104 | 595784 | 79.59 |
| 12119049 | PLANTSANDPARTS OFPLANTS-OTHERS | 3905191 | 2043452 | 5948643 | 68.70 |







Annex 16: India's Sensitive List of Imports from South Asia:( Rs. Lacs)

| HS Code | Commodity | $\begin{array}{r} \text { Apr-Mar } \\ 2002 \end{array}$ | Apr-Mar <br> 2003(P) | \% Growth |
| :---: | :---: | :---: | :---: | :---: |
| 4022903 | MILK FOR BABIES |  | 0.16 |  |
| 4022909 | OTHERS(E.G.MILK CREAM) |  | 0.35 |  |
| 4029903 | CONDENSEDMILK | 3.35 |  |  |
| 4029909 | OTHERS | 15.43 |  |  |
| 8013101 | CASHEWNUTS,RAW | 10.38 |  |  |
| 8021100 | ALMONDS FRSHOR DRIEDINSHELL | 656.24 | 586.38 | -10.65 |
| 8021200 | SHELLED ALMONDSFRSHOR DRIED | 2,108.60 | 2,278.05 | 8.04 |
| 8025000 | PISTACHIOS FRESH OR DRIED | 916.96 | 1,152.77 | 25.72 |
| 8029001 | BETELNUT,WHOLE | 225.58 | 333.39 | 47.79 |
| 8029002 | BETELNUT,SPLITGROUND | 14.7 | 238.86 | 1,525.38 |
| 8029003 | NUTS, ARECA | 18.86 | 476.36 | 2,426.21 |
| 8029009 | OTHERS | 15.83 | 2.35 | -85.16 |
| 8051000 | ORANGES FRESH OR DRIED |  | 0.5 |  |
| 8061000 | GRAPES FRESH | 63.55 | 1.25 | -98.03 |
| 8062001 | RAISINS | 1,997.75 | 1,674.15 | -16.2 |
| 8062009 | SULTANAS \& OTHER DRIED GRAPES | 1,094.58 | 944.32 | -13.73 |
| 8081000 | APPLESFRSH | 4.82 |  |  |
| 8082000 | PEARS \& QUINCES FRSH |  | 2.39 |  |
| 8101000 | STRAWBERRIES FRESH |  | 0.03 |  |
| 8109001 | POMEGRANATES FRESH | 30.24 | 41.83 | 38.32 |
| 8109002 | TAMARINDFRESH | 23.89 |  |  |
| 8109004 | SITAFAL | 0.15 |  |  |
| 8109007 | LICHI |  | 2.18 |  |
| 8109009 | OTHERSFRESH | 45.42 | 0.41 | -99.1 |
| 9022002 | TEAGRENINBULK | 6.34 | 20.25 | 219.26 |
| 9024002 | TEABLACK,LEAFINBULK | 61.02 | 97.22 | 59.33 |
| 9024003 | TEABLACK,DUSTINBULK | 41.36 | 285.53 | 590.36 |
| 9024004 | TEABAGS |  | 11.38 |  |
| 9024005 | TEA BLACK (E.G BALL,BRICKS,TBLTS,ETC) | 51.17 | 556.45 | 987.43 |
| 9024006 | TEABLACK WASTE |  | 80.52 |  |
| 9030000 | MATE | 23.96 | 55.86 | 133.1 |
| 9041101 | PEPPERLONG | 179.81 | 650.04 | 261.52 |
| 9041102 | LIGHTBLACK PEPPER | 618.46 | 1,334.23 | 115.73 |
| 9041103 | BLACK PEPPER GARBLED | 783.52 | 3,272.13 | 317.62 |
| 9041104 | BLACK PEPPER UNGARBLED | 23.71 | 365.97 | 1,443.84 |
| 9041119 | OTHER PEPPER |  | 106.59 |  |
| 9061003 | CINNAMONTREEFLOWERS | 2.05 | 1.04 | -49.29 |
| 9070001 | CLOVESEXTRACTED | 5,692.65 | 4,978.30 | -12.55 |
| 9070002 | CLOVE, NOTEXTRACTED (OTHER THANSTEM) | 4,174.16 | 891.18 | -78.65 |
| 9070003 | CLOVESSTEMS | 258.1 | 614.06 | 137.92 |
| 9083001 | CARDAMOMSLARGE(AMOMUM) | 4,303.84 | 4,108.89 | -4.53 |
| 9083009 | OTHERS(INCL.LARGESEEDS) | 3.37 | 153.02 | 4,442.41 |
| 9101001 | GINGERFRESH | 753.9 | 948.71 | 25.84 |
| 9101009 | GINGER,NES INCLDRIED | 1.33 | 68.43 | 5,062.44 |
| 9104001 | TEJPAT(LEAVES OFCASSIA LIGNEA) | 13.06 | 5.8 | -55.6 |
| 10019002 | WHEAT(NOTSEED)FOR HUMAN CONSUMPTION | 33.65 | 1.88 | -94.43 |
| 10059000 | OTHER MAIZE (CORN) | 34.37 |  |  |
| 10063001 | RICEPARBOILED |  | 2.16 |  |
| 10063009 | RICEEXCPTG PARBOILED (EXCL BASMATIRICE) |  | 77.15 |  |
| 11010000 | WHEATOR MESLINFLOUR | 121.13 | 4.64 | -96.17 |
| 15111000 | CRUDE PALMOIL \& ITS FRACTNS | 5.8 | 157.64 | 2,617.58 |

