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RESEARCH REPORT

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India and Central Asia: Economic Development and Trade Dynamics

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India and Central Asia: Economic Development and Trade Dynamics

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Foreword

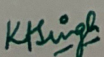
It gives me immense pleasure to present the report, **India and Central Asia: Economic Development and Trade Dynamics**, prepared by the Centre for Central Asian Studies, Guru Nanak Dev University. The report provides a comprehensive analysis of the economic structure of India and the five Central Asian countries, namely Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, with particular emphasis on their economic characteristics, trade patterns, investment opportunities and regional connectivity.

Central Asia has emerged as a region of immense strategic and economic significance. Rich in natural resources, endowed with expanding markets, and located at the crossroads of Asia and Europe, the region offers significant opportunities for economic cooperation. India's growing engagement with Central Asia through initiatives such as the International North-South Transport Corridor (INSTC), Chabahar Port, and India-Central Asia Dialogue has opened new avenues for strengthening trade, connectivity, and people to people cooperation.

This report presents a systematic assessment of the macroeconomic performance of India and the Central Asian countries, analyses bilateral trade trends and commodity composition, and identify emerging opportunities for expanding economic engagement. Importantly, it also explores potential avenues for enhancing trade and industrial collaboration between Punjab and the Central Asian region, thereby highlighting new opportunities for regional economic integration and trade diversification.

This publication will serve as a valuable resource for policymakers, researchers and students interested in India's engagement with Central Asia.

I congratulate Dr. Swati Mehta, Coordinator, Centre for Central Asian Studies on this important publication and wish it continued success in advancing high-quality research and fostering a deeper understanding of Central Asian and its growing relevance to India's economic and strategic interests.


(Karamjeet Singh)

Executive Summary

The study provides a comparative analysis of India and the five Central Asian countries, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan to explore the nature of demographic characteristics, economic structures, natural resource endowments and bilateral trade relations.

The study first examines the geographical and demographic profiles of the six countries. It finds that India differs significantly from Central Asia in terms of population size and population density, whereas the Central Asian countries possess comparatively larger land resources relative to their population. All countries have undergone demographic transition characterized by declining fertility rates, expanding working-age population and gradual ageing, creating favorable conditions for future economic growth and labour market development.

The study focuses on understanding the economic structure of these economies. India has evolved into a service-led economy with sustained economic growth, relatively low inflation and strong domestic investment. The Central Asian economies display diverse structural characteristics. Kazakhstan and Turkmenistan benefit from abundant hydrocarbon resources; Uzbekistan possesses the strongest manufacturing base in the region, while Tajikistan remains relatively agriculture dependent. The region collectively possesses significant reserves of crude oil, natural gas, uranium, gold, chromium and other strategic minerals, making it an important partner for India's energy security and industrial development.

The study further evaluates India's trade relations with the five Central Asian countries. Although bilateral trade has grown steadily, it remains minimal in terms of exports and imports, indicating substantial untapped potential. India's exports largely composed of pharmaceuticals, engineering goods, chemicals, machinery, processed food products and textiles, whereas imports mainly consist of fertilizers, minerals, precious stones and other natural resource-based products. Uzbekistan is India's largest export market in the region, while Turkmenistan is India's largest import source.

Overall the study concludes that India and the Central Asian countries possess strong economic complementarities. India's manufacturing capacity, pharmaceutical industry, engineering capabilities and large consumer market complement Central Asia's abundant natural resources, strategic geographical location and growing consumer markets.

Strengthening transport connectivity through the International North-South Transport Corridor (INSTC), the Chabahar Port, digital trade platforms and institutional cooperation can significantly enhance bilateral trade, investment and long-term strategic partnerships.

Date: 17 July, 2026
Amritsar

Dr Swati Mehta

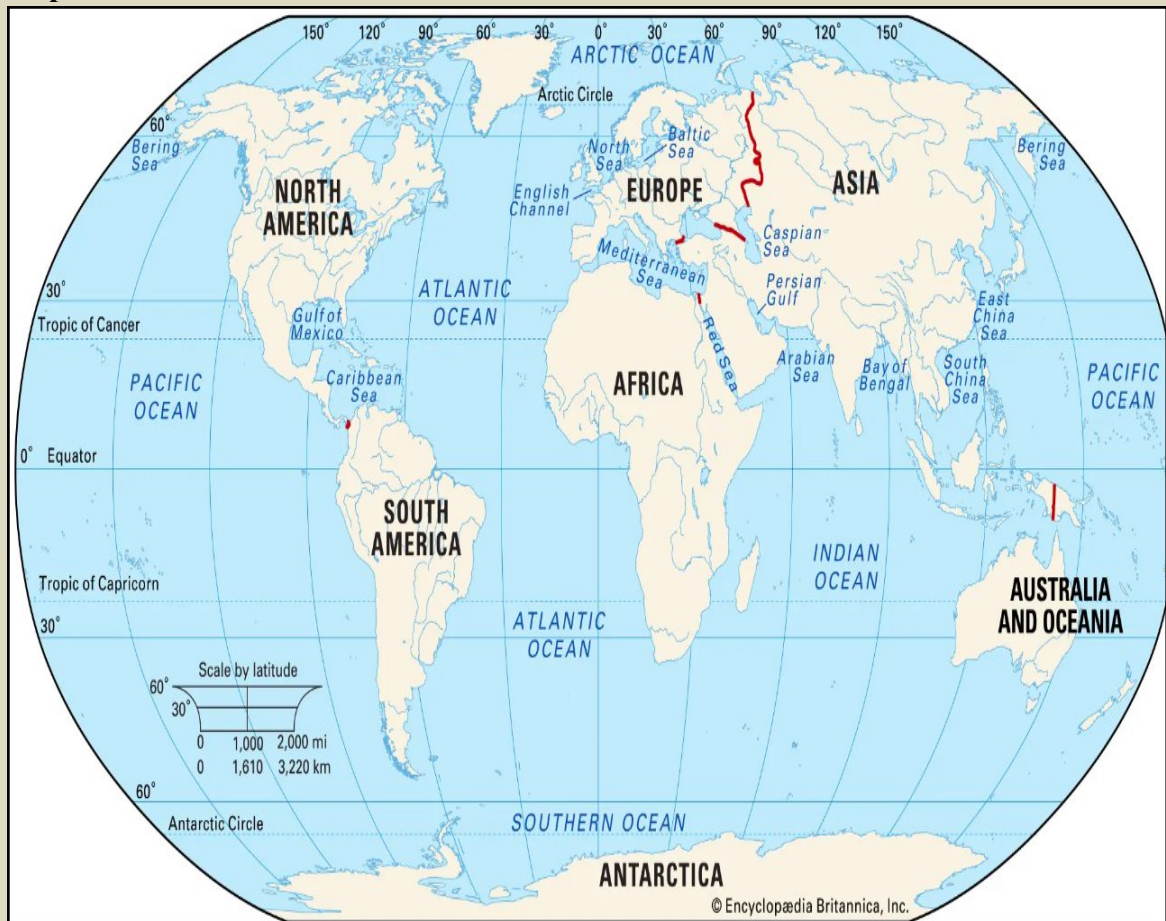
Chapter 1

India and Five Central Asian Countries

1.1. Introduction

Asia¹ is the largest continent (Map 1.1) with an area of 44,579,000 square kilometers that accounts for about 30 percent of the total earth's land area and population of about 60 percent. Africa is the second largest continent with 30,065,000 square kilometers of land and having 19.8 percent of the population. In terms of area, Europe is the third largest continent, followed by North America, South America while Oceania/ Australia being the smallest continent with only 0.5 percent of the total land and having 0.59 percent of the total population.

Map1.1. Continents of the world



Source: Taken from Encyclopedia Britannica, accessed on June 22, 2026.

¹ The data for the area and population is taken from World Population Review accessed from: <https://worldpopulationreview.com/continents>.

Within Asia, the regions are further divided into six sub-regions as shown in Map 1.2. The regional classification of Asia into East Asia, South Asia, Southeast Asia, West Asia (Middle East), Central Asia and North Asia. The regional demarcation highlights the geographical diversity of the continent and identifies Central Asia as a distinct sub-region. It also demonstrates India's location within South Asia while showing its geographical proximity to Central Asia. The regional perspective is important for understanding the historical, economic and strategic interactions between India and Central Asian countries.

Map 1.2. Different regions within Asia



Source: Asia regions, Map of India.

Map 1.3. Central Asian countries



Source: United Nations², Geospatial.

Map 1.3 clearly depicts the five Central Asian republics namely, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and and Uzbekistan. The map shows their geographical boundaries and their strategic position at the crossroads of Europe and Asia. The region is landlocked and shares borders with major economies, including Russia, China, Afghanistan, and Iran. The map highlights the region's significance in terms of connectivity, energy resources, regional security and trade corridors, making it an important partner in India's foreign and economic policy.

² The sub-regions are clearly mentioned within the portal as accessed from:
<https://population.un.org/dataportal/home?df=471c7e0e-7c89-4f4a-9b7e-c314152d357e>

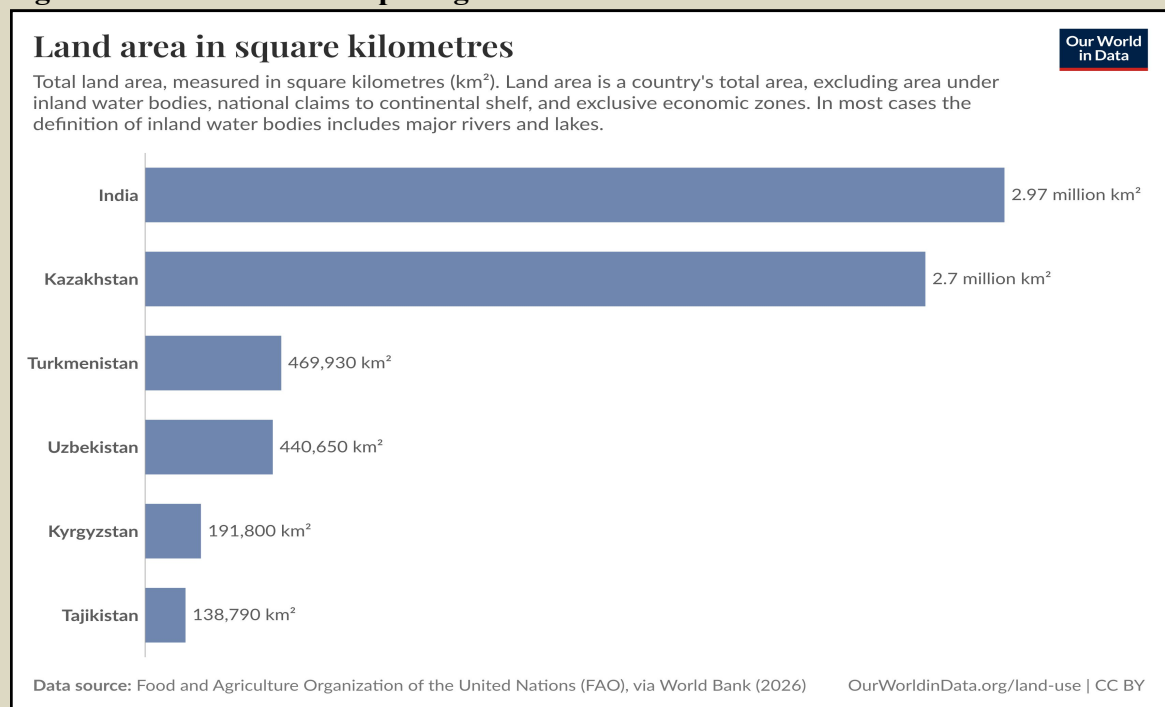
Historically, the Central Asian countries share a common historical and cultural heritage shaped by the geographical location at the crossroads of Europe and Asia, that has connected the region from West, East and South Asia through the Silk Road.

The Silk Road transformed the region into an important commercial and cultural hub. Cities such as Samarkand (Uzbekistan), Bukhara (Uzbekistan) and Merv (Turkmenistan) become the centres of trade, science, religion, and learning. Following the Russian Revolution, the Central Asia was incorporated into Soviet Union, with the centralized political power in Moscow. However, the dissolution of the Soviet Union in 1991 resulted in the emergence of the five independent Asian republics.

1.2 Land Area and Population Structure: India and Central Asian countries

In this section, a comparison of the land area and the nature of population structure are discussed.

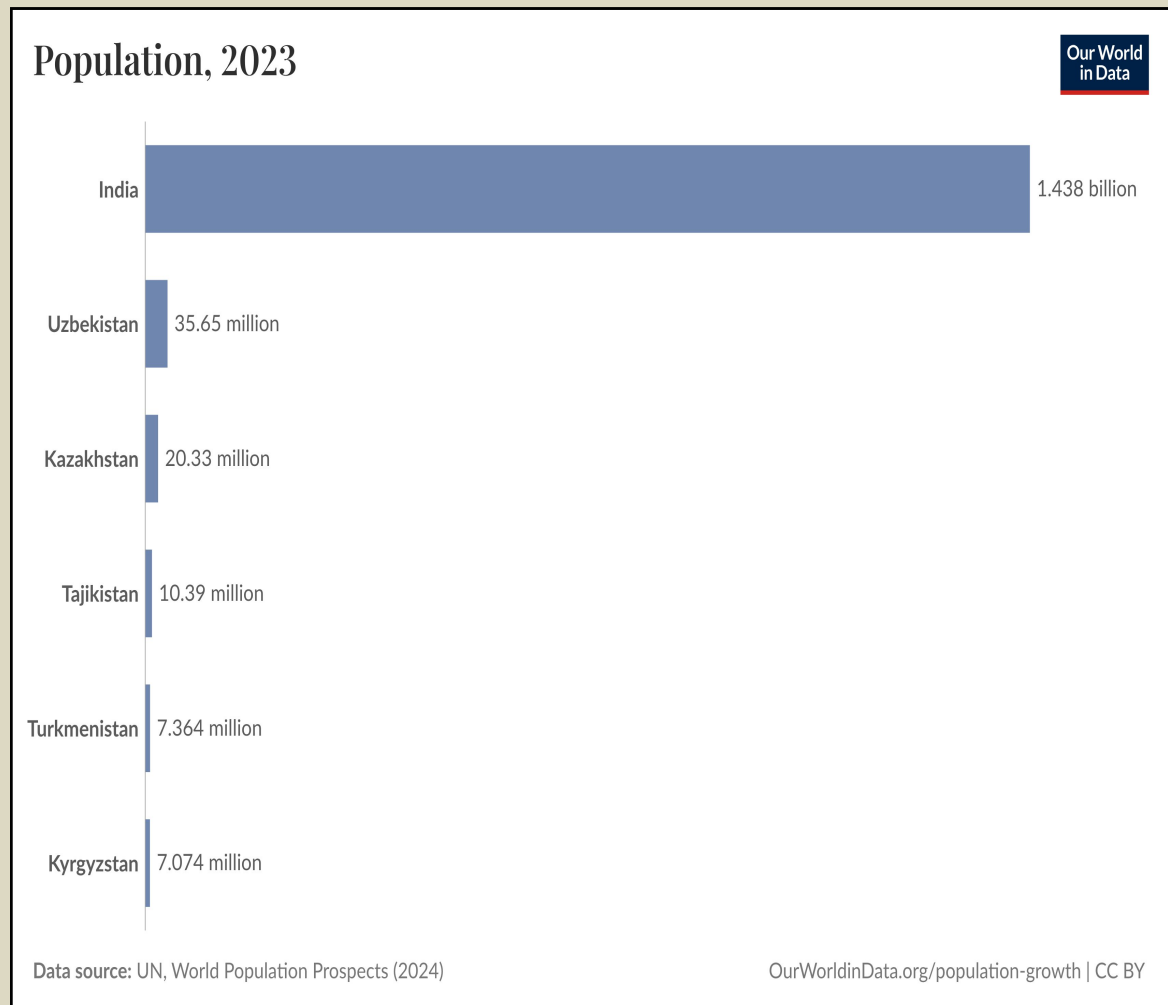
Figure 1.1 Land area: Comparing India and Five Central Asian countries



Source: Our world in data, retrieve on 03 July 2026.

