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A Comparative Analysis of India's Trade Performance Influenced by its Recent Regional Trade Agreements (RTAs) in the Pre & Post Agreement Periods

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ABSTRACT

Regional Trade Agreements (RTAs) have become essential tools in shaping global trade patterns. They allow countries to expand market access, lower trade barriers, and boost economic cooperation. Recently, India has actively sought several RTAs to better connect with regional and global markets. This study provides a comparative look at India's trade performance before and after selected recent RTAs. It examines how these agreements have affected India's export growth, import trends, and trade balance with partner countries.

Using secondary data from the reports of the Ministry of Commerce and Industry, Government of India, and the World Trade Organization (WTO) trade database, the study uses Interrupted Time Series (ITS) Regression analysis to evaluate changes in trade indicators before and after the RTAs took effect. The focus is on specific agreements, namely, the India-Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA), the India-UAE Comprehensive Economic Partnership Agreement (CEPA), and the India-Australia Comprehensive Economic Cooperation Agreement (CECA). These agreements reflect India's recent efforts to strengthen economic ties with important partners.

The findings aim to determine if these RTAs have significantly boosted India's trade competitiveness and export diversification, or if they have increased reliance on imports. By comparing trade outcomes from different periods, the study reveals both the benefits and challenges of regional trade integration. The research adds to the overall discussion on trade policy effectiveness and offers insights for policymakers in crafting future RTAs that better support India's long-term trade and economic goals.

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1. Introduction

Regional Trade Agreements (RTAs) are formal agreements between two or more countries within a specific region or group, outlining the framework of developing trade relationships with mutual benefits. These agreements can cover a wide range of policies, including measures to lower tariffs or quotas on imports; the adoption of other countries' standards or regulations (e.g., food health and safety standards); and rules on foreign investment, intellectual property protection, and environmental and labor standards (Johnson, 2025).

Trade agreements have become a necessary strategy for countries to achieve steady growth, improve competitiveness, and build an international presence. International trade is a primary driver of economic development for nations. However, today's global economy is marked by significant volatility and uncertainty. Rising geopolitical tensions, protectionist policies, and disruptions in global supply chains have created unpredictable trade situations for many countries. A key event in this context was the return of tariff wars in 2025, which disrupted global trade and raised costs for exporters and importers alike (Smyrnov, 2025). Furthermore, geopolitical conflicts affecting major shipping routes, like disruptions in energy and commodity trade through the Strait of Hormuz, have increased the vulnerability of global supply chains and raised trade uncertainty for economies reliant on imports. These events highlight the urgent need for trade diversification and resilience (Delgado & Ghosal, 2026). Countries are increasingly seeking varied trade partnerships and regional or bilateral trade agreements to reduce risks tied to heavy reliance on a small number of markets or supply sources. As a result, trade agreements and economic cooperation frameworks have become vital policy tools for stabilizing trade relations, expanding market access, and enhancing economic security in a time of increased global trade volatility.

For India, international trade agreements are crucial in today's global landscape. Over the last decade, trade treaties with global partners have gained importance in India's trade and economic approach. Historically, India has strongly backed the multilateral trading system under the World Trade Organization (WTO). However, India's trade policy has in recent times witnesses a marked shift towards Regionalism, with RTAs forming the backbone of its trade strategy (Singh, 2022a).

According to the Regional Trade Agreements (RTAs) database maintained by the World Trade Organization (WTO), India has signed 15 trade agreements since 1998 that are currently active (WTO, n.d.-a). The partner countries involved in these treaties include Sri Lanka, Singapore, Bhutan, Chile, the Southern Common Market (MERCOSUR), Afghanistan, the Republic of Korea, Nepal, Malaysia, Japan, ASEAN, Thailand, Mauritius, UAE, and Australia. These RTAs can take the form of Preferential Trade Agreements (PTA), Free Trade Agreements (FTA), Customs Unions, Common Markets, or Economic Unions.

These agreements aim to decrease India's dependence on traditional markets like the US and EU, helping the Indian economy to integrate better with the global market. By joining these RTAs, India has gained

improved access to new markets, boosted its service sector, enhanced regional ties, and increased its geopolitical influence.