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| HS Code | Commodity | $\begin{array}{r} \text { Apr-Mar } \\ 2002 \end{array}$ | Apr-Mar <br> 2003(P) | \% Growth |
| :---: | :---: | :---: | :---: | :---: |
| 15131100 | COCONUT(COPRA) CRUDE OIL \& FRACTIONS | 20.74 |  |  |
| 15131900 | COCONUT(COPRA) REFINED OIL \& FRACTIONS | 101.34 | 23.53 | -76.78 |
| 15132100 | CRUDEPALM KERNEL/BABASUOIL \& ITS FRACTNS | 125.75 | 27.94 | -77.78 |
| 15132900 | REFND PALM KERNEL/BABASUOIL \& ITS FRACTNS |  | 24.97 |  |
| 22083000 | WHISKIES | 1.78 | 1.25 | -29.39 |
| 22084001 | RUM | 4.72 |  |  |
| 25010001 | COMMONSALT(INCL. IODISEDSALT) |  | 3.28 |  |
| 25010002 | ROCKSALT | 452.16 | 239.44 | -47.05 |
| 40011001 | NATRL RUBRLATEX NOT PREVULCANISED | 57.42 | 45.35 | -21.02 |
| 40012100 | NATRL RUBR INSMKD SHEETS | 15.07 | 5.8 | -61.51 |
| 40012201 | OILEXTENDEDNATURALRUBBER |  | 8.07 |  |
| 40012209 | OTHR TECHNICALLY SPECIFIED NATURL RUBBER | 28.42 |  |  |
| 40012901 | HEVEA | 27.4 | 23.98 | -12.48 |
| 40012902 | CREPERUBBER FROMLATEX-PALELATEX CREPE |  | 6.38 |  |
| 40012909 | OTHER NATRL RUBBR NON-LATEX | 100.53 | 90.12 | -10.36 |
| 50020001 | MULBERRY RAW SILK | 188.39 |  |  |
| 50020002 | NON-MULBERRY SILK | 8.03 |  |  |
| 50050003 | YARNSPUN FROM MULBERRY SILKWASTE OTHERTHANNOIL | 36 |  |  |
| 52010025 | FOREIGN COTTONOFALLSTAPLELENGTHS | 1,626.28 | 1.94 | -99.88 |
| 52030000 | COTTONCARDEDOR COMBED | 85.18 | 2.03 | -97.62 |
| 66011000 | GARDENOR SIMILAR UMBRELLAS | 0.22 |  |  |
| 66019900 | OTHERUMBRELLAS | 0.22 |  |  |
| 68022101 | MARBLEBLOCKS/TILES,POLISHED | 321.79 | 89.72 | -72.12 |
| 68022109 | OTHERS | 109.41 | 198.66 | 81.57 |
| 68029100 | OTHER MARBLETRAVERTINE \& ALABASTER | 91.1 |  |  |
| 68029900 | OTHERSTONE | 3.27 |  |  |
| 69081001 | CERAMICMOSAIC CUBES | 10.39 | 3.53 | -66.02 |
| 69081002 | CERAMICMOSAIC TILES | 4.33 | 16.38 | 278.54 |
| 69081009 | OTHERS |  | 4.07 |  |
| 69089001 | CERAMIC MOSAIC CUBES |  | 2.67 |  |
| 69089002 | CERAMICMOSAIC TILES | 10.97 | 62.76 | 471.91 |
| 69089009 | OTHERS | 8.81 | 40 | 353.89 |
| 70132900 | OTHER DRINKING GLASSES |  | 4.03 |  |
| 83012000 | LOCKS OF A KIND USEDFOR MOTOR VEHICLS |  | 0.13 |  |
| 83013000 | LOCKS OFA KIND USED FOR FURNITURE |  | 1.48 |  |
| 83015000 | CLASPS \& FRAMES WTHCLASPS,INCRPRTNGLCKS |  | 0.02 |  |
| 87032103 | SECONDHAND/USEDMOTOR CARS(INCLUDING JEEP \& LANDROVER),ASSEMBLED |  | 0.37 |  |
| 87032303 | SECONDHAND OR USED MOTOR CARS INCLJEEP \& LANDROVER,ASSEMBLED | 3.16 | 1.81 | -42.52 |
| 87033303 | SECONDHND/USDMOTR CARS,JEEPETC,ASSMBLD | 2.31 |  |  |
| 95010001 | WHEELEDTOYSDESIGNEDTOBERIDDEN,ETC | 0.25 |  |  |
| 95021003 | DOLLS OFPLASTIC |  | 1.75 |  |
| 95032000 | REDUCDSIZE("SCALE")MODLASSMBLY KITS, W/N WRKNG MODLS,EXCL THOSE OF SBHDG NO. 950310 | 0.77 | 0.02 | -97.46 |
| 95034100 | STFFDTOYS RPRSNTNGANMLS/NON-HUMANCREATR | 7.09 | 5.3 | -25.24 |
| 96081000 | BALL POINT PENS |  | 3.48 |  |
| 96082000 | FELT-TPPD \& OTHR POROUS-TIPD PENS \& MRKRS |  | 0.8 |  |
|  | Total | 27,886.37 | 27,525.87 | -1.2 |