Figure 1.1 presents the comparative picture of the land area for the five central Asian countries and India. It is found that Kazakhstan is the largest in the Central Asia region. India is the largest of all the individual Central Asian countries. On the other hand, countries like Turkmenistan, Uzbekistan, Kyrgyzstan and Tajikistan have comparatively smaller geographical areas.

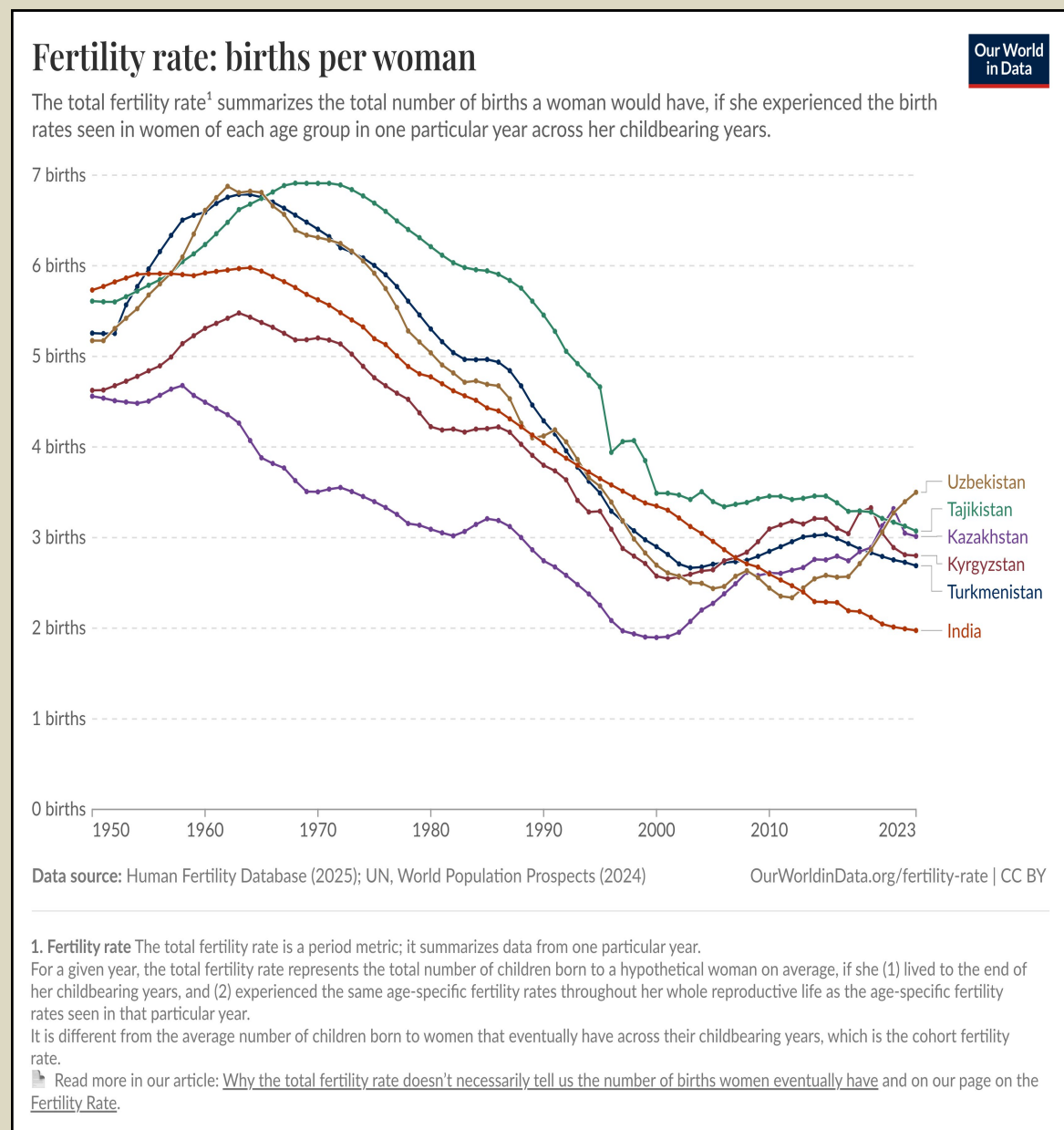
Figure 1.2. Size of the population: India and Five Asian countries



Source: Our world in data, retrieve on 03 July 2026.

India is the world's most populated country (Figure 1.2) with 1.43 billion people in 2023. On the other hand, the size of the five central Asian countries is minimal as compared with India. Uzbekistan has the highest population among the five Asian countries with the population of 35.65 million, while Kazakhstan has the population of 20.33 million, followed by Tajikistan, Turkmenistan and Kyrgyzstan.

Figure 1.3. Fertility Rate: India and Five Asian countries



Source: Our world in data, retrieve on 03 July 2026.

Figure 1.3 presents the trends in the total fertility rate in India and five Central Asian countries from 1950 to 2023. Overall, all the six countries have experienced a substantial decline in fertility over the past decades, reflecting demographic transition. While the fertility rates were high during the 1950s and 1960s, the rates gradually declined across all countries, although the pace and magnitude of decline differed considerably.

Among the Central Asian countries, Tajikistan consistently recorded the highest fertility rate throughout most of the period. Fertility remained about six births per woman until the late 1970s before declining steadily. Although the decline was significant, Tajikistan continued to have the highest fertility amongst the six countries in 2023. Uzbekistan also

exhibited the higher fertility rate, while Kazakhstan has experienced a moderate recovery after a sharp decline, reaching the lowest fertility level among the selected countries by 2023. In contrast, India followed a more gradual but continuous fertility transition. The total fertility rate declined from nearly six births per woman in the 1950s to approximately two births per woman by 2023, making it the lowest among the six countries. This sustained decline reflects the long-term impact of family planning programmes, urbanization and other aspects.

These contrasting fertility patterns have important implications for future population growth, labour force dynamics and long-term economic development in India and Central Asia.

Table 1.1 Population density, life expectancy and share of female population: India and Central Asia

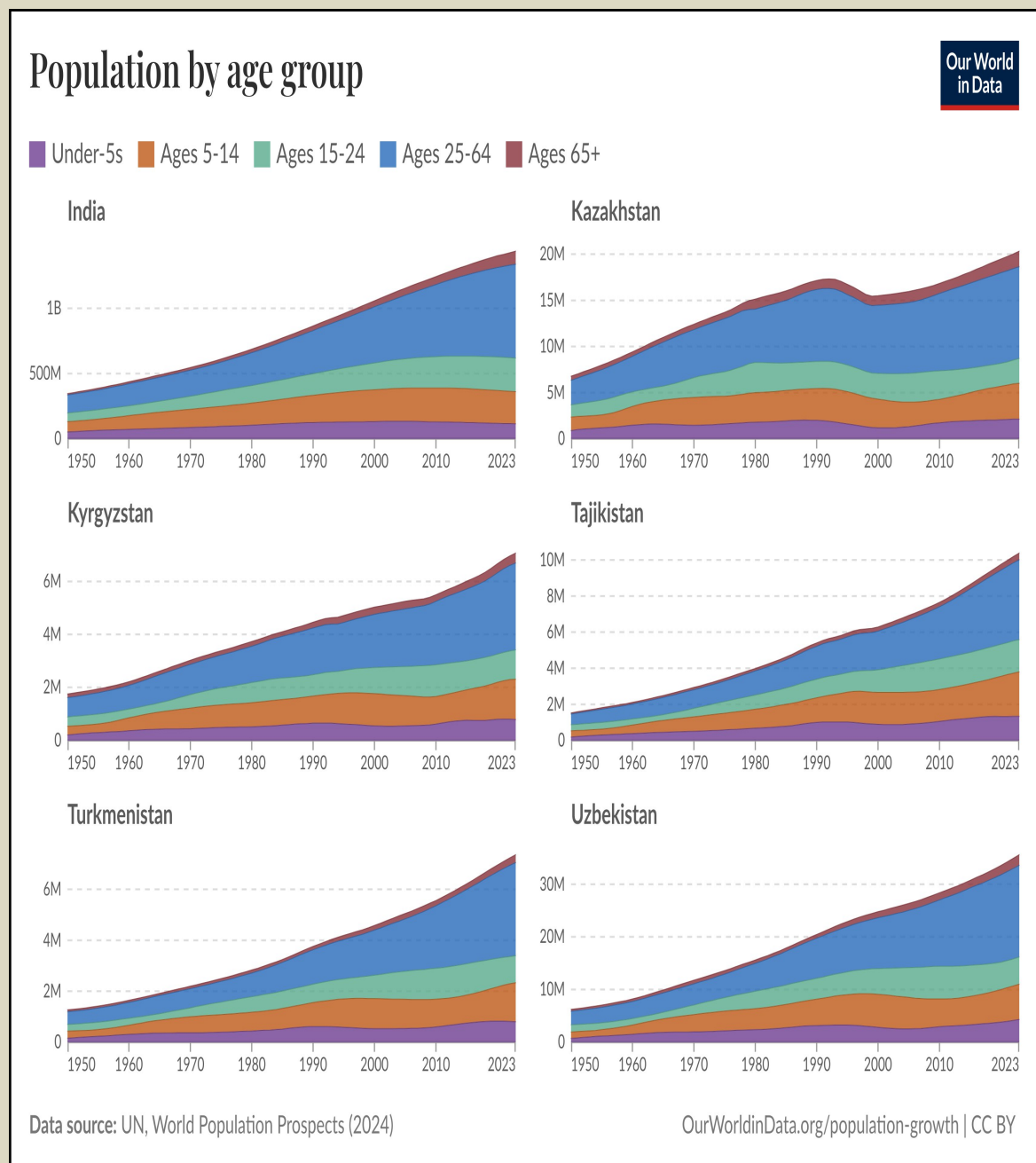
	Population density (2023)	Life expectancy (2024)	Share of female population (2025)
India	483.67	72.24	48.43
Kazakhstan	7.42	74.53	51.27
Kyrgyzstan	37.01	72.4	50.57
Uzbekistan	80.90	72.52	49.54
Tajikistan	74.85	71.92	50.82
Turkmenistan	15.67	70.20	50.88

Source: World Development Indicators

Table 1.1 shows the demographic characteristics of India and five Central Asian countries. It reveals notable differences in population distribution, longevity, and gender composition. India has the highest population density, reflecting its large and concentrated population, whereas the Central Asian countries have comparatively low population densities due to their vast land areas and smaller populations. Among the Central Asian countries, Kazakhstan has the lowest population density (7.42 person per sq. km), while Uzbekistan records the highest (80.90) persons per sq. km. Life expectancy is relatively similar across the region, ranging from 70.20 years in Turkmenistan to 74.53 years in Kyrgyzstan, indicating moderate improvements in health and living conditions.

Further, the share of the female population in all six countries, varying only slightly from 48.43 percent in Kazakhstan to 51.27 percent in Kyrgyzstan. Overall the data suggest that while India differs significantly from Central Asian countries in terms of population concentration, the region exhibit broadly comparable demographic patterns with respects to life expectancy and gender composition.

Figure 1.4 Population by age group in India and Central Asia



Source: Our world in data, retrieve on 03 July 2026.

Figure 1.4 presents the population by broad age groups in India and five Central Asian countries from 1950 to 2023. The stacked area chart show the distribution of population into five age groups, under 5 years, 5-14 years, 15-24 years, 25-64 years and 65 years and above. The figure based on the data sourced from United Nations' World Population Prospects, 2024 shows the different trends between India and Central Asia over the last seven decades. Across the countries, the 25-64 years age group has increased the most, which depicts the improvement in life expectancy, declining mortality, and the expansion

of the labour force. This pattern is more profound in India that exhibits the dramatic increase in working-age population since 1980s. For India, the population aged 65 and above has also increased steadily, signaling the beginning of population ageing, although comparatively their proportion is less.

Among the Central Asian countries, Uzbekistan has experienced the fastest population growth, followed by Tajikistan and Turkmenistan, depicting a youthful age structure. On the other hand, Kazakhstan displays a more mature demographic profile. Kyrgyzstan also displays the moderate but consistent population growth, with substantial increase in the working age population and stable young population.

Overall, the population structure depicts an expansion of the working-age population across the six countries: India and five Central Asian countries. Moreover, the population structure also depicts a gradual decline in relative share of children signaling to fall in fertility rates. On the other hand, the population structure depicts a steady increase in the population of elderly people aged 65 and above.

1.3 Conclusion

The comparative analysis of India and the five Central Asian countries presented the demographic and geographical characteristics. It was found that the India and Central Asian countries were connected through the Silk Road in the past that increased the movement of people and goods between the regions.

India possesses a significantly larger population and higher population density, while the Central Asian countries are characterized by vast land areas, relatively smaller population. The demographic transition experienced across all six countries is reflected in declining fertility rates, an expanding working-age population and gradual population ageing. These demographic changes create opportunities for labour force development, market expansion and economic cooperation. Furthermore, the strategic location of Central Asia at the crossroads of Europe and Asia signifies its importance in regional connectivity, energy security and international trade.