However, existing literature suggest a mixed outcome of these agreements on India's post agreement trade performance. The India-ASEAN Free Trade Agreement is worth mentioning in this regard. Furthermore, very limited empirical studies have been documented highlighting the pre and post agreement trade comparison with respect to the RTAs signed by India in the last 9-10 years. In other words, the measurable trade effects of recent RTAs for India remain unclear. Also, no prior interrupted time series studies examining this intervention has been identified. Given this context, the study aims to explore India's trade performance dynamics before and after the signing of Regional Trade Agreements with reference to recent agreements. More specifically, the study attempts to address the following research questions:

i. Whether there is a change in the level and trend of India's exports to the RTA partner countries following the implementation of the said agreements?
ii. Whether there is a change in the level and trend of India's imports from the RTA partner countries following the implementation of the said agreements?
iii. Whether there is a shift in the level and trajectory of India's trade balance with respect to the RTA partner countries after the implementation of the said agreements?

The study findings are expected to be helpful in analysing the real impact of these agreements on the Indian economy, evaluate the effectiveness of the trade policies and support future decision-making.

2. Literature Review

The review of literature section synthesizes research studies found under the following aspects:

Theoretical Perspectives on Trade Agreements and Trade Performance

(Terzea, 2016) underscores the indispensability of global trade for the development of a nation. Classical trade theories advocate the fact that trade agreements enhance a country's productivity by emphasizing gains from specialization, comparative advantage and factor endowments (Ezenwa *et al.*, n.d.). Whereas, the modern trade theories emphasize the benefits of economies of scale, innovation-driven market power and integration into global value chains (Lam, 2015).

In the context of developing economies, trade agreements are viewed as tools for market access but also come with adjustment costs, including competitive pressures on domestic industries (Crowley *et al.*, 2024; Porto & Hoekman, 2010).

India's Trade Policy and Global Trade Agreements

The Indian economy has undergone a significant trade policy reform since 1991, thereby making it a far more open economy enjoying a relatively favourable global position than in 1991 (Singh, 2017). Studies

indicate that the failures of the multilateral Doha Round has changed India's stance towards WTO-led multilateral talks and has highly influenced the country's engagement in bilateral and regional trade agreements (RTAs) such as the Association of Southeast Asian Nations-India Free Trade Agreement (AIFTA), the India-Sri Lanka Free Trade Agreement (ISFTA), Comprehensive Economic Partnership Agreements (CEPA) with Japan and South Korea, and the India-United Arab Emirates CEPA (Krishna, 2019; Singh, 2015).

Empirical Evidence on Pre-Agreement Trade Performance of India

Studies report that India's exports prior to major trade agreements were concentrated in traditional markets (North America, Europe) with limited access to East Asian markets (Acharya, 2013). Prior to entering into trade agreements, India faced relatively higher tariffs compared to ASEAN and developed economies, constraining its export competitiveness (Singh, 2022b). India has shown persistent trade imbalances with key partners like China and the EU in the years leading up to the agreements (Suneja, 2024).

India's Post-Agreement Trade Performance: An Evaluation

Research indicates that India has improved its export efficiency under some free trade agreements, such as ASEAN and SAFTA, but still falls short of its full potential (Kaushal, 2021). India's trade agreements under AIFTA demonstrate trade creation effects in the agriculture sector after the FTA (Jagdambe & Kannan, 2020). The India-Korea CEPA has fostered increased trade cooperation and investment in the electronics, automotive, and energy sectors (Sahoo *et al.*, 2023). The India-UAE CEPA has helped boost exports of gems and jewellery and pharmaceuticals while lowering import costs for energy products (GJEPC, 2025). Yet, the India-ASEAN Free Trade Agreement has had negative impacts on India's trade balance, affecting various development aspects (Ahmed, 2010). India's trade partnerships over recent decades show a diversification in export destinations and products, indicating deeper integration into global markets (PIB, Delhi, 2026a).

Gap in the Existing Literature

Despite the availability of many research studies on India's trade partnerships, there seems to be a lack of systematic comparisons of trade performance before and after agreements across various Regional Trade agreements, especially newer agreements. More specifically, existing evidence regarding analysing these RTAs as policy interventions using Interrupted Time Series Regression remains limited. This study is thus an endeavour to bridge that gap.

3. Objectives of the Study

The objectives of the study are:

i. To examine the trends in India's exports and imports with RTA partner countries before and after the agreements; and

ii. To explore the recent RTA intervention effect on India's trade balance with partner countries.

