

# Manufactured goods India's strong suit in S Korea trade

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India's exports of manufactured goods to South Korea have grown at a faster rate than imports from financial year 2010-11 (FY11) to FY24, since the two countries signed a trade agreement more than a decade ago. India's export of manufactured goods to South Korea grew at 6.4 per cent, compared to a 4.3 per cent increase in overall exports to the country since FY11, shows a *Business Standard* analysis of trade data from CMIE.

The growth in manufactured goods export is also higher than the 4.7 per cent increase in manufactured goods imports seen over the same period. The Comprehensive Economic Partnership Agreement between the two countries involved more than 12 rounds of negotiations and came into effect in January

2010 (FY11). It looked to reduce trade restrictions on a wide range of goods with reports indicating an upgraded agreement in the works.

The rise in India's manufactured goods exports was led by engineering goods. The export category grew from \$947.3 million in FY11 to \$2.7 billion in FY24. This is a compound annual growth rate (CAGR) of 8.4 per cent, the fastest growth after electronics (14.8 per cent) and readymade garments (11 per cent).

But both the other two categories involve a lower value of goods traded.

The total value of readymade garments exported to South Korea in FY14 was \$56 million. It was \$152.9 million for electronic goods. The largest categories of manufactured goods exported to South Korea after engineering goods is chemicals and related products and textiles excluding readymade garments.



**INDIA'S TRADE GROWTH WITH SOUTH KOREA**

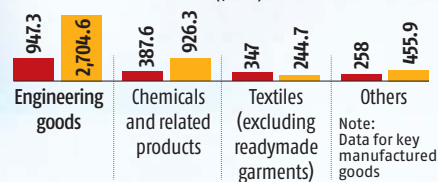
From FY11\* (in %)



Note: \*The Comprehensive Economic Partnership Agreement was effective from January 2010 in FY11 Source: CMIE, Business Standard calculations

## ON A STRONG FRONT

**EXPORTS TO SOUTH KOREA (\$ mn)** ■ FY11 ■ FY24



**IMPORTS FROM SOUTH KOREA (\$ mn)** ■ FY11 ■ FY24