Chapter 2

Economic Structure of India and Five Central Asian Countries

2.1. Introduction

The economic structure of a country reflects the relative contribution of agriculture, industry and services to national income and provides important insights into its stage of economic development. According to the structural transformation theory, economies gradually shift from agriculture to industry and subsequently towards services as income levels rise and productivity increases (Fisher, 1939; Clark, 1940; Kuznets, 1971). However, the pace and pattern of this transformation vary across countries depending upon their resource endowments, institutional development, investment patterns, technological progress and integration with the global economy.

The aim of this chapter is to presents a comparative analysis of the economic structure of India and the five Central Asian countries. It tries to focus on the size and growth of their economies, sectoral composition of Gross Domestic Product (GDP), major macroeconomic indicators, trends in foreign direct investment, and the distribution of strategic national resources.

2.2. Size and Nature of the Economy

Table 2.1 Size of the Economy: India and Central Asian countries

	GDP (Constant 2015 US\$) (2025) (in trillions)	GDP per capita (constant 2015 US\$)	GDP growth (Annual percentage)
India	3.694	2366.83	7.56
Kazakhstan	0.260	12492.13	6.5
Kyrgyzstan	0.011	1555.44	11.09
Tajikistan	0.017	1496.33	8.40
Turkmenistan	0.066	8605.36	6.30
Uzbekistan	0.175	4732.67	7.69

Source: World Development Indicator

Table 2.1 presents the Gross Domestic Product (GDP) at constant 2015 US dollars, GDP per capita and annual GDP growth rates for India and five Central Asian countries for 2025. India, being with USD3.694 trillion, has the modest GDP per capita due to the large size of the population. India recorded an annual GDP growth rate of 7.56 percent.

Among the Central Asian economies, Kazakhstan has the largest economy with a GDP of USD 0.260 trillion, followed by Uzbekistan with USD 0.175 trillion, Turkmenistan with USD 0.066 trillion, Tajikistan with USD 0.017 trillion and Kyrgyzstan with USD 0.011 trillion. Although these economies are much smaller than India's in absolute terms, they differ considerably in terms of per capital income.

Kazakhstan is having the high GDP per capita of USD 12,492.13 is classified as High Income Economy as per the World Bank Income Classification. Turkmenistan also reports a comparatively higher GDP per capita of USD 8,605.36, followed by Uzbekistan (USD 4,732.67), Kyrgyzstan (USD 1,555.44) and Tajikistan (USD 1,496.33) among the Central Asian countries.

In terms of the annual GDP growth, Kyrgyzstan registered the highest annual GDP growth rate at 11.09 percent. Other Central Asian countries Tajikistan (8.40 percent), Uzbekistan (7.69 percent), Kazakhstan (6.50 percent) and Turkmenistan (6.30 percent) showed a rapid short-term economic expansion, as they originate from a relatively small economic basis.

Overall, considerable economic diversity is visible in these Asian countries.

Table 2.2. Structure of the Economy, 2025.

	Agriculture, forestry, fishing, value added (%of GDP)	Industry (+ construction) value added (% of GDP)	Manufacturing, value added (% of GDP)	Services, value added (% of GDP)
India	16.23	25.20	13.47	49.33
Kazakhstan	3.74	32.37	12.70	57.70
Kyrgyzstan	7.99	26.45	13.69	51.18
Tajikistan	23.05	32.44	13.23	36.45
Turkmenistan	12.35	35.97	-	48.87
Uzbekistan	16.55	32.54	20.77	46.48

Note. The data for Tajikistan is available for the year 2024

Source: World Development Indicators.

Table 2.2 presents the sectoral composition of the economies of India and the five Central Asian countries in 2025, highlighting the contribution of agriculture, industry, manufacturing and services to GDP. India exhibits a predominantly service-led economic growth, with services contributing 49.33 percent of GDP, followed by Industry (25.20 percent) and agriculture (16.23 percent). Importantly, manufacturing accounts for 13.47 percent of GDP.

Among the Central Asian countries, Kazakhstan has the lowest share of agriculture (3.74 percent) and the highest contribution from services (57.70 percent), indicating the most diversified and structurally advanced economy in the region. Industry contributes 32.37 percent of GDP, while manufacturing accounts for 12.70 percent signifying industrial base supported by the abundant oil and mineral resources.

Kyrgyzstan presents a relatively balanced economic structure, with agriculture contributing 7.99 percent, industry 26.45 percent, and services with 51.18 percent of GDP. In contrast, Tajikistan remains the agricultural dominated economy contributing 23.05 percent of GDP; Industry contributes 32.44 percent, while services accounts for only 36.45 percent, which is the lowest among the six countries.

Turkmenistan displays a highest share of industry among all the six countries with 35.97 percent of GDP. Agriculture contributes 12.35 percent while services account for 48.87 percent. Uzbekistan has a relatively diversified economy, with agriculture contributes 16.55 percent, industry 32.54 percent, manufacturing 20.77 percent and services 46.48 percent of GDP. It is important to find that Uzbekistan shows the highest share of manufacturing sector among all the six countries that highlight the countries emphasis on industrialization.

Overall, it is found that economies of India and Kazakhstan are predominantly service driven, while Turkmenistan and Uzbekistan have a strong industrial base, largely supported by natural resources and manufacturing. Tajikistan has a higher share of agriculture in GDP, reflecting its relatively slower structural transformation. Therefore, these countries depict a variation in sectoral compositions that underscore the diverse development trajectories of India and Central Asia.

Table 2.3. Some Macroeconomic Indicators: India and Central Asian countries

	Inflation, consumer prices (Annual percentage)	Gross domestic savings (Percentage of GDP)	Gross fixed capital formation (Percentage of GDP)
India	2.39	32.55	31.67
Kazakhstan*	8.69	36.93	24.31
Kyrgyzstan	8.21	-5.54	25.75
Tajikistan*	NA	-3.9	30.24
Turkmenistan	NA	NA	16.53
Uzbekistan	8.79	19.94	34.01

Note: 1. The data is for the year 2025.
2. * depicts that the data is for the year 2024

Table 2.3 presents three important macroeconomic indicators: inflation, gross domestic savings and gross fixed capital formation (GFCF) for India and five Central Asian countries. It is found that India has the lowest inflation rate among the countries at 2.39 percent in 2025, indicating a relatively stable price environment that supports investment and economic growth. On the other hand, Kazakhstan, Kyrgyzstan and Uzbekistan recorded the inflation rate of around 8 percent suggesting a stronger price pressures within their economies. Inflation data is, however are not available for Tajikistan and Turkmenistan. It is important to note that moderate inflation is often associated with economic growth, whereas the persistently high inflation can reduce purchasing power and increase cost of production.

Further, the table 2.3 also highlights the significant differences in gross domestic savings, which represents the proportion of income available after consumption in the form of savings that can be utilized for investment. Kazakhstan recorded the highest saving rate among the sample countries at 36.93 percent of GDP, followed by India at 32.55 percent, signifying a strong domestic capacity to finance investment for economic growth. Uzbekistan also showed a relatively healthy saving rate of 19.94 percent, whereas Kyrgyzstan reported a negative saving rate of -5.54 percent and Tajikistan of -3.90 percent, indicating the domestic consumption exceeded income.

Gross fixed capital formation, is a measure of investment in fixed assets such as infrastructure, machinery, and buildings, and it is varied across countries. Uzbekistan recorded the highest investment rate, with GFCF of 34.01 percent of GDP, followed by India at 31.67 percent and Tajikistan at 30.24 percent. Kazakhstan and Kyrgyzstan reported comparatively moderate investment levels of around 25 percent of GDP. On the other hand, Turkmenistan recorded the lowest value at 16.53 percent of GDP. It is important to note that higher level of capital formation generally reflects a stronger investment activity and greater potential for expanding productive capacity and sustaining long-run economic growth.

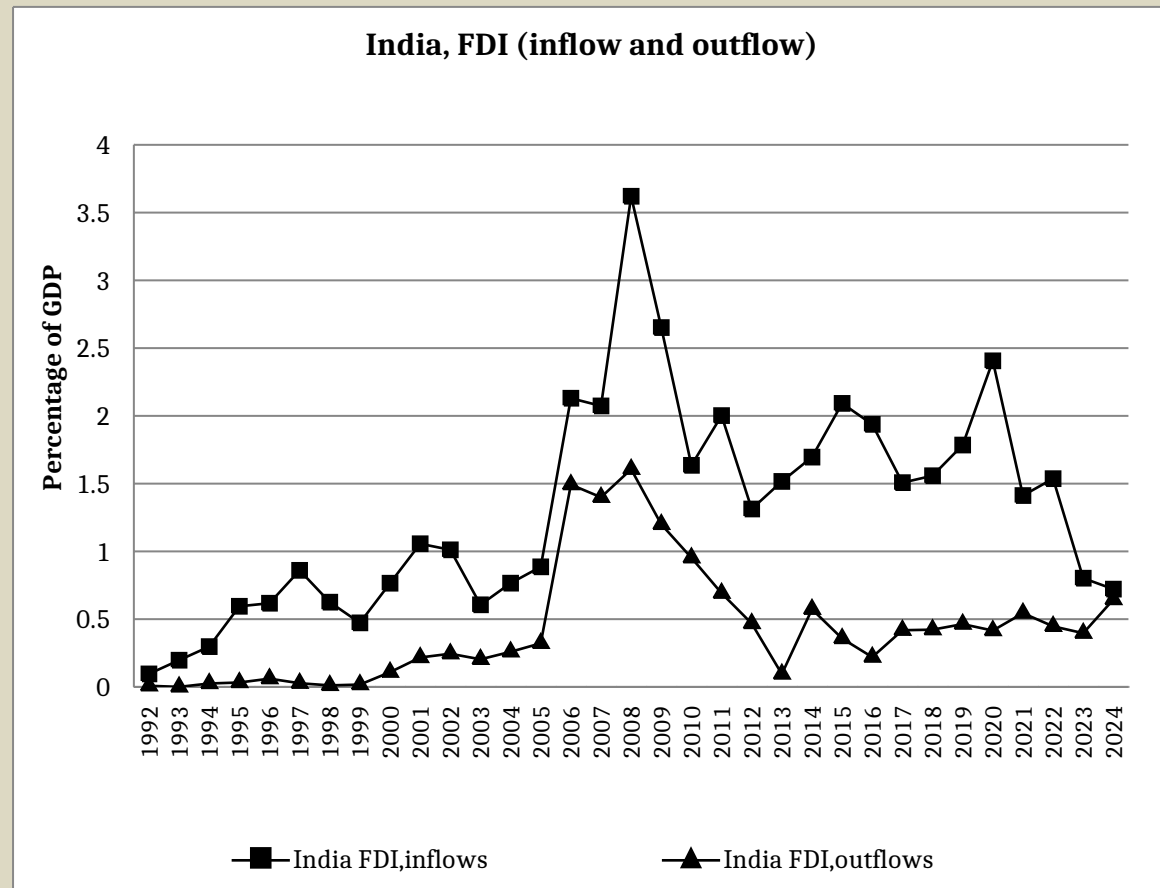
Overall, the macroeconomic indicators reveal substantial differences in the economic performances and investment potential of India and five Central Asian countries.

2.3. Foreign Direct Investment (FDI) Inflows and Outflows

Foreign Direct Investments (FDI) inflows and outflows represents the FDI entering and leaving a country, reflecting its integration with the global economy and playing a crucial

role in promoting economic growth, technology transfer, employment opportunities and international competitiveness.

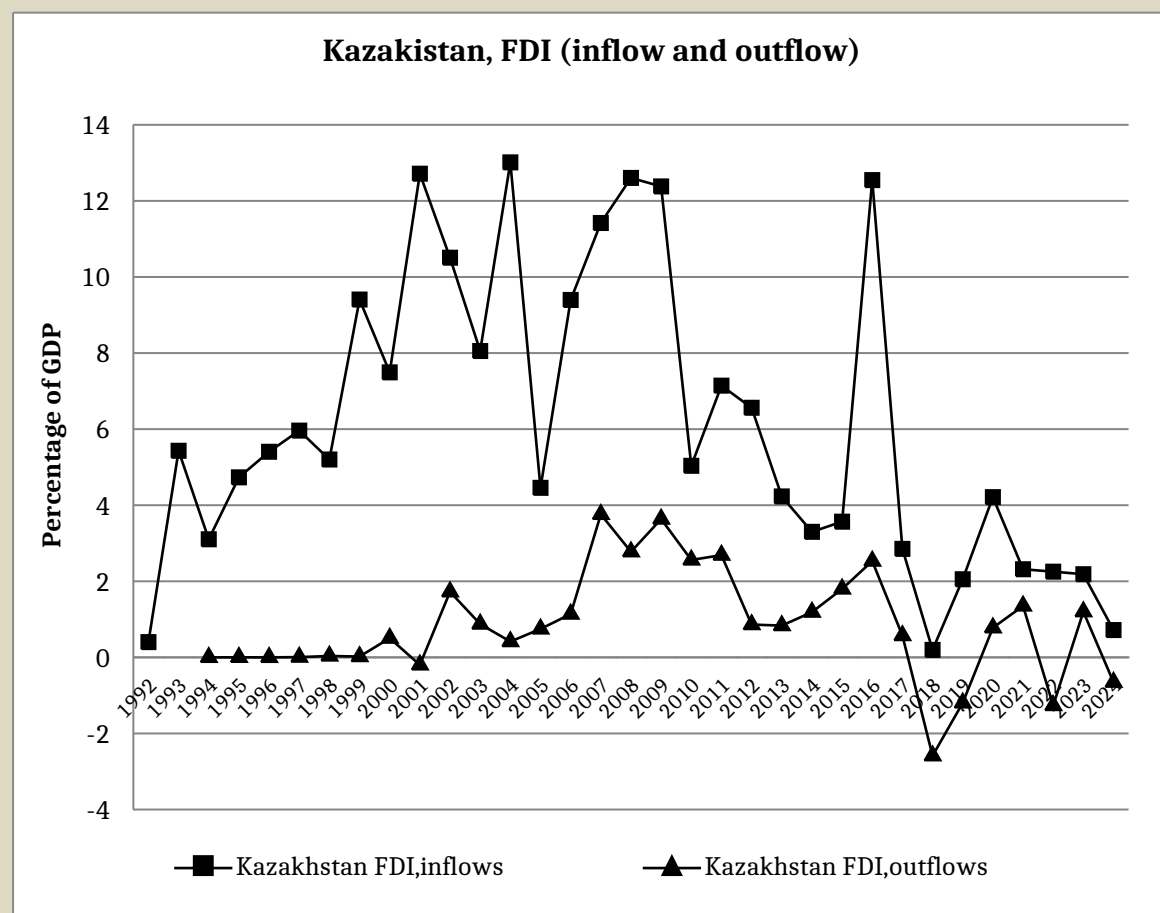
Figure 2.1. Foreign Direct Investment (FDI) Inflows and Outflows of India



Source: World Development Indicators

India's FDI inflows remained relatively modest (Figure 2.1) during the 1990s but began to rise steadily after the adoption of economic reforms in 1991. A significant increase in FDI was found around 2008 reflecting increasing confidence of investors in the Indian economy. Although following the global financial crisis, the FDI inflows declines, the recovery started during the 2010s and remained stable between 1.5 and 3 percent of GDP. FDI outflows were negligible during the early years but gradually increased after 2005, signifying the growing international expansion of Indian firms. Importantly, the FDI outflows remained lower than the FDI inflows, suggesting that India has continued to be the net recipient of foreign direct investment throughout the period.