4. Research Methodology

The research uses a descriptive and analytical design to evaluate the trade effects associated with the selected Regional Trade Agreements (RTAs) signed by India. The sample period for the study spans from 2015 to 2024.

Since the study is comparative in nature, it includes only those RTAs with consistent trade data for at least 2-5 years before and after the agreements took effect. The list of RTAs was gathered from the World Trade Organization (WTO) RTA database.

The RTAs included in the study are the India-Mauritius Comprehensive Economic Cooperation and Partnership Agreement (2021), India-UAE Comprehensive Economic Partnership Agreement (2022), and India-Australia Comprehensive Economic Cooperation Agreement (2022).

The study relies entirely on secondary data sources. The trade statistics between India and the partner countries relate to both goods and services. Data on exports, imports, and trade balances regarding goods have been obtained from the Export-Import Databank (EIDB) published by the Ministry of Commerce and Industry, Government of India. While, the service trade statistics have been derived from the World Trade Organization (WTO) Stats portal. In alignment with the internationally accepted methodology to analyse global service trade, this study uses 'Commercial Services' from the WTO service trade portal to measure India's service exports and imports to/from the partner countries (WTO, n.d.-b, 2023).

In order to study the pre- and post- agreement trade dynamics, Interrupted Time Series (ITS) Regression analysis has been employed using MS Excel. This technique is considered appropriate since it enables evaluation of the impact of a policy intervention occurring at a known point in time by examining the pre-intervention trend, immediate effect and the structural shift in trend post intervention. The findings of an ITS Regression analysis are derived from the value of the indicators, namely, Intercept, Time trend, Post Time or Intervention dummy, Time After or Interaction term, generated during the analysis. The meanings represented by these indicators are outlined in table 1.

Table 1: Indicators of ITS Regression Analysis

Indicators	Symbol	Meaning
Intercept (Baseline level)	β_0	Outcome level at start of time series
Time trend (pre-intervention trend)	β_1	Rate of change before intervention
Post Time or Intervention dummy (Immediate level change post intervention)	β_2	Immediate effect of intervention
Time After or Interaction term (Change in trend after intervention)	β_3	Change in slope after intervention

Source: Compiled by the Author

In this study, the term 'Intervention' referred to in Table 1 is the implementation of the respective RTAs signed by India with the three partner countries, namely, Australia, Mauritius and UAE. Since the principal aim of the study is to evaluate India's trade trends owing to the implementation of the aforementioned RTAs, it does not attempt to incorporate all macroeconomic determinants of bilateral trade, such as GDP growth, exchange rates, global demand conditions, commodity prices, external shocks like COVID pandemic, and others. In essence, the present study focusses on policy intervention trend analysis rather than estimation of causal trade models.

Model Specification and Estimation: In the empirical models, the independent variable for the analysis is Implementation of the respective RTAs and the dependent variables include Export values, Import values and Trade balance figures respectively. Prior to estimation, the time series data pertaining to the dependent variables, namely, Exports and Imports have been converted to log-transformed values while that of trade balance series have been converted to inverse hyperbolic sine transform values (asinh) owing to its nature of containing both positive and negative figures. This is expected to improve validity of the models and derive stable estimates.

Hence the ITS regression models adopted for the study are:

(a) Export Model

$$Log\ (Exports_{it}) = \beta_0 + \beta_1 Time_{it} + \beta_2 RTA_{it} + \beta_3 PostTime_{it} + \varepsilon_{it}$$

(b) Import Model

$$Log\ (Imports_{it}) = \beta_0 + \beta_1 Time_{it} + \beta_2 RTA_{it} + \beta_3 PostTime_{it} + \varepsilon_{it}$$

(c) Trade Balance Model

$$asinh\ (TradeBalance_{it}) = \beta_0 + \beta_1 Time_{it} + \beta_2 RTA_{it} + \beta_3 PostTime_{it} + \varepsilon_{it}$$

Where, i : RTA partner countries, namely, Australia, Mauritius and UAE

t : time (in years)

$Time_{it}$: how the outcome (i.e. exports/imports/trade balance figures) with respect to the RTA partner countries was changing before the respective RTAs were implemented

RTA_{it} : the immediate jump or drop in trade (i.e. exports/imports/trade balance figures) with respect to the RTA partner countries right after the implementation of the respective RTAs

$PostTime_{it}$: the change in trade trajectory with respect to the RTA partner countries after the implementation of the respective RTAs

ε_{it} : error term

Diagnostic Tests: Due to the presence of clearly defined intervention points and adequate frequency of observations in the pre and post intervention periods covered under the scope of the present study (subject to data availability), it is assumed that the ITS model constructed for the study derives its validity on the basis of the research design and nature of data analysed, instead of adhering strictly to the standard tests of model validity (Bernal *et al.*, 2016). Hence, the ITS models used in the study may be considered to fairly satisfy the regression assumptions.

