

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:713  
ANSWERED ON:05.12.2003  
INDO BANGLADESH FREE TRADE AGREEMENT  
PUTTASWAMY GOWDA

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) Whether India and Bangladesh have finalised a Free Trade Agreement;
- (b) if so, the details thereof;
- (c) the total estimated trade between India and Bangladesh during the last three years;
- (d) whether our experience of FTA with Srilanka has been encouraging;
- (e) if so, the details thereof;
- (f) the neighbouring countries with which India propose FTA; and
- (g) the response of these countries?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY( SHRI S. B. MOOKHERJEE )

- (a) India has not finalised any bilateral FTA with Bangladesh.
- (b) Does not arise.
- (c) The total trade between India and Bangladesh during the last three years is as follows :-

Year      Total Bilateral Trade    (in Rs. crores)

2002-2003	5991.57
2001-2002	5061.52
2000-2001	4639.46

(Source : DGCI&S)

- (d) & (e) India signed Free Trade Agreement (FTA) in goods with Sri Lanka in December 1998. Since then the bilateral trade between the two sides has seen positive growth in the following manner:-

Year    Total Trade (Rupees Crores)      % Growth over in the previous year

1998-1999	1997.52	
1999-2000	2355.15	17.92
2000-2001	3130.07	15.82
2001-2002	3330.19	4.55
2002-2003	4896.67	21.60

Indian investors have also shown keen interest for investing in Sri Lanka after the signing of FTA and India has become one of the leading nations for investing in Sri Lanka.

(f) & (g): The South Asian Association for Regional Cooperation (SAARC) nations which include Bangladesh, Bhutan, Maldives, Nepal, India, Pakistan and Sri Lanka, have agreed for having South Asian Free Trade Area (SAFTA). Another regional grouping known as BIMST-EC (Bangladesh, India, Myanmar, Sri Lanka, Thailand - Economic Cooperation) also aims for developing into a Free Trade Area.