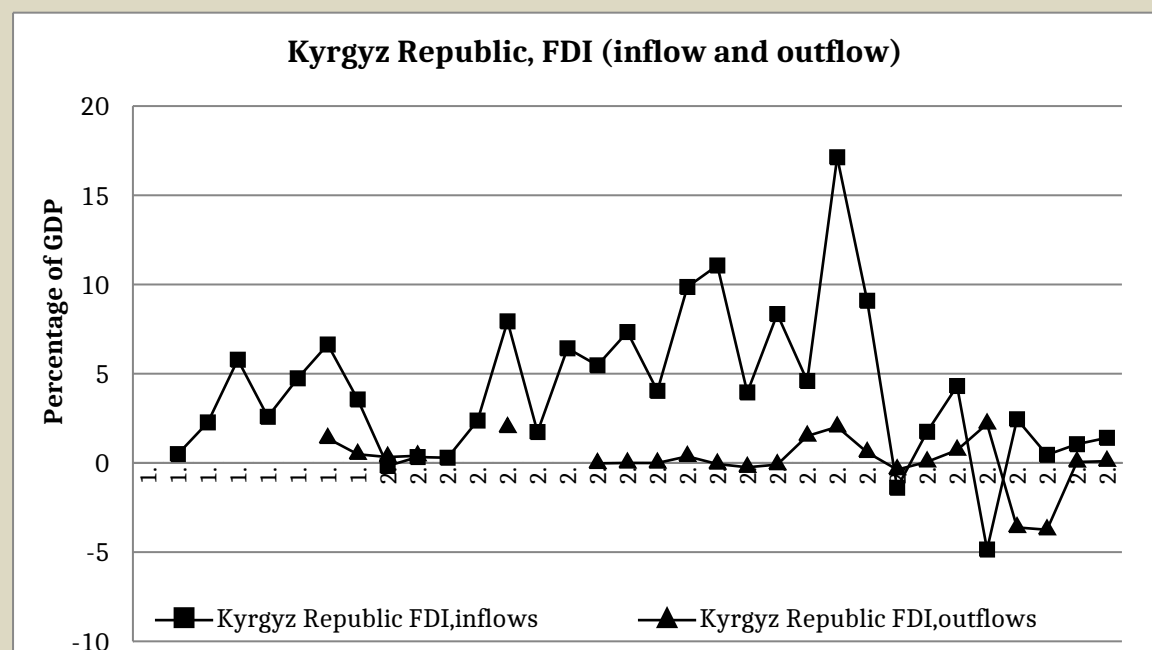
Figure 2.2. Foreign Direct Investment (FDI) Inflows and Outflows of Kazakhstan



Source: World Development Indicators

Kazakhstan exhibits the highest volatility and had the highest level of FDI inflows. Following Independence, FDI inflows increased rapidly during the late 1990s and early 2000s, largely driven by investment in the oil, gas and mining sectors (). The peaks of FDI exceeding 10 percent of GDP indicate that the country's strong dependence on foreign capital for resource development. However, inflows fluctuated considerably over time. On the other hand, FDI outflows remains relatively low throughout the period, although it shows some signs of increase after 2010. The persistent gap between FDI inflows and outflows highlights Kazakhstan's continued reliance on foreign investment to support economic growth.

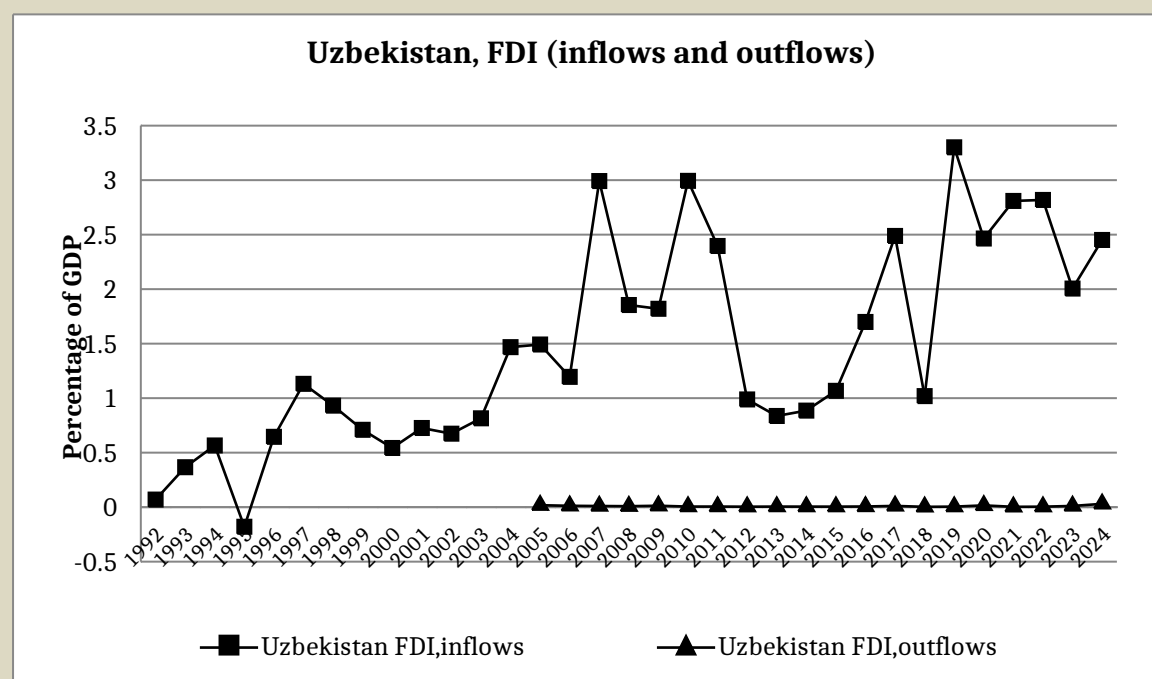
Figure 2.3. Foreign Direct Investment (FDI) Inflows and Outflows of Kyrgyzstan



Source World Development Indicators

Kyrgyzstan displays moderate but fluctuating FDI inflows since 1992. FDI inflows generally ranged between 2 and 8 percent of GDP, with the occasional sharp increase. On the other hand, FDI outflows remained very low throughout the period, reflecting the limited overseas investment capacity of the domestic firms.

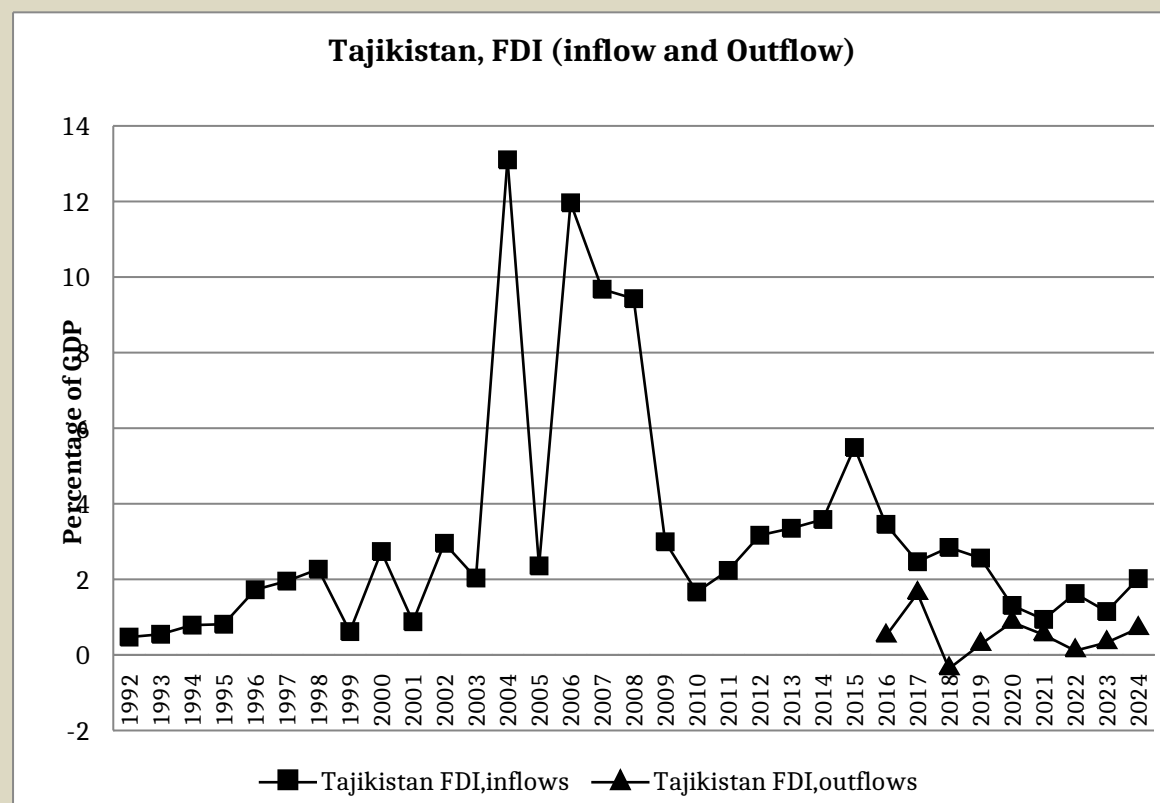
Figure 2.4. Foreign Direct Investment (FDI) Inflows and Outflows of Uzbekistan



Source: World Development Indicators

Uzbekistan experienced relatively low and stable FDI inflows during the 1990s and early 2000s. It was found that throughout 1990s and early 2000s, FDI inflows remained below 1 percent of GDP. But beginning 2005, FDI inflows increased to around 3 percent of GDP largely in the sectors of energy, mining and telecommunications, On the other hand, the FDI outflows remained negligible throughout the period.

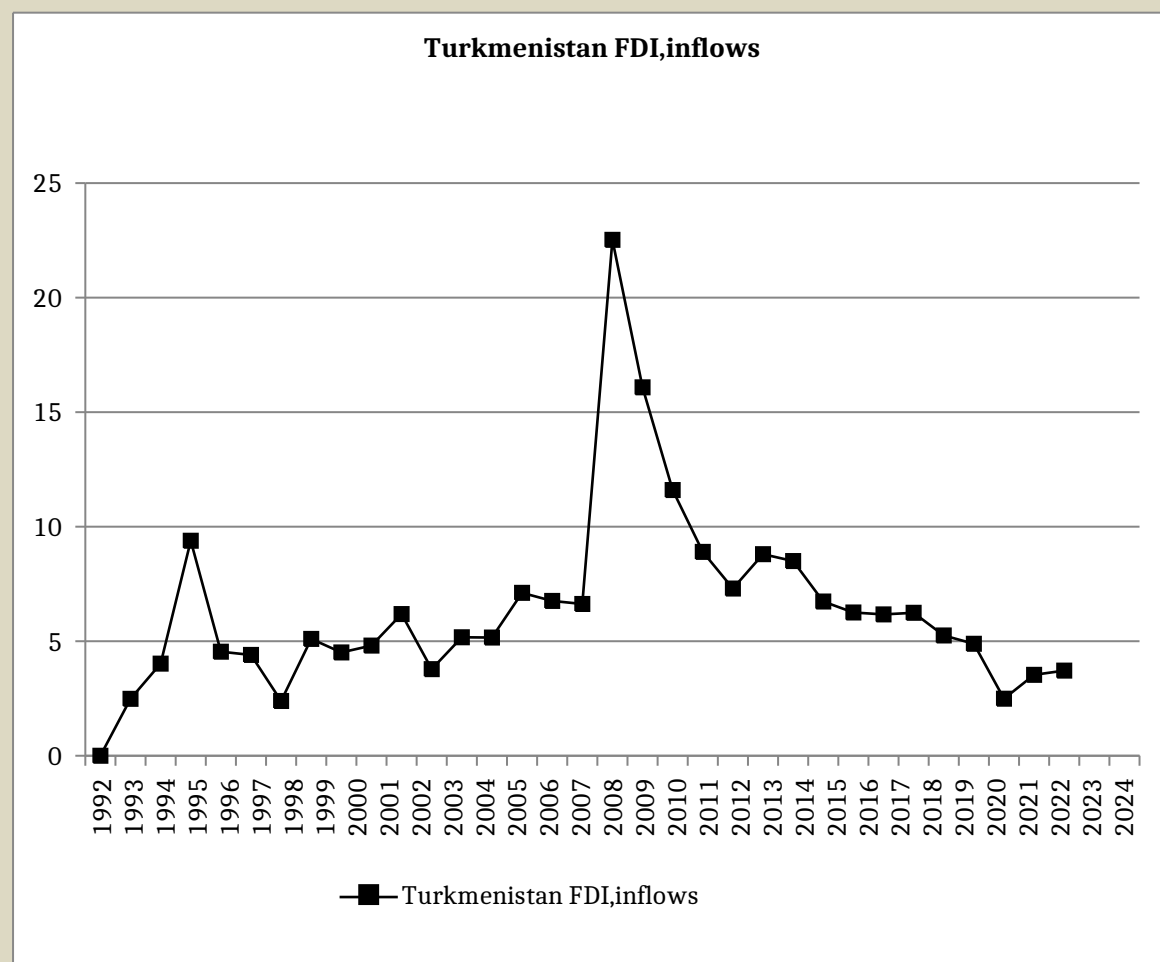
Figure 2.5. Foreign Direct Investment (FDI) Inflows and Outflows of Tajikistan



Source: World Development Indicators

Figure 2.5 shows that Tajikistan's FDI inflows have been highly volatile over the period 1992-2024. During the 1990s, FDI inflows remained relatively modest, generally below 3 percent of GDP indicating the country's transition from a centrally planned economy. However, the FDI inflows peaked at around 13 percent of GDP in 2004, followed by another substantial increase in 2006-2008. But after 2008, FDI inflows declined sharply and fluctuate between 1 and 4 percent of GDP. On the other hand, FDI outflows remained negligible throughout the entire period, with small increase around 2016-2024.