5. Significance and Scope of the Study

Since the beginning of economic liberalization in 1991, India has shifted its global trade policies from a conservative and protectionist approach to one that is more outward-oriented, focusing on regional trade agreements. This shows India's deeper integration into the global economy under the WTO framework and a growing focus on bilateral trade agreements aimed at increasing trade volumes and fostering closer economic ties. According to Tinbergen's Gravity Model of International Trade, trade agreements between countries are expected to lower transaction costs, which include tariff and non-tariff barriers, which in turn, should lead to increased bilateral trade (Chaney, 2013). However, actual findings have sometimes contradicted these theoretical expectations, highlighting the need for careful assessment.

The past Free Trade Agreements (FTAs) made by India, especially with the Association of Southeast Asian Nations (ASEAN), have produced mixed results. Various studies (ANI, 2024; Kanwar & Indapurkar, 2025; TOI Business Desk, 2025) have pointed out issues with growing trade deficits and limited export performance for India in relation to these past FTAs.

In light of these concerns, India has entered into modern trade agreements as Comprehensive Economic and Cooperation Agreements (CECA) with stronger provisions covering services, investment, digital trade, intellectual property, and regulatory cooperation. This includes the India-Mauritius CECPA (2021), India-UAE CEPA (2022), and India-Australia CECA (2022).

In this context, it is worth mentioning that there is little empirical research assessing whether these agreements have provided measurable trade benefits for India. This study aims to contribute to both academic understanding and practical discussions on the effectiveness of India's liberalized trade policies.

The India-Mauritius CECPA was signed on February 22, 2021. This Agreement involves Trade in Goods, Rules of Origin, Trade in Services, Technical Barriers to Trade (TBT), Sanitary and Phytosanitary (SPS) measures, Dispute Settlement, Movement of Natural Persons, Telecom, Financial Services, Customs Procedures, and Cooperation in other areas. It provides for an institutional mechanism to encourage and improve bilateral trade ties and investment flows between the two countries (PIB, Delhi, 2021).

The India-UAE CEPA was signed on February 18, 2022. It covers agreements on trade in goods and services, technical barriers to trade, dispute settlement, telecom, customs procedures, and pharmaceuticals (Primus Partners, 2022). Under this agreement, the UAE provides zero-duty market access to India, covering all labour-intensive sectors (Department of Commerce, GoI, n.d.-a).

The India-Australia CECA was signed on April 2, 2022. This agreement covers almost all tariff lines traded between the two countries, granting India preferential market access on 100% of Australian tariff lines. India has also extended preferential access to Australia on over 70% of its tariff lines, particularly benefiting its

imports of raw materials and intermediate goods such as coal and mineral ores. In services trade, Australia has made commitments across about 135 sub-sectors and granted Most Favoured Nation (MFN) treatment in 120 sub-sectors, focusing on key areas of interest for India, such as IT, IT-enabled services, business services, health, education, and audiovisual services. Starting January 2026, Indian exports will receive zero-duty access across 100% of Australian tariff lines, creating new opportunities, particularly for labour-intensive sectors (PIB, Delhi, 2026b).

6. Analysis and Discussion

In order to analyse the trade outcomes for India from the three RTAs covered under study, namely, the India-Mauritius CECPA, India-UAE CEPA and India-Australia CECA, the export, import and trade balance figures corresponding to these partner countries over a period of 10 years have been presented in the form of line charts.

Figure 1 illustrates the export values of India (in crores rupees) to Australia, Mauritius and UAE from 2015-2024. The data indicates that among the three partners, the UAE is the top export destination for India. From 2015 to 2020, export values to the UAE show a relatively stable trend, followed by a sharp decline in 2021, likely due to global trade disruptions from the COVID-19 pandemic. However, exports recovered significantly in 2022, indicating stronger trade relationships, possibly bolstered by the India-UAE free trade agreement.

