

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

UNSTARRED QUESTION NO:3057

ANSWERED ON:13.12.2005

TRADE WITH BANGLADESH

Adhalrao Patil Shri Shivaji;Panda Shri Prabodh;Sugavanam Shri E.G.

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

- (a) the details of items imported/exported to Bangladesh during the last two years, item-wise alongwith foreign exchange spent and earned therefrom;
- (b) whether the Government proposes to revise bilateral trade agreement signed with Bangladesh;
- (c) if so, the details thereof alongwith the reasons therefor;
- (d) the steps taken by the Government in this regard;
- (e) whether the World Bank has conducted any study on trade potential between India and Bangladesh;
- (f) if so, the details thereof; and
- (g) the action taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

(a) The details of items imported/exported to Bangladesh during the last two years, item-wise alongwith foreign exchange spent and earned therefrom are given below in two separate tables:

Statement showing trade with Bangladesh

(Figures in Rs \$ Million)

Year India`s exports India`s imports TotalTrade
to Bangladesh from Bangladesh

2003-04	1646.08	62.24	1708.32
2004-05	1586.18	54.88	1641.06
2005-06			
(April - August)	587.69	29.45	617.14

Data Source: DGCI&S, Kolkata(Supplied by NIC.DOC)

Statement showing year-wise export of some important items to Bangladesh

(Figures in Rs \$ Million)

Commodity Year

2003-04 2004-05 2005-06
(April - August)

WHEAT	87.35	96.29	75.73
COTTON YARN, FABRICS MADEUPS ETC.	52.44	79.16	70.01
FRESH VEGETABLES	8.80	32.56	11.71
MANUFACTURES OF METAL	35.59	32.21	15.57
MACHINERY AND INSTRUMENTS	45.92	25.98	32.73

TRANSPORT EQUIPMENTS	41.84	24.20	25.82
PETROLEUM CRUDE & PRODUCTS	1.18	22.77	37.70
PULSES	15.01	20.74	26.96
DRUGS PHRMCUTES & FINE CHEMLS	17.02	20.73	19.52
PLASTIC & LENOLEUM PRODUCTS	13.11	13.87	36.83
MANMADE YARN FABRICS, MADEUPS	12.09	12.97	18.47
COAL	17.15	11.74	10.39
GLS/GLSWR/CERMCS/REFTRS/CMNT	6.44	11.58	10.79
PRMRY & SEMI-FNSHD IRON & STL	31.34	11.23	30.58
RICE (OTHER THAN BASMOTI)	109.11	10.42	35.94

Data source: DGCI&S, Kolkata

Statement showing year-wise import of some important items from Bangladesh

(Figures in Rs \$ Million)

Commodity	Year		
	2003-04 (April - August)	2004-05	2005-06
INORGANIC CHEMICALS	10.91	5.93	14.79
OTHER COMMODITIES	2.29	4.21	4.36
FERTILIZERS MANUFACTURED	-	3.54	0.47
LEATHER	0.71	0.90	1.01
COTTON RAWCOMB/UNCOMB/ WASTE	0.19	0.29	0.45
OTH TXT YRN, FABS, MADEUP ARTL	1.35	0.26	1.76
READYMADE GMENTS(WOVN&KNIT)	2.24	0.20	0.11
METALIFERS ORES & METAL SCRAP	0.00	0.20	0.27
ARTFCL RESNS PLSTC MATRLS ETC	0.05	0.15	0.13
MADEUP TEXTILE ARTICLES	0.01	0.02	4.12
FRUITS & NUTS EXCL CASHEW NUTS	0.89	0.01	0.56
VEGETABLE OILS FIXED (EDIBLE)	-	0.01	0.34

Data source: DGCI&S, Kolkata

(b), (c) & (d): Yes Sir. A bilateral trade agreement between India and Bangladesh was signed on 4th October, 1980 for a period of three years with the provision for extension of three years by mutual consent subject to such modification as agreed upon. Its validity has been extended from time to time and, at present, its validity is up to 31st March, 2006. While extending this agreement, we are also under the process of preparing the draft text of the revised agreement incorporating the views of the concerned Ministries and also the views of the Government of Bangladesh. During the second meeting of India-Bangladesh Joint Working Group on Trade held on 23-24 March, 2004, at New Delhi, both sides had arrived at common agreed text for signing of the revised agreement and, accordingly, a copy of this draft revised text agreement had been forwarded through our High Commission, Dhaka, to Bangladesh Government for concurrence. The Bangladesh side has suggested some minor changes in the draft agreement. One of them was relating to Article 9 where they wanted to delete ``on basis of Shipping Preference`` to be read as `both the Governments agree to utilize to the maximum extent possible the vessels owned/chartered by the shipping organizations of the two countries concerned for shipping cargoes imported or exported under this agreement at competitive freight rate`. This issue has yet not been resolved and, therefore, the revised bilateral trade agreement has not been signed. This issue also came for the discussion during the third meeting of the India-Bangladesh Joint Working Group on Trade held on 1-2 August, 2005 at Dhaka where both sides agreed to resolve the issue at the earliest.

(e), (f) & (g): The Government of India is not aware of any study conducted by the World Bank on trade potential between India and Bangladesh.