Figure 2.6. Foreign Direct Investment (FDI) Inflows and Outflows of Turkmenistan



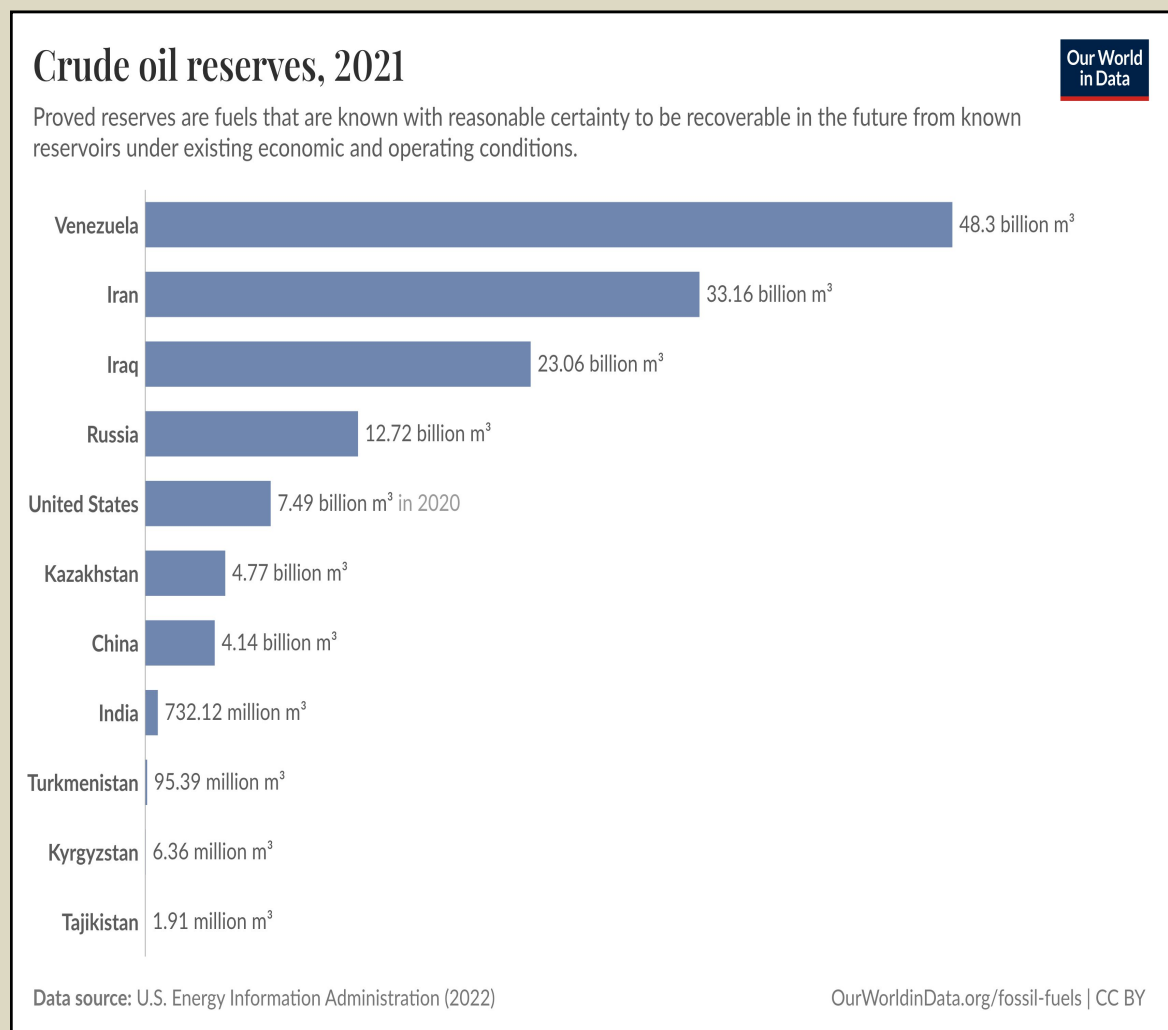
Source: World Development Indicators

Turkmenistan's FDI inflows demonstrate a pattern characterized by generally moderate levels, of interrupted by exceptionally large spike. During the 1990s and early 2000s FDI inflows remains relatively low to below 5 percent of GDP. But around 2011, FDI surged to nearly 20 percent of GDP associated with large-scale investments in the natural gas sector and energy-related infrastructure. Following that FDI inflows declined steadily to stabilize at a much lower level during the late 2010s and 2020s.

2.4. Natural Resources in India and Five Central Asian Countries

Natural resources are the gifts of nature that provides raw material and energy sources required for agriculture, industry, transportation and overall economic development. They include both renewable resources such as forests, water, solar energy, and wind; and non-renewable resources such as coal, petroleum, natural gas and minerals.

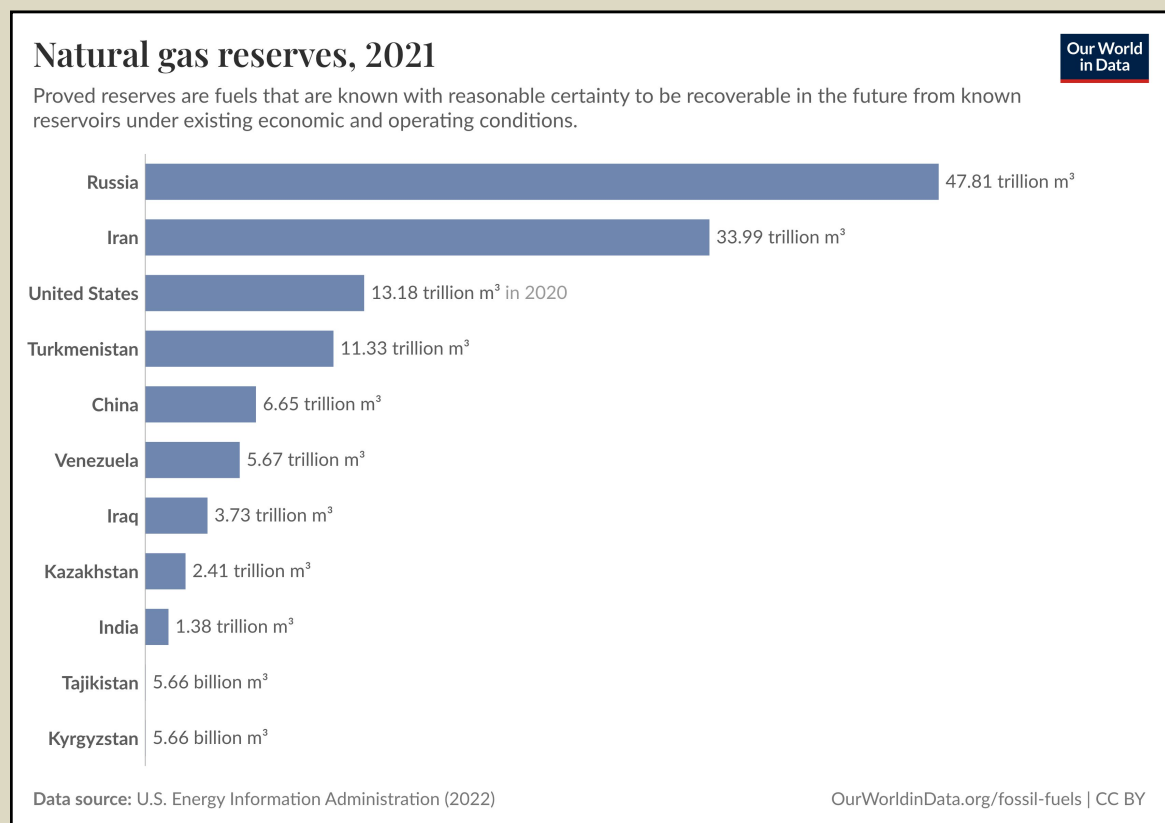
Figure 2.7. Crude Oil Reserves in Selected Countries



Source: Our World in Data, downloaded on July 12, 2026.

Figure 2.7 compares the Crude oil reserves of selected countries in 2021, highlighting both the world's largest oil reserves holder and position of India and the Central Asian countries. Venezuela have the largest crude oil reserves, estimated at 48.3 billion m³, followed by Iran with 33.16 billion m³ and Iraq with 23.06 billion m³. Russia has around 12.72 billion m³ reserves of crude oil. Amongst the Central Asian countries, Kazakhstan holds 4.77 billion m³ whereas Turkmenistan has 95.39 million m³, Kyrgyzstan has 6.36 million m³ and Tajikistan had 1.91 million m³. India has the modest crude oil reserves of 732 million m³. Overall, it is evident that Kazakhstan is the principal oil-rich economy in Central Asia.

Figure 2.8. Natural Gas Reserves in Selected Countries

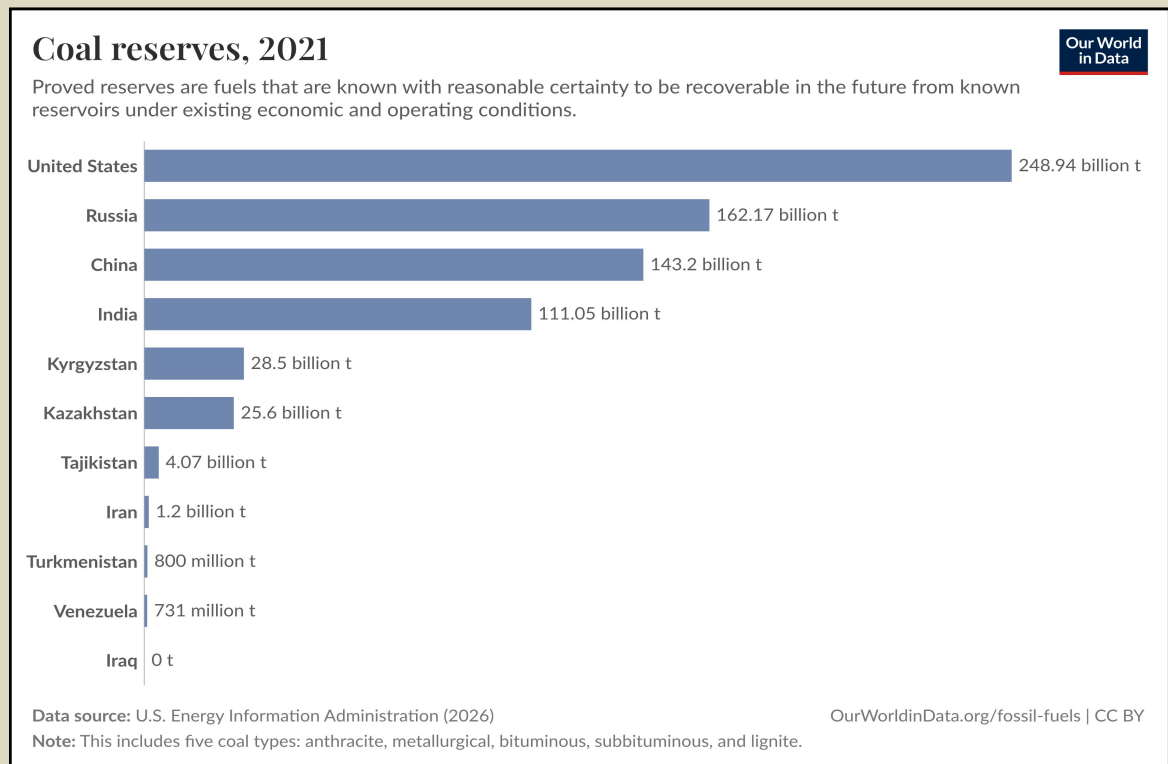


Source: Our World in data, downloaded on July 12, 2026.

Figure 2.8 presents the natural gas reserves of selected countries in 2021 and shows the distribution of natural oil reserves. Russia is found to possess the world's largest natural gas reserves at approx. 47.81 trillion m³, followed by Iran with 33.99 trillion m³. Among the Central Asian countries, Turkmenistan has 11.33 trillion m³ of natural gas reserves while Kazakhstan has the moderate reserves of 2.41 trillion m³. The abundant natural gas resources at Turkmenistan provide it a considerable export potential and strategic importance in regional and international energy markets.

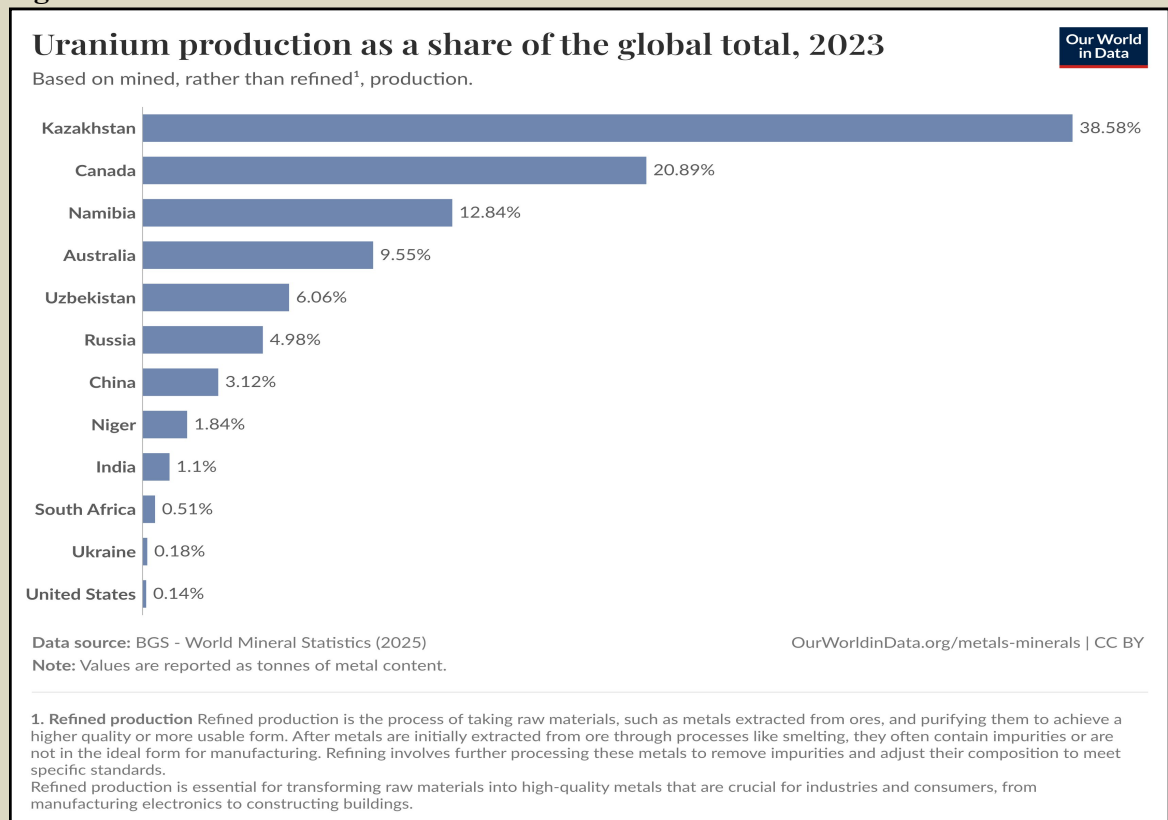
Figure 2.9 compares coal reserves of selected countries in 2021, highlighting India and Central Asia position relative to the world's major coal producers. The United States has the largest coal reserves, followed by Russia and China; India has 111.05 billion tonnes of coal. Amongst the Central Asian countries, Kyrgyzstan and Kazakhstan have largest coal reserves.

