

## INDIA'S MERCHANDISE TRADE WITH CHINA



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### Abstract

**Objective-** India and China are the two countries of Asia with huge population, market size and growth opportunities. In 1984, India and China signed the Most Favored Nation (MFN) agreement. In 1994, India and China signed an agreement to avoid double taxation with respect to income tax. Objective of the paper is to analyze the growth of India's merchandise trade with China. Secondary objective is to identify the composition of India's merchandise trade with China.

**Design / Methodology/ Approach-** The present research paper is comparative analysis of India's merchandise trade with China. This research paper is based on secondary data, taken from website of Department of Commerce, Ministry of Commerce and Industry, Government of India.

**Findings-** From 2000 to 2015, value of export from India to China has increased almost 20 times and value of Import from China to India has increased almost 54 times. India exports mainly primary commodities to China and imports secondary commodities from China.

**Limitations-** This research paper is mainly based on secondary data only, taken from website of Department of Commerce, Ministry of Commerce and Industry, Government of India.

**Practical implications-** This research paper will be helpful to those who are interested in India and China trade relations.

**Originality/Value-** This research paper will be a base for future researches on similar topics.

**Key words:** Merchandise, Trade, Export, Import.