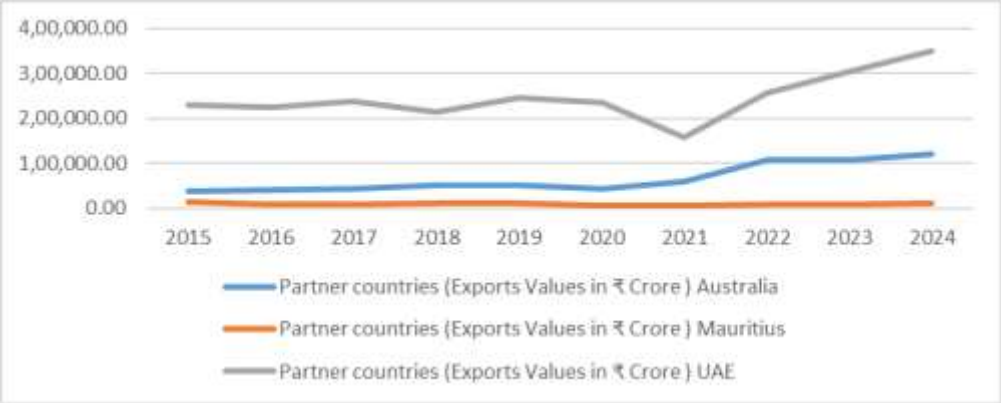


Figure 1: Line chart showing India's Export values (in crores)
Source: Department of Commerce, GoI, n.d.-b; WTO, n.d.-b

For Australia, export values show high growth, establishing it as a reliable export market for India. Before 2022, the data shows a gradual increase in exports to Australia, with a significant acceleration from 2022 onward. This increase may correlate with the implementation of the India-Australia free trade agreement, highlighting strong bilateral economic cooperation.

In contrast, exports to Mauritius remain relatively low with minor fluctuations over the period, suggesting limited impact from the India-Mauritius free trade agreement on India's exports to Mauritius.



Figure 2: Line chart showing India's Import values (in crores)
Source: Department of Commerce, GoI, n.d.-b; WTO, n.d.-b

Figure 2 illustrates the import values of India (in crores rupees) from Australia, Mauritius and UAE from 2015-2024. Similar to export trends, the UAE remains the largest source of imports for India among these partners. From 2015 to 2018, imports from the UAE show a downward trend, followed by a sudden rise in 2019. A slight decrease in imports from the UAE occurred during 2020-21, likely due to COVID-related global trade disruptions. However, since 2022, imports have sharply increased, reaching their peak in 2023. This significant growth after 2022 aligns with the implementation of the India-UAE Comprehensive Economic Partnership Agreement (CEPA). The upward trend suggests that tariff cuts and better market access under this agreement may have promoted increased trade flows, especially in sectors like energy, gold, and petrochemicals. However, imports show a declining trend after 2023, possibly due to stricter government controls on metal imports, stabilized demand, diversification of import sources, or changes in global commodity prices.

For Australia, imports until 2019 show a gradual increase due to higher demand for coal and minerals. The decline in imports during 2020-21 can be attributed to the economic slowdown caused by the COVID-19 pandemic. However, imports saw a strong increase in 2022, aligning with the India-Australia Comprehensive Economic Cooperation Agreement (CECA) that took effect that year. This jump indicates deeper trade integration, likely driven by more imports of coal, essential minerals, and agricultural products due to tariff reductions. This temporary spike is followed by a slow decrease in imports in 2024, which might be due to adjustments in commodity prices and diversification of import sources.

On the other hand, imports from Mauritius have remained small throughout the period, although there is an upward trend. This may reflect Mauritius's limited production capacity and gradual benefits from the India-Mauritius CECPA.