Figure 2.9. Coal Reserves in Selected Countries



Source: Our world in data, downloaded on July 12, 2026.

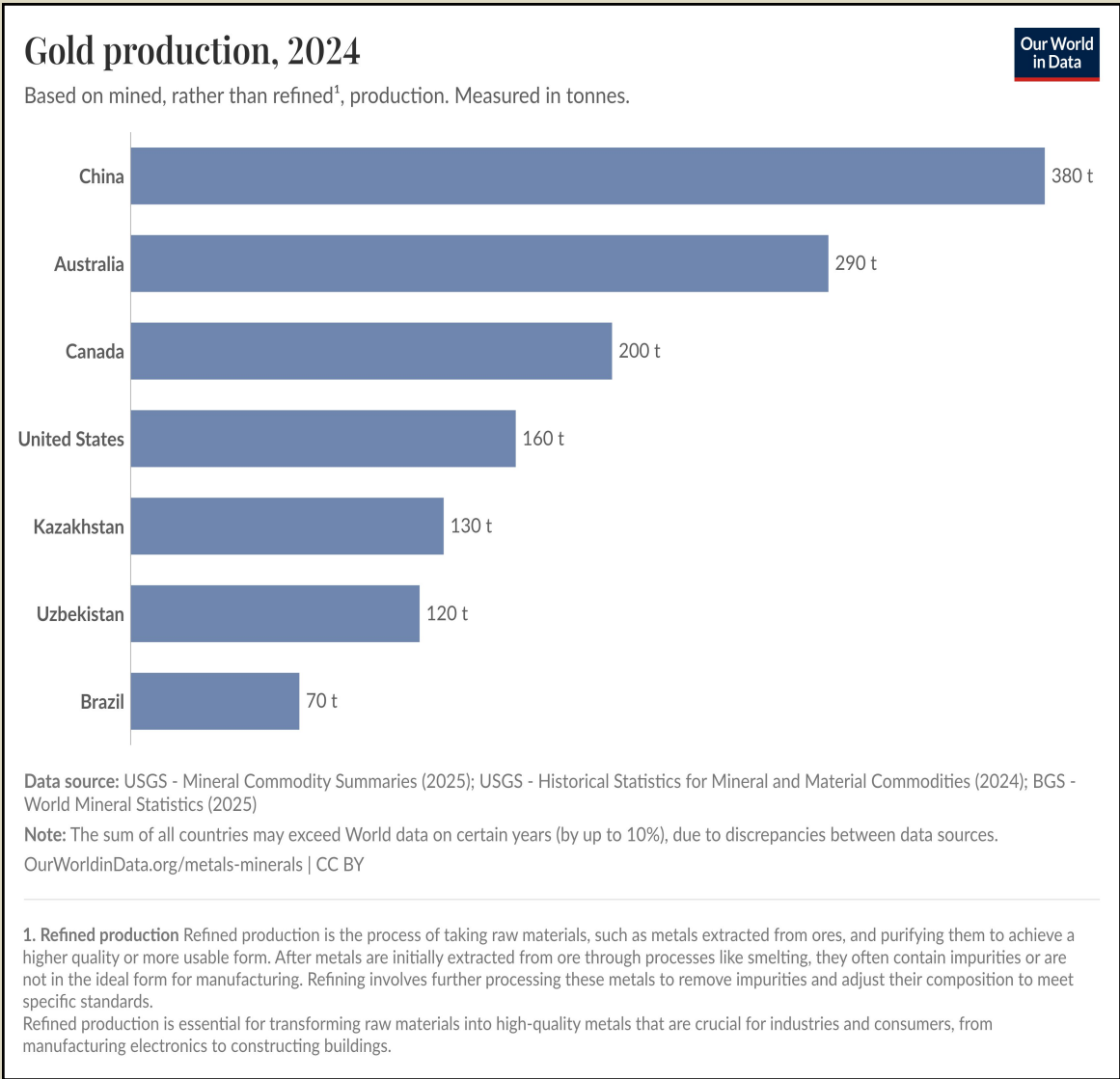
Figure 2.10. Uranium in Selected Countries



Source: Our world in data, downloaded on July 12, 2026.

Figure 2.10 illustrates the distribution of global uranium production for the year 2023, and showed that Kazakhstan dominates global uranium production, while Canada, Namibia, Australia and Uzbekistan follows. It is thus evident that Kazakhstan and Uzbekistan have the strategic importance in the global uranium market.

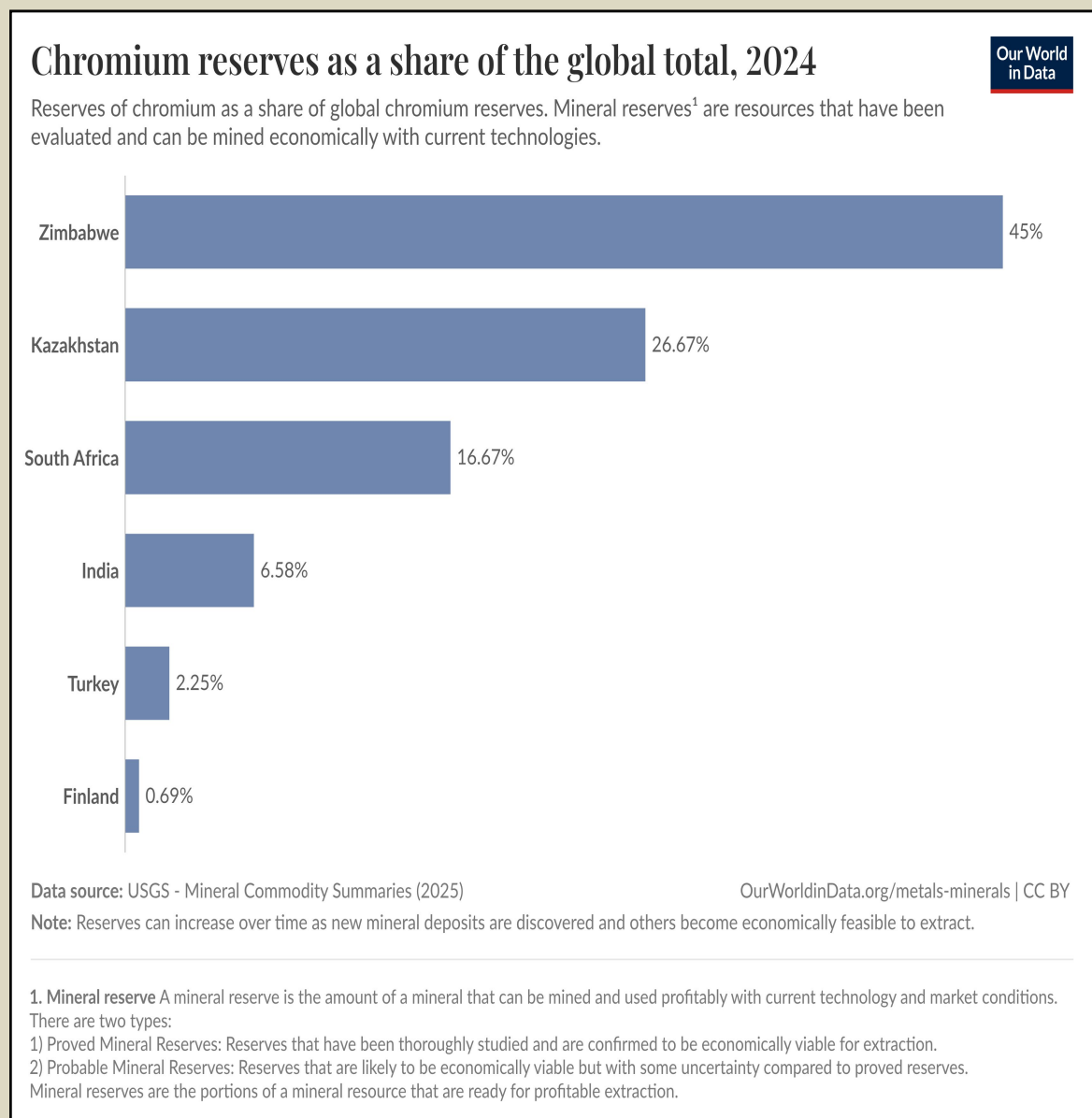
Table 2.11. Gold Production in Selected Countries



Source: Our world in data, retrieve on 12 July 2026.

Figure 2.11 compares gold production across major gold producing countries in 2024. It is found that China produced approximately 380 tonnes of gold, while Australia produced 290 tonnes, followed by Canada. Among the Central Asian countries, Kazakhstan and Uzbekistan produced 130 tonnes and 120 tonnes respectively. The figure highlights the importance of gold mining in resource rich economies of the world.

Figure 2.12. Chromium reserves in Selected Countries



Source: Our world in data, retrieve on 12 July 2026

Figure 2.12 illustrates the distribution of global chromium reserves, accounting for nearly 70 percent of the world's total. Kazakhstan have about 18 percent of the chromium reserves while India have roughly 6 percent of global reserves. The figure demonstrates the high concentrated nature of global chromium resources. It is important to highlight Zimbabwe's greater share in the global supply of chromium, which is a critical mineral used in the stainless steel production and other industrial applications.

2.5. Conclusion

The comparative assessment of economic structures reveals considerable diversity between India and the five Central Asian economies. India has emerged as a large service-oriented economy supported by sustained economic growth, stable macroeconomic conditions and relatively high domestic investment. In contrast, the Central Asian countries display varied development patterns depending upon their natural resource endowments and stages of structural transformation. Kazakhstan and Turkmenistan derive significant economic strength from hydrocarbons and mineral resources, while Uzbekistan has developed a comparatively stronger manufacturing base. Tajikistan remains relatively agriculture-oriented, while Kyrgyzstan exhibits a balanced but smaller economic structure. The analysis of FDI trends further indicates that resource-rich economies have attracted substantial foreign investment, particularly in mining and energy sectors, although inflows remain volatile. The abundance of oil, natural gas, uranium, gold and other critical minerals highlights the strategic importance of Central Asia for India's long-term energy security and industrial development. Overall the economic complementarity between India's manufacturing and services capabilities and Central Asia's resource base create substantial opportunities for mutually beneficial economic cooperation.

Chapter 3

India and Five Central Asian Countries: Trade Relations

3.1 Introduction

International trade plays a crucial role in promoting economic growth by enabling countries to procure the commodities that are not produced locally, while export the ones in abundance. According to Ricardo (1817), specialization based on comparative advantage increases global production, improves resource allocation, and raises welfare in all trading countries. Further, Eli Heckscher (1919) and Bertil Ohlin (1933) explained trade through differences in factor endowments, with countries exporting goods that use abundant available factor of production and imports goods that require scarce resources.

The exports lead to the inflow of income, while imports are done for the exchange of money. Over time, countries want to increase inflow of income through increasing the comparative advantage in certain specialized products and tasks. Through specialization, nations can utilize their resources more efficiently, increase productivity, and achieve higher levels of output. Trade is found to expand the market access beyond domestic boundaries, allowing firms to benefit from economies of scale, reduce production costs and improve their competitiveness in global markets. Overall, trade is expected to increase income, increase employment opportunities, and sustained economic development.

Trade also facilitates the transfer of technology, knowledge and innovation across countries (Grossman and Helpman, 1991, Keller, 2004). Imports of advanced machinery, capital goods and intermediate inputs enhance the productive capacity of domestic industries, while exposure to international competition encourages firms to adopt modern technologies and improve product quality.

3.2 Trade Relations of India with Five Central Asian countries

In this section, the trade relation of India with Five Central Asian countries is explored at the aggregate level to understand the broad picture. Table 3.1 shows the total amount of trade of India with the Five Central Asian countries.

Table 3.1 India trade with Central Asia (Aggregated)

Country	India' Export		India's Imports	
	2024-25	2025-26	2024-25	2025-26
Kazakhstan	262.98	185.23	86.19	81.65
Kyrgyzstan	46.26	44.56	7.43	13.89
Tajikistan	45.68	58.12	0.00	0.79
Turkmenistan	54.16	91.86	162.02	186.30
Uzbekistan	517.72	657.91	14.69	14.64
Total (Central Asia)	926.81	1037.69	270.34	297.28
India's Total	437,704.58	441,745.86	721,200.22	776,013.65
Percentage share of Five Central Asian Countries	0.21	0.23	0.037	0.038

Note: 1. The values are in US\$.

2. Data retrieve on July 13, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.1 presents the quantum of India's exports and imports with the five Central Asian countries for the recent years 2024-25 and 2025-26. It is found that India's trade with the region remains relatively limited when compared with the overall global trade. India's total exports to five Central Asian countries increased from US\$ 926.81 million in 2024-25 to US\$ 1037.69 million in 2025-26, reflecting an overall expansion of export activity. Likewise imports from the region increase from US\$ 270.34 million to US\$ 297.28 million, indicating a gradual strengthening of bilateral trade relations. Despite the increase, the five Central Asian countries together accounted for only 0.21 percent and 0.23 percent of India's total exports and 0.037 percent and 0.038 percent of India's total imports during the two years, signifying the marginal role of the region in India's overall trade basket.

