

# **Analysis of ASEAN-India FTA (AIFTA)**

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**Abstract:** *Regional integration arrangements are popular phenomenon of the present global economic order and this feature is now an acknowledged future of the international scene. Regionalism has existed for so many years in various parts of the world, but it has never risen as rapidly as in the last two decades. The ASEAN-India FTA which evolved because of the consensus of the East Asian nations. Also the complementarities of Industries of ASEAN-India raised the necessity for formation of the FTA. As the Asian countries are driving force of the world economy, FTA comprised of south east nations will further strengthen the economic and political integration of the region. This research paper tries to understand the potential of ASEAN – India regional trade arrangement. The gravity model further explains the significance of the RTA.*

**Keywords:** ASEAN, Trends, Gravity model, AIFTA