India-Malaysia Bilateral Trade: Performance and Policies

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Abstract

Indian exports as a major contributor to the country's economic growth experiencing a plummeting growth during last few years. Various trade agreements with partner countries in search of new market destination and products to maintain its growth rate have taken place. However justification of these trade agreements has not been questioned. This paper aims to understand the bilateral trade performance and relevance of trade agreement with Malaysia. Using trade intensity and complementarity index we found that the trade agreement between India and Malaysia is not based on the actual trade performance.

Keywords: Bilateral Trade, Trade Intensity, Complementarity Index, Trade Policy.