Among the five countries, Uzbekistan emerged as the India's largest export destination with exports increasingly significantly from US\$517.72 million in 2024-25 to US\$ 657.91 million in 2025-26. This was followed by Kazakhstan with the exports of US\$ 185.23 million for the year 2025-26. Exports to Turkmenistan also increased marginally from US\$ 54.16 million to US\$ 91.86 million, while the exports to Tajikistan and Kyrgyzstan remained comparatively small, at US\$ 58.12 million and US\$ 44.56 million in 2025-26.

On the imports side, Turkmenistan remained India's principal source of imports among the Central Asian countries, with imports increasing from US\$ 162.02 million in 2024-25

to US\$ 186.30 million in 2025-26. Kazakhstan followed with the imports of US\$ 81.65 million. Imports from Kyrgyzstan almost doubled from US\$ 7.43 million to US\$ 13.89 million whereas imports from Tajikistan increased marginally from virtually zero to US\$0.79 million. Imports from Uzbekistan remained relatively stable at around US\$ 14.6 million over both years.

Overall, it is found that although India's trade with the five Central Asian countries has shown a positive upward trend, particularly in exports to Uzbekistan and imports from Turkmenistan, the region continues to account for only a very small share of India's total international trade.

Following tables gives the disaggregated account of the imports and exports to/ from India to the five Central Asian countries.

3.3 Trade relations of India and Central Asian Countries (Two digit level)

In this section, the imports and exports of India with the five individual Central Asian countries are presented and discussed to understand the structure and nature of trade.

Table 3.2 presents the composition of India's exports to Kazakhstan at the two-digit HS level for the years 2024-25 and 2025-26. It is found that India's exports to Kazakhstan are diversified. Pharmaceutical products dominate the export basket, although their value declined from US\$92.73 million in 2024-25 to US\$86.14 million in 2025-26. Exports of vehicles other than railways recorded a remarkable increase, from US\$4.31 million in 2024-25 to US\$19.83 million in 2025-26. Other exports items from India to Kazakhstan include nuclear reactors, boilers and machinery and electrical machinery. In contrast, exports of optical, photographic and cinematographic instruments, tools and cutlery, articles of iron and steel, and inorganic chemicals, plastics, ceramic products, paper and paperboard, footwear, tanning extracts and fish products accounts a relatively small shares in India's exports to Kazakhstan. Overall, India's exports to Kazakhstan decreased substantially from US\$262.98 million in 2024-25 to US\$185.23 million in 2025-26, indicating a contraction in bilateral trade despite improvement in exports of few categories.

Table 3.2 India's Export to Kazakhstan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	30	Pharmaceutical products	92.73	86.14
2	87	Vehicles other than railways	4.31	19.83
3	84	Nuclear Reactors	17.65	13.63
4	90	Optical, Photographic and Cinematographic	7.80	11.08
5	85	Electrical Machinery and Equipment	89.76	6.38
6	29	Organic Chemicals	6.36	5.89
7	82	Tools implements, cutlery	2.60	3.86
8	40	Rubber and articles thereof.	4.11	3.58
9	21	Miscellaneous Edible Preparations	2.76	3.46
10	73	Articles of Iron and Steel	1.57	3.40
11	39	Plastic and articles thereof.	2.01	1.48
12	69	Ceramic Products	3.00	1.19
13	28	Inorganic chemicals	0.42	1.15
14	38	Miscellaneous Chemicals	1.04	1.06
15	33	Essential oils and resinoids	1.47	1.02
16	96	Miscellaneous manufactured articles	1.90	0.99
17	62	Articles of Apparel and Clothing accessories	0.81	0.97
18	20	Preparations of vegetables, fruits and others	0.91	0.79
19	34	Soap, organic surface-active agents	0.47	0.75
20	48	Paper and paperboard	1.19	0.63
21	64	Footwear	0.53	0.59
22	70	Glass and glassware	0.17	0.57
23	13	Lac, Gum, and other vegetable saps and extracts	0.21	0.50
24	32	Tanning or Dyeing extracts	1.06	0.49
25	03	Fish and others	0.14	0.46
		Others	7.94	4.46
		Total	262.98	185.23

Note: 1. The exports data are arranged in the descending order for 25 two-digit commodities as per the values of exports for the year 2025-26.

2. The values are in US\$.

3. Data retrieve on July 13, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.3 India's import from Kazakhstan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	71	Natural or Cultured pearls, precious or semiprecious stones	34.03	67.55
2	25	Salt, Sulfur, earths and stones, lime and cement	12.66	5.96
3	98	Project goods, some special uses	0.00	3.34
4	41	Raw hides and skins and leather	1.42	1.32
5	28	Inorganic chemicals, organic or inorganic compounds	6.74	0.82
6	72	Iron and Steel	2.17	0.69
7	13	Lac, Gums, Resins and other vegetable extracts	0.56	0.38
8	11	Products of the milling industry, malt, starches, wheat gluten	0.33	0.32
9	81	Other base metals	0.76	0.28
10	39	Plastic and articles thereof	0.01	0.27
11	05	Products of animal origin	0.04	0.22
12	90	Optical, photographic cinematographic	0.75	0.13
13	85	Electric machinery and equipment and parts	0.32	0.13
14	75	Nickel and articles thereof	0.00	0.09
15	30	Pharmaceutical products	0.01	0.05
16	33	Nuclear reactors, boilers, machinery and mechanical appliances	0.14	0.04
17	95	Toys, Games and Sports Requisites, parts and accessories	0.02	0.02
18	08	Edible Fruits and nuts	0.00	0.02
19	86	Railways or Tramway locomotives	0.00	0.01
20	40	Rubber and articles thereof	0.00	0.01
		Others	26.23	0.00
		Total	86.19	81.65

Note: 1. The import data are arranged in the descending order for the major two digit commodities as per the values of imports for the year 2025-26.

2. The values are in US\$.

3. Data retrieve on July 13, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.3 illustrates India's imports from Kazakhstan at the two-digit HS level for the same period. The import basket is considerably more concentrated than exports and is dominated by natural resource based products. Natural or cultured pearls and precious or semi-precious stones is the largest import category followed by salt, sulphur, earths, stones, lime and cement. Imports of iron and steel increased from US\$ 1.40 million to US\$ 3.34 million, while inorganic chemicals declines slightly to US\$ 5.82 million. Other import items include railway locomotive and plastics and rubber products.

Overall, the trade relations between India and Kazakhstan are characterized by complementary structure. India's exports largely consists of manufactured and value added products like pharmaceuticals, engineering goods, apparel, machinery, chemicals,

and processed foods products. In contrast, primary commodities and natural resource-based products like precious stones, minerals, chemicals, and metals, due to its comparative advantage in natural resources, dominate India's imports from Kazakhstan. Although the bilateral trade remains modest in absolute terms, the changing composition of exports and imports signals towards diversification.

Table 3.4 India's Export to Kyrgyzstan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	30	Pharmaceuticals	18.51	17.68
2	62	Articles of Apparel and Clothing Accessories, not knitted or crocheted	6.71	6.08
3	29	Organic Chemicals	3.38	5.92
4	61	Articles of Apparel and Clothing Accessories, knitted or crocheted	3.13	3.12
5	02	Meat and Edible Metal Offal	1.06	1.78
6	71	Natural or Cultured Pearls, precious or semi-precious stones	0.28	1.72
7	90	Optical, Photographic Cinematographic measuring	2.04	1.63
8	57	Carpets and other textile floor coverings	1.37	1.49
9	87	Vehicles other than Railway or Tramway Rolling Stock	0.16	0.82
10	21	Miscellaneous Edible Preparations	0.41	0.53
11	42	Articles of Leather, Saddlery and Harness, Travel Goods	0.57	0.49
12	73	Articles of Iron or Steel	0.31	0.48
13	64	Footwear, Gaiters and the Like	0.01	0.45
14	34	Soap, Organic Surface- active agents, washing preparations	0.69	0.37
15	69	Ceramic Products	1.10	0.26
16	32	Tanning of Dyeing Extracts, Tanning and Deri, Dyes, Pigmentation	0.02	0.19
17	96	Miscellaneous Manufactured Articles	0.07	0.17
18	33	Essential oils and resinoids, perfumery, cosmetic or toilet preparations	0.40	0.16
19	09	Coffee, Tea, mate and Spices	0.55	0.15
20	84	Nuclear Reactors, Boilers, Machinery and Mechanical Appliances	0.67	0.14
21	68	Articles of Stone, Plaster, Cement, Asbestos, Mica	0.25	0.14
22	08	Edible Fruit and Nuts	0.06	0.14
23	85	Electrical Machinery and Equipment and parts	0.63	0.13
24	74	Copper and articles thereof	0.06	0.06
25	28	Inorganic Chemicals, Organic or inorganic components of precious metals	0.05	0.06
		Others	3.77	0.40
		Total	46.26	44.56

Note: 1. The exports data are arranged in the descending order for the 25 two digit commodities as per the values of exports for the year 2025-26.

2. The values are in US\$.

3. Data retrieve on July 14, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.4 presents the major commodities exported by India to Kyrgyzstan at the two-digit HS level for the years 2024-25 and 2025-26. The export structure demonstrates India's strength in supplying manufactured pharmaceutical, chemical and consumer goods to Kyrgyz market. Pharmaceutical products remained the largest export item with US\$ 6.08 million in 2025-26, reflecting the continued importance of India's pharmaceutical industry in meeting Kyrgyzstan's healthcare requirements. Articles of apparel and clothing accessories emerged as the next important export category indicating the growing demand for Indian textiles and garment products. Exports of organic chemicals, meat and edible meat offal, apart from vehicles and transport equipment are other important export items from India to Kyrgyzstan. The total export of the top 25 commodity groups increased slightly from US\$ 41.62 million in 2024-25 to US\$ 42.40 million in 2025-26, indicating a stable and gradually expanding bilateral trade.

Table 3.5 India's Imports from Kyrgyzstan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	88	Aircraft, Spacecraft and parts thereof	2.45	6.14
2	71	Natural or Cultured pearls, previous or semiprecious stones	1.18	5.43
3	07	Edible vegetables and certain roots and tubers	2.85	1.60
4	13	Lac, Gums, Resins and other vegetable saps and extracts	0.81	0.51
5	85	Electrical Machinery and Equipment and parts thereof.	0.00	0.15
6	30	Pharmaceutical products	0.01	0.05
7	90	Optical, photographic cinematographic measuring, checking	0.11	0.00
8		Others	0.02	0.01

Note: 1. The imports data are arranged in the descending order for the major two digit commodities as per the values of imports for the year 2025-26.

2. The values are in US\$.

3. Data retrieve on July 14, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.5 shows India's imports from Kyrgyzstan at the two-digit HS level. Unlike exports, India imports are concentrated in limited commodities, primarily agricultural and natural resource based products. Natural and cultured pearls and precious or semi-precious stones remained the largest import category, although the imports declined from US\$ 24.63 million in 2024-25 to US\$ 21.18 million in 2025-26. Other imports include edible vegetables and certain roots and tubers, lac, gums, resins and vegetable saps. Importantly, the products like electrical machinery and equipment increased from zero to

US\$0.15 million. Overall the import basket reflects Kyrgyzstan's comparative advantage in supplying minerals, gemstones and agricultural products, while the overall level of imports remain limited.

Overall, it is found that India's exports includes pharmaceuticals, apparel, chemicals, engineering goods while imports to India includes primary commodities. The modest increase in India's exports, together with the indications of diversification indicates the strengthening commercial engagement despite relatively small size of Kyrgyz market. Overall a huge potential for expansion of trade is clearly visible, that can be achieved through improved transport connectivity and enhanced business-to-business cooperation.

Table 3.6 India's Export to Tajikistan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	30	Pharmaceutical products	35.29	37.13
2	02	Meat and Edible Offal	0.17	7.36
3	17	Sugars and sugar confectionery	3.82	3.09
4	90	Optical, photographic cinematographic measuring	1.18	1.98
5	84	Nuclear reactors, boilers, machinery, mechanical app.	0.21	1.92
6	69	Ceramic Products	1.14	1.44
7	21	Miscellaneous Edible Preparations	1.22	1.04
8	10	Cereals	0.63	0.95
9	09	Coffee, Tea, mate and spices	0.31	0.52
10	73	Articles of Iron or Steel	0.00	0.48
11	85	Electric Machinery and Equipment	0.04	0.45
12	68	Articles of Stone, plaster, cement, asbestos	0.36	0.35
13	45	Paper and paperboard, articles of paper pulp	0.10	0.30
14	40	Rubber and articles thereof	0.37	0.25
15	29	Organic chemicals	0.09	0.15
16	54	Man-made filaments	0.17	0.10
17	33	Essential oils, resionoids, perfumery, cosmetic etc.	0.22	0.10
18	39	Plastic and articles thereof	0.03	0.08
19	07	Edible vegetables and certain roots and tubes	0.00	0.08
20	76	Aluminum and articles thereof.	0.01	0.07
21	11	Products of milling industry, malt, starches	0.03	0.07
22	38	Miscellaneous chemical products	0.12	0.05
23	62	Articles of Apparel and Clothing accessories, not knitted or crocheted	0.04	0.04
24	55	Man-made staple fibres	0.00	0.03
25	83	Miscellaneous articles of base metal	0.01	0.02
		Others	0.12	0.07
		Total	45.68	58.12

Note: 1. The exports data are arranged in the descending order for the 25 two digit commodities as per the values of exports for the year 2025-26.

2. The values are in US\$.

3. Data retrieve on July 14, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.6 presents India's major exports to Tajikistan at the two digit HS level for 2024-25 and 2025-26. The data reveal that India's exports are dominated by pharmaceuticals that increased from US\$ 35.29 million in 2024-25 to US\$ 37.13 million in 2025-26, accounting for a substantial share of India's exports to Tajikistan. Thus highlights India's comparative advantage in the pharmaceutical sector and its important role in meeting Tajikistan's healthcare needs. Among the remaining commodities, meat and edible meat offal, sugars and sugar confectionery are other important items of exports to Tajikistan. Overall, the total value of the top 25 exports commodities group increased significantly from US\$ 45.68 million in 2024-25 to US\$ 58.12 million in 2025-26, reflecting a robust expansion of India's exports to Tajikistan.

Table 3.7 India's Imports from Tajikistan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	13	Lac, Gums, Resins and other vegetable saps and extracts	0.00	0.79
2		Total	0.00	0.79

Note: 1. The imports data are arranged in the descending order for the major two digit commodities as per the values of imports for the year 2025-26.