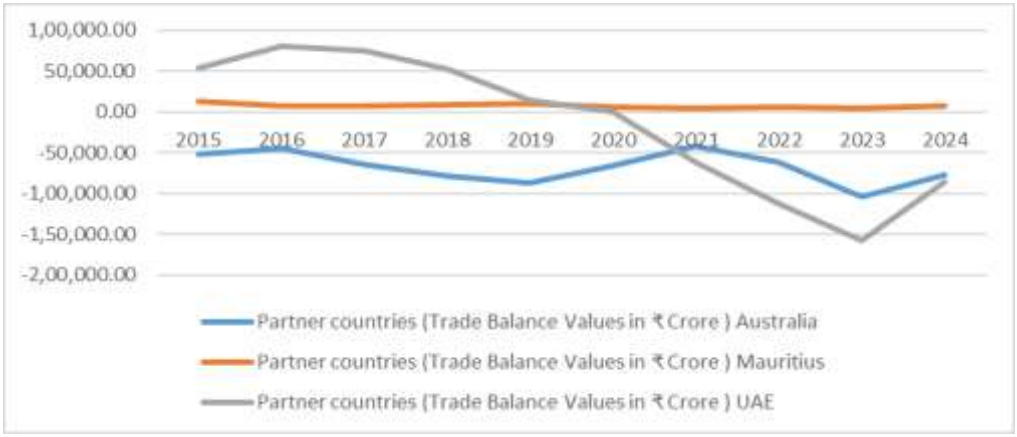


Figure 3: Line chart showing India's Trade balance (in crores)
Source: Department of Commerce, GoI, n.d.-b; WTO, n.d.-b

Figure 3 depicts India's trade balance (in crores rupees) with Australia, Mauritius and UAE over the period of 2015-2024. For Mauritius, India consistently maintained a positive trade balance, though the surplus gradually decreased over time. This trend is likely due to tariff cuts on Mauritian products under CECPA, diversification of Mauritian exports, slow growth in India's exports to Mauritius because of a limited market size, and re-export activities through Mauritius.

In contrast, India faced a persistent negative trade balance with Australia from 2015 to 2021, with minor fluctuations. This deficit mainly arose from India's significant imports of coal, gold, and other raw materials from Australia, which surpassed its exports. A significant change occurred after the India-Australia CECA was signed in 2022. While the agreement was expected to enhance India's exports through tariff reductions and better market access for textiles, pharmaceuticals, engineering goods, and services, the trade deficit initially grew after the agreement took effect. This increase can be linked to structural and external factors rather than the agreement's shortcomings. The recent downward trend in the trade deficit suggests a stabilization in global commodity prices and a modest rise in India's exports under the trade agreement preferences. This means that while the agreement did not immediately correct the trade balance, it has started to help improve export performance and gradually narrow the deficit over time.

Regarding the UAE, India had a positive trade balance from 2015 to 2019. However, the trend shifted sharply starting in 2020. This change can be associated with several factors, such as fluctuations in global oil prices and increased imports of petroleum products, a surge in gold and silver imports influenced by tariff reductions, and pandemic-related export issues from India, with the UAE acting as a re-export hub. However, the deficit narrowed in 2024, likely due to stabilization in global commodity prices and an increase in India's exports of gems, jewellery, and engineering goods to the UAE. The CEPA signed in 2022 may have improved trade relations, boosting two-way trade flows between the partners.

Pre- and Post-Agreement Periods Analysis

An Interrupted Time-Series (ITS) Regression Analysis has been conducted to assess whether the RTAs entered in to by India with Mauritius, Australia and UAE have any significant association with the trade patterns of the country with respect to the partner countries. In this regard, the following hypotheses have been formulated.

H_1: The India-Mauritius CECPA intervention has no significant association with the level and trend of trade dynamics between the countries.

H_2: The India-UAE CEPA intervention has no significant association with the level and trend of trade dynamics between the countries.

H_3: The India-Australia CECA intervention has no significant association with the level and trend of trade dynamics between the countries.

Results of Hypotheses Testing

India-Mauritius CECPA: With regard to H_1 (India-Mauritius CECPA), ITS Regression analysis has been performed separately for the exports, imports and trade balance trends. The values of coefficients, 95% confidential intervals and p values relating to the same have been presented in Table 2.

