



## India's post pandemic trade with regional groupings improved significantly

*PHD Research Bureau, PHDCCI, has undertaken an important study on 'India's Trade Patterns with Regions and Regional Groupings: A comparative study of Pre and Post Pandemic years'. The study has come up with very significant findings.*

The study highlights that India's trade is favourable with 8 regions and regional groupings in the post pandemic years as compared with 6 regions and regional groupings in the pre pandemic years.

The study highlights detailed analysis on 19 regions and regional groupings based on three years of pre-pandemic (FY 2018-2020) and three years of post-pandemic (FY 2022-24) to compare India's trade performance with major regions and regional groupings in the World.

India's trade is favourable with 8 regions and regional groupings in the post pandemic years including North America, South Asia, European Countries (EU), Other European Countries, East Africa, North Africa, Central Asian Region and Central Africa as compared with 6 regions and regional groupings in the pre pandemic years including North America, South Asia, Other European Countries, East Africa, North Africa and Central Africa.

Notably, regions such as European Countries and Central Asian countries have transitioned from a trade deficit in pre-pandemic years to a trade surplus in the post-pandemic years, highlighting India's potential to become a strong exporter among the major exporters in the World.

However, India has a trade deficit with 11 regions and regional groupings in post

pandemic as compared with 13 regions and regional groupings in the pre pandemic years as 2 regions including Central Asian Region and European Union Countries entered to trade surplus from trade deficit in the post pandemic years.

It is worrying to note that despite our increased exports competitiveness and a free trade agreement with ASEAN countries signed in 2010, the trade deficit increased with ASEAN countries from USD 19 billion in pre pandemic years to USD 35 billion in post pandemic period.

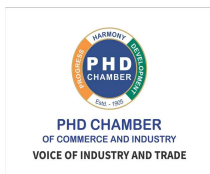
On the positive side, the trade deficit narrowed with West Africa, Other South African Countries, South Africa custom Union (SACU) and Latin America in the post pandemic years, underscoring their potential in augmenting India's exports trajectory and diversifying export destinations

The study recommends more focus is imperative on reducing the cost of doing business including costs of capital, costs of power, costs of logistics, costs of land /availability of land, costs of labor/availability of skilled labor, and costs of compliances, to enhance the competitiveness of manufacturing in the global markets, boosting India towards its vision of USD 2 trillion exports by 2030.

Please find the link to access the detailed document on the same.

<https://drive.google.com/file/d/1PEhRMr7DTDwpOrZrrWAmRuN24ePuJg1P/view?usp=sharing>

Please contact for any query related to this mail to Ms Reema Jain, Research Officer at [reema.jain@phdcci.in](mailto:reema.jain@phdcci.in) and to Ms Nishika Chauhan, Research Associate at [nishika.chauhan@phdcci.in](mailto:nishika.chauhan@phdcci.in) with a cc to Dr S P Sharma, Chief Economist | DSG at [spsharma@phdcci.in](mailto:spsharma@phdcci.in) and [chiefeconomist@phdcci.in](mailto:chiefeconomist@phdcci.in)



Warm regards,

Dr S P Sharma

Chief Economist | DSG

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area  
August Kranti Marg, New Delhi-110016, India  
Tel: +91 49545454  
Fax: +91 11 26855450  
Email: [spsharma@phdcci.in](mailto:spsharma@phdcci.in)  
Website: [www.phdcci.in](http://www.phdcci.in)

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PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400  
Fax : +91-11-2685 5450, 49545451 • E-mail : [phdcci@phdcci.in](mailto:phdcci@phdcci.in) • Website : [www.phdcci.in](http://www.phdcci.in), CIN: U74899DL1951GAP001947