2. The values are in US\$.

3. Data retrieve on July 14, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.7 presents India's imports from Tajikistan at the two-digit HS level. In contrast to exports, India's imports from Tajikistan remain limited and concentrated in a single commodity groups. During 2024-25, India did not record any significant imports from the major commodity categories. However in 2025-26, imports of lac, gums, resins and other vegetable saps and extracts amounted to US\$0.79 million, making it the only significant import item from Tajikistan.

Overall, the trade relation of India and Tajikistan demonstrates a highly asymmetric trade structure, with India's exports substantially exceeding its imports. India's exports basket is broad and diversified, comprising of pharmaceuticals, processed food products, engineering goods, machinery, chemicals, ceramics, and consumer products, reflecting India's strong manufacturing capabilities and technological competitiveness. On the other hand, India's imports from Tajikistan remained extremely small and concentrated in a single commodity groups, suggesting limited production complementarities and relatively weak integration of Tajikistan into India's supply chain.

Table 3.8 India's Export to Turkmenistan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	02	Meat and Edible Offal	2.05	37.94
2	30	Pharmaceutical products	30.91	30.65
3	84	Nuclear Reactors, Boilers, Machinery and Mechanical Appliances	8.59	7.02
4	29	Organic Chemicals	2.65	4.42
5	17	Sugars and Sugar Confectionery	3.91	3.23
6	85	Electrical Machinery and Equipment and parts thereof	1.25	2.50
7	21	Miscellaneous Edible Preparations	0.64	1.11
8	69	Ceramic Products	0.26	1.05
9	83	Miscellaneous Articles of Base Metal	0.00	0.79
10	40	Rubber and articles thereof.	1.20	0.61
11	90	Optical, photographic cinematographic measuring	0.52	0.40
12	39	Plastic and articles thereof.	0.04	0.34
13	38	Miscellaneous chemical products.	0.12	0.26
14	68	Articles of stone, plaster, cement, asbestos, mica and similar materials	0.23	0.21
15	73	Articles of iron and steel	0.08	0.15
16	54	Man-made filament	0.07	0.15
17	28	Inorganic chemicals, organic or inorganic compounds	0.61	0.15
18	96	Miscellaneous Manufactured articles	0.06	0.13
19	10	Cereals	0.21	0.12
20	04	Dairy products, birds eggs, natural honey, edible products of animal origin	0.00	0.09
21	48	Paper and paperboard, articles of paper pulp	0.03	0.08
22	33	Essential oils and resinoids, perfumery, cosmetic or toilet preparations	0.10	0.08
23	23	Residues and waste from the food industry	0.01	0.07
24	32	Tanning or Dyeing Extracts	0.05	0.06
25	76	Aluminum and articles thereof.	0.21	0.05
		Others	0.36	0.16
		Total	54.16	91.86

Note: 1. The exports data are arranged in the descending order for the 25 two digit commodities as per the values of exports for the year 2025-26.

2. The values are in US\$.

3. Data retrieve on July 14, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.8 presents India's major exports to Turkmenistan at the two-digit HS level for 2024-25 and 2025-26. The data indicates a significant expansion in India's exports, with the total value of the top 25 commodity groups increasing from US\$ 54.16 million in 2024-25 to US\$ 91.86 million in 2025-26. The most remarkable change was observed in meat and edible offal, which emerged as the largest export item, increasing from US\$ 2.05 million to US\$ 37.94 million. This sharp rise suggests a substantial increase in Turkmenistan's demand for Indian agricultural and food products and represents the primary factor behind the overall growth in exports. Pharmaceutical products remained

the second largest export category apart from the several engineering and industrial goods. Exports of organic chemicals, electrical machinery and equipment, miscellaneous edible preparations, ceramic products, plastic articles, miscellaneous chemical products along with nuclear reactors composed India's exports to Turkmenistan. Overall the exports composition demonstrates India's comparative advantage in pharmaceuticals, processed food products, chemicals, engineering goods, and manufactured products, while the substantial rise in food exports reflects changing consumption patterns and expanding commercial opportunities in Turkmenistan.

Table 3.9 India's Imports from Turkmenistan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	31	Fertilizers	156.29	167.56
2	27	Mineral fuel, mineral oils and products of their distillation	3.27	18.13
3	28	Inorganic chemicals, organic or inorganic	2.44	0.42
4	76	Aluminum and articles thereof.	0.00	0.12
5	84	Nuclear reactors, boilers, machinery and mechanical appliances	0.00	0.06
6		Others	0.02	0.01
7		Total	162.02	186.3

Note: 1. The imports data are arranged in the descending order for the major two digit commodities as per the values of imports for the year 2025-26.

2. The values are in US\$.

3. Data retrieve on July 14, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.9 presents India's imports from Turkmenistan at the two-digit HS level for the corresponding period. Unlike exports, India's imports are highly concentrated in a few resource-based commodities. Fertilizers remained the dominant import item, increasing from US\$156.29 million in 2024-25 to US\$167.56 million in 2025-26, reflecting Turkmenistan's strong comparative advantage in fertilizer production, supported by its abundant natural gas reserves, and highlights the importance of these imports for India's agricultural sector.

Overall, the trade relation of India and Turkmenistan reflects a complementary cooperation, wherein India's exports consists of manufactured products including pharmaceuticals, processed food, engineering goods, and machinery. Conversely, India's imports from Turkmenistan are heavily concentrated in resource-based commodities, particularly fertilizers and mineral fuels, which are closely linked to Turkmenistan's abundant hydrocarbon and natural gas resources. This pattern reflects the mutual beneficial nature of bilateral trade.

Table 3.10 India's Export to Uzbekistan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	02	Meat and Edible Meat Offal	97.23	306.98
2	30	Pharmaceutical products	104.97	115.14
3	08	Edible Fruit and Nuts, peel or citrus fruit or melons	55.25	84.74
4	84	Nuclear Reactors, boilers, machinery and mechanical appliances	46.32	38.64
5	32	Tanning or Dyeing extracts, tannins and their deri, Dyes	12.53	13.27
6	90	Optical, photographic cinematographic measuring	5.27	11.16
7	24	Tobacco and manufactured tobacco substitutes	7.28	10.31
8	87	Vehicles other than Railway or Tramway	81.46	8.81
9	09	Coffee, Tea, Mate and Spices	10.33	7.39
10	29	Organic Chemicals	4.26	6.61
11	85	Electrical Machinery and Equipment and parts thereof.	34.85	5.81
12	21	Miscellaneous Edible Preparations	308	5.16
13	73	Articles of Iron or Steel	4.83	3.95
14	33	Essential oils and resinoids, perfumery, cosmetic or toilet preparations	1.63	3.87
15	54	Man-made filaments	6.20	3.33
16	38	Miscellaneous Chemical Products	2.22	3.07
17	68	Articles of Stone, Plaster, Cement, Asbestos, Mica or Similar material	2.95	3.01
18	71	Natural or cultured pearls, precious or semi-precious stones	0.10	2.56
19	40	Rubber and articles thereof.	4.10	2.51
20	07	Edible vegetables and certain roots and tubes	0.53	2.45
21	28	Inorganic chemicals, organic or inorganic compounds of precious metals	1.36	1.84
22	20	Preparations of vegetables, fruits, nuts or other parts	0.00	1.68
23	96	Miscellaneous manufactured articles	1.35	1.56
24	76	Aluminum and articles thereof.	0.32	1.53
25	39	Plastic and articles thereof.	1.25	1.47
		Others	28.05	11.06
		Total	517.72	657.91

Note: 1. The exports data are arranged in the descending order for the 25 two digit commodities as per the values of exports for the year 2025-26.

2. The values are in US\$.

3. Data retrieve on July 14, 2026

Source: Department of Commerce, Ministry of Commerce and Industry, Government of India.

Table 3.10 presents India's exports to Uzbekistan at the two-digit HS code level for the years 2024-25 and 2025-26. The export basket is found to be highly concentrated in a few product categories, with mineral fuels, oils and petroleum products remaining the largest export item. Exports under this category increased substantially from US\$104.97 million in 2024-25 to US\$115.98 million in 2025-26, indicating a strong demand for pharmaceuticals, along with other edible fruits and nuts, nuclear reactors, boilers,

machinery and mechanical appliances, chemical products, coffee, tea and spices. Apart from these, several other exports categories include cotton, essential oils and cosmetics, plastic, iron and steel and miscellaneous edible preparations. Moreover, products such as textiles, paper, optical instruments, fertilizers, and tobacco maintain presence in the bilateral trade.

Table 3.11 India's Imports from Uzbekistan (Two Digit Level)

Sr. No	HS Code	Commodity	2024-25	2025-26
1	13	Lac, Gums, Resins and other vegetable saps and extracts	5.99	4.68
2	31	Fertilizers	1.33	3.17
3	74	Copper and articles thereof.	0.00	1.66
4	50	Silk	0.75	1.29
5	07	Edible vegetables an certain roots and tubers	0.21	0.71
6	47	Pulp of wood or other fibrous cellulosic material	2.43	0.56
7	41	Raw hide and skins and leather	1.17	0.45
8	79	Zinc and articles thereof.	1.53	0.43
9	25	Salt, Sulphur, Earths and Stone	0.40	0.38
10	08	Edible Fruit and Nuts	0.03	0.29
11	29	Organic Chemicals	0.06	0.17
12	05	Products of animal origin, not elsewhere specified	0.00	0.17
13	90	Optical, photographic cinematographic measuring, checking	0.13	0.16
14	71	Natural or cultured pearls, precious or semi-precious stones	0.00	0.12
15	26	Ores, Slag and Ash	0.00	0.07
16	18	Cocoa, and cocoa preparations	0.00	0.07
17	84	Nuclear reactors, boilers, machinery and mechanical appliances	0.04	0.06
18	82	Tools implements, cutlery, spoons, and forks of base metals	0.00	0.06
19	85	Electrical machinery and Equipment and parts thereof.	0.07	0.03
20	96	Miscellaneous manufactured articles	0.00	0.02
21	30	Pharmaceutical products	0.23	0.02
22	97	Work of art collectors pieces and antiques	0.00	0.01
23	51	Wool, Fine or Coarse animal hair,	0.00	0.01
24	28	Inorganic chemicals, organic or inorganic compounds	0.00	0.01
25	01	Live animals	0.03	0.01
		Others	0.29	0.03
		Total	14.69	14.64

Note: 1. The imports data are arranged in the descending order for the 25 two digit commodities as per the values of imports for the year 2025-26.
2. The values are in US\$.

Table 3.11 depicts the two-digit HS codes of imports to India from Uzbekistan. It is found that the imports are much more concentrated than exports, with edible fruits and nuts accounting for the largest share. Imports under this category declined from US\$5.99

million in 2025-26 to US\$ 4.68 million in 2025-26, but they continued to dominate India's imports from Uzbekistan, reflecting its comparative advantage in the production and export of dried fruits and horticulture products. Among the industrial raw materials, zinc and articles thereof remained an important import item, increasing from US\$1.34 million to US\$3.35 million. Pulp of wood also showed moderate growth, while optical and photographic instruments recorded a small increase. Moreover, the imports of copper, silk, zinc, salt, sulphur, ores, slag and ash also composed the imports basket to India from Uzbekistan.

Overall, it is found that there is trade asymmetry between India and Uzbekistan. India's exports to Uzbekistan are substantially larger and more diversified than its imports from them. The export basket covers pharmaceuticals, textiles, engineering goods, while the imports are relatively limited and concentrated mainly in agricultural products, especially fruits and nuts and few other industrial raw materials such as zinc, cooper and wood pulp.

3.4 Connecting India with Central Asia: Possibilities and Obstructs

India and five Central Asian countries share centuries old historical, cultural and commercial ties through the Silk Road. Since the establishment of diplomatic relations following the dissolution of the Soviet Union in 1991, India has sought to strengthen its engagement with the region through various initiatives of dialogues, energy partnerships, connectivity initiatives etc. But the geographical barriers, the absence of direct land access posed a huge constraint on the bilateral trade. India has attempted to overcome connectivity constraints through initiatives such as the International North-South Transport Corridor (INSTC)³, the Chabahar Port⁴ in Iran, the Ashgabat Agreement, and engagement with the Shanghai Cooperation Organisation (SCO). The India-Central Asia Dialogue, the India-Central Asia Policy has further institutionalized cooperation across trade, energy, education, digital technology, healthcare, and security.

However, there is a need to strengthen the physical connectivity of the regions with the operationalization of the INSTC and Chabahar Port along with making improvements in multimodal transport and custom facilitation. There is a need to diversify exports between India and Central Asia.

³ Conceived in 2000 by India, Iran and Russia, INSTC is a 7200 km multimodal transport network comprising sea, rail, and road routes connecting India with Iran, Russia, Central Asian and Europe.

⁴ Located on Iran's southeastern coast, it serves India's gateway to Afghanistan and Central Asia.

3.5 Conclusion

The analysis of bilateral trade indicates that although India's trade with the five Central Asian countries has increased in recent years, it still represents only a small proportion of India's overall international trade. India's exports are dominated by pharmaceuticals, engineering products, chemicals, machinery, processed food products and textiles, whereas imports largely consist of fertilizers, minerals, precious stones, metals and other resource-based commodities. Uzbekistan has emerged as India's largest export destination, while Turkmenistan remains the principal source of imports because of fertilizer and energy-related products. The trade patterns demonstrate strong complementarities between India's manufacturing capabilities and the natural resource advantages of Central Asia. But inadequate transport connectivity, high logistic costs, limited direct trade routes, and insufficient business linkages continue to constrain bilateral trade. Therefore, greater investment in connectivity, infrastructure, trade facilitation measures, regional logistics corridors and institutional cooperation can substantially expand India-Central Asia trade in the coming years.

BOX 1:

Punjab and Central Asia

Punjab can play an important role in India's engagement with Central Asia by leveraging its manufacturing strengths and agricultural expertise. Punjab is a manufacturing hub for bicycles and its parts, sports goods, textiles, hosiery, agricultural machinery, machine-tools along with agricultural products and agro-products like processed food, spices, dairy products and horticulture. Therefore, there is a need to establish export facilitation centres and market intelligence cells for connecting micro, small and medium enterprises (MSMEs) with the Central Asian markets.

Second, there is also a need to strengthen collaboration between Punjab universities and Central Asian institutions in agriculture, engineering, and numerous others subjects and fields.

Moreover, there is also a need that renewable energy cooperation is encouraged between Punjab and the five Central Asian countries, particularly in agricultural technologies, solar energy equipment system.

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