Table 2: Analysis of trade outcomes pre and post India-Mauritius CECPA

Trade outcomes	Estimates							
Exports	β_0	9.42	β_1	-0.07	β_2	-0.39	β_3	0.22
	95% CI	8.92 - 9.92	*95% CI*	-0.20 - 0.05	*95% CI*	-1.15 - 0.38	*95% CI*	-0.05 - 0.49
	p	0.00	*p*	0.24	*p*	0.26	*p*	0.09
Imports	β_0	6.63	β_1	0.11	β_2	0.003	β_3	0.06
	95% CI	6.21 – 7.04	*95% CI*	0.003 – 0.22	*95% CI*	-0.63 – 0.64	*95% CI*	-0.17 – 0.28
	p	0.00	*p*	0.05	*p*	0.99	*p*	0.56
Trade balance	β_0	10.06	β_1	-0.09	β_2	-0.51	β_3	0.24
	95% CI	9.51 – 10.60	*95% CI*	-0.23 – 0.05	*95% CI*	-1.34 – 0.31	*95% CI*	-0.06 – 0.53
	p	0.00	*p*	0.16	*p*	0.18	*p*	0.10

Source: Compiled by the Author

Table 2 shows that at the beginning of the time series, India had substantial exports and imports with Mauritius, resulting in a strong positive trade balance of approximately ₹9.42 crores, ₹6.63 crores, and ₹10.06 crores, respectively. This indicates that India generally exported more than it imported from Mauritius.

Before signing the CECPA, India's exports to Mauritius displayed a slight downward trend, although it was not statistically significant. In contrast, imports from Mauritius during this time showed a small but significant upward trend. The trade balance indicated a declining surplus, or a deficit balance, but this decline was not statistically significant. Overall, India's trade balance with Mauritius remained relatively stable in the period before the agreement.

After signing the India-Mauritius CECPA in 2021, exports dipped slightly while imports increased minimally. There was also a decrease in the trade surplus. However, none of these changes were statistically significant. This suggests that there was no immediate, notable change in trade with Mauritius right after the CECPA took effect.

Looking at trade trends after the CECPA, exports, imports, and the trade balance showed a positive trend, indicating an increase. However, these results are also statistically insignificant. In other words, while the CECPA might be enhancing India's trade performance with Mauritius, the effect is gradual and not yet statistically strong.

So, it can be concluded that the implementation of the India-Mauritius CECPA has no significant association with the trade dynamics between the two countries.

India-UAE CEPA: The results of the ITS Regression analyses for the exports, imports and trade balance trends with respect to the India-UAE CEPA (with regard to H_2) are presented in table 3.

Table 3: Analysis of trade outcomes pre and post India-UAE CEPA

Trade outcomes	**Estimates**							
Exports	β_0	12.44	β_1	-0.04	β_2	0.11	β_3	0.19
	95% CI	12.18 – 12.70	*95% CI*	-0.09 – 0.02	*95% CI*	-0.40 – 0.63	*95% CI*	-0.04 – 0.42
	p	2.75E-11	*p*	0.19	*p*	0.60	*p*	0.09
Imports	β_0	11.85	β_1	0.07	β_2	0.43	β_3	0.01
	95% CI	11.58 – 12.13	*95% CI*	0.01 – 0.13	*95% CI*	-0.11 – 0.97	*95% CI*	-0.22 – 0.25
	p	4.73E-11	*p*	0.03	*p*	0.10	*p*	0.90
Trade balance	β_0	19.08	β_1	-2.87	β_2	-11.63	β_3	3.00
	95% CI	6.54 – 31.61	*95% CI*	-5.67 – -0.06	*95% CI*	-36.43 – 13.18	*95% CI*	-7.85 – 13.85
	p	0.01	*p*	0.04	*p*	0.30	*p*	0.52

Source: Compiled by the Author

Table 3 suggests that India and the UAE already had a strong trade relationship before the India-UAE CEPA was implemented. This is supported by the significant intercept values (β_0) in crores rupees for exports,

imports, and trade balance as found in the table. Additionally, the average value of exports from India to the UAE was higher than that of imports at the beginning of the study.

Before the CEPA, India's exports to the UAE were only declining slightly, without statistical significance. This indicates a relatively stable trend in exports. On the other hand, there was a significant increase in imports from the UAE, leading to a significant drop in the trade surplus during that time. This shows that India was increasingly reliant on imports from the UAE before the CEPA took effect.

After implementing the CEPA, India's exports to the UAE rose slightly, while imports saw a noticeable increase. Consequently, there was a decline in the trade balance. However, since none of these changes were statistically significant, there was no immediate measurable shift in trade flows following the agreement.

Additionally, exports from India to the UAE show a positive trend compared to the period before the agreement. Imports also increased slightly, and the trade balance indicates a gradual improvement over time. However, post-agreement trade trends are statistically insignificant. This implies that while the India-UAE CEPA could potentially enhance India's long-term export performance, there is still a lack of statistical evidence to support this during the observed period.

