



## Growth of India's trade with individual SAARC countries

Dr.K.Maheswara Rao, Academic Consultant, Department of Economics, V.S.U.P.G Centre, Kavali-524201. SPSR Nellore Dt.

### **Abstract:**

*The quantum of India's trade with SAARC region and individual SAARC countries is very low in relation to her total world trade. Nevertheless the growth rates of india,s trade with the both SAARC region and individual SAARC countries were higher than that of her total trade with the world. This is because the countries in South Asia have been basically competitive rather than complementary to each other in promoting intra-SAARC trade as well as economic cooperation with in the region .They have been largely depending on Developed countries for both exports and imports. As a result, the intra-regional trade has not tended to grow overtime in an optimum basis among the member countries even after the formation of SAARC in 1985. If the present growth momentum is sustained, the quantum and shares of India's trade with the SAARC region is sure to surge in the years to come.*

**Keywords:** SAARC region, south Asian, SAFTA

### **Introduction**

The south Asian pre trade association (SAFTA) has set out from January 2004 and it is expected to reach full-fledged stage by 2016 .skepticism is expressed over its full operational mainly due to political reasons .hence ,India's trade with the individual SAARC countries are mostly governed by bilateral agreements reached between India and individual SAARC countries from time to time to promote mutual trade .Many Countries in Asia Africa were under the colonial powers of Britain and other Western European Countries during the nineteenth century and early twentieth century. These colonial powers have introduced a sort of one-

way free trade to sub-serve the colonial interests. These countries were deliberately made to export raw materials and import manufactured goods. As a result the economic growth in the colonies was subordinated to the needs of the imperial powers. The lopsided economic policies followed by these colonies powers have brought about a very little change in the economic structure of these countries. These countries by and large remained predominately agrarian in nature with nascent manufacturing sector. The political freedom achieved by the colonies had not brought about radical transformation in their manufacturing and trading sectors of these economies for a very long period.