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[^1]:    $\square$ II
    $\square$ III
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    $\square \mathrm{V}$ $\square \mathrm{VII}$
    $\square X$
    $\square X I$
    $\square \mathrm{XIII}$
    $\square X V$
    $\square X V I$
    ■ XVIIII
    VII
    V
    VII
    XIII
    XV
    XVI
    XVIII

[^2]:    Annex 11: Intra-Industry Trade* Between India and Bhutan (2000-01)

    | 8-Digit HS | Description | Exports | Imports | Bilateral Trade | IIT-2000-01 |
    | :--- | :--- | ---: | ---: | ---: | ---: |
    | 22029000 | OTHERSWEETNDFLAVRDWATERS | 4012280 | 7143061 | 11155341 | 71.94 |
    | 73030009 | TUBEDPIPES-OTHERS | 354090 | 225987 | 580077 | 77.92 |
    | 22021009 | OTHERTHANLEMONADE | 36153 | 313014 | 349167 | 20.71 |
    | 19053003 | SWEETBISCUTTS | 160381 | 119914 | 280295 | 85.56 |
    | 99930009 | SPECIAL TRANSACTIONSN.E.S. | 178881 | 67329 | 246210 | 54.69 |
    | Source: Estimated from Ministry of Commerce Datasbase, Government of India |  |  |  |  |  |