Therefore, it can be inferred that the India-UAE CEPA has no significant association with the level and trend of trade dynamics between the two countries.

India-Australia CECA: Likewise, the results of ITS Regression analysis for the exports, imports and trade balance trends with respect to the India-Australia CECA (with regard to H_3) are presented in Table 4.

Table 4: Analysis of trade outcomes pre and post India-Australia CECA

Trade outcomes	**Estimates**							
Exports	β_0	10.51	β_1	0.06	β_2	0.58	β_3	0.005
	95% CI	10.32 – 10.71	*95% CI*	0.01 – 0.10	*95% CI*	0.20 – 0.97	*95% CI*	-0.16 – 0.17
	p	0.00	*P*	0.02	*p*	0.01	*p*	0.94
Imports	β_0	11.43	β_1	0.04	β_2	0.30	β_3	0.04
	95% CI	11.09 – 11.77	*95% CI*	-0.04 – 0.11	*95% CI*	-0.37 – 0.98	*95% CI*	-0.25 – 0.34
	p	0.00e	*P*	0.27	*p*	0.32	*p*	0.73
Trade balance	β_0	-11.64	β_1	-0.01	β_2	-0.003	β_3	-0.10
	95% CI	-12.28 – -10.99	*95% CI*	-0.16 – 0.13	*95% CI*	-1.28 – 1.28	*95% CI*	-0.66 – 0.46
	p	0.00	*P*	0.81	*p*	0.99	*p*	0.69

Source: Compiled by the Author

Table 4 reveals that at the beginning of the study, India's imports from Australia were significantly higher than its exports, leading to a significant trade deficit for India.

Before signing the CECA, India's exports to Australia were growing significantly, reflecting strong trade ties. Conversely, imports from Australia were relatively stable, and the trade deficit remained large but did not worsen significantly.

Immediately after the agreement, India saw a statistically significant increase in its exports to Australia. While imports during this period increased slightly, that rise was not statistically significant. Furthermore, the trade deficit saw an immediate slight decline which was non-significant, suggesting that the agreement created immediate export opportunities for India, likely due to tariff reductions and improved market access.

The growth of exports after the agreement shows a stabilizing trend, with imports continuing to rise steadily. The trade deficit begins to increase again, though the change is not statistically significant.

Thus, the agreement shows statistically significant short-term export benefits for India, but its long-term impact on reducing the trade deficit remains limited because of ongoing reliance on resource imports from Australia.

In summary, the India-Australia CECA intervention has significant association with the trade levels, especially exports, while the trade trends exhibit no significant shift following the intervention.

7. Conclusion

This study examined India's trade results in light of its recent Global Regional Trade Agreements (RTAs) by comparing key trade indicators during the pre-agreement and post-agreement periods. The analysis looked at three major RTAs: the India-Mauritius CECPA (2021), India-UAE CEPA (2022), and India-Australia CECA (2022). The research shows that these agreements have significantly influenced India's trade dynamics, although their effect varies across trading partners. In all cases, the post-agreement period demonstrated increased trade volumes, better market access, and greater integration of India into global value chains. However, the differences observed in the study were small.

The findings indicate that, while Regional Trade Agreements have generally helped India improve its export opportunities and strengthen bilateral and regional trade relations, maintaining a favourable trade balance heavily relies on complementary domestic policies, industry competitiveness, and effective use of the agreement provisions (ABP Live Business, 2025; Alessandrini *et al.*, 2011). Structural factors like infrastructure, logistics efficiency, regulatory frameworks, and production capabilities are crucial in determining how effectively India can take advantage of these agreements.

Overall, the comparative analysis underscores that Regional Trade Agreements are important tools for trade growth and economic engagement, but their success depends on strategic negotiation, solid domestic readiness, and ongoing policy support. Future trade policy should focus not just on entering new agreements but also on maximizing the benefits of existing ones through institutional enhancement, export diversification, and capacity building in key sectors of the Indian economy.

Future studies may employ more advanced econometric software such as Stata/R/EViews to conduct a deeper diagnostic testing. Use of methodologies such as Difference-in-Differences (DiD) or Gravity Model estimations may address potential endogeneity concerns more comprehensively.

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