



Trade Agreements, Policies and other Economic collaborations between India and Bangladesh

¹Dr. Sachin Singh ²Dr. Sulakshna

¹Assistant Professor, Department of Economics, JMS Group of Institution, Hapur

²Assistant Professor, Department of Economics, JMS Group of Institution, Hapur

Email - sulakshna26p@gmail.com

Abstract: India and Bangladesh, two adjoining South Asian nations, share a past filled with exchange and financial collaboration. In spite of topographical nearness and social ties, the exchanging connection between the two countries has been described by a blend of chances and difficulties. This theoretical looks at the elements of exchanging among India and Bangladesh, zeroing in on key factors that impact two-sided exchange. This paper features the huge development in exchange volumes throughout the long term, driven by common monetary interests. The two nations enjoy utilized their similar benefits to participate in the trading of labor and products. This theoretical brings up that few difficulties continue. The exchange balance stays slanted, with Bangladesh confronting an import/export imbalance because of higher imports from India. It recommends advancing computerized availability, smoothing out customs techniques, and putting resources into cross-line foundation to further develop transport joins. Harmonization of strategies and guidelines, combined with designated economic deals, could lessen non-tax hindrances and establish a better business climate for financial backers.

Key Words: Land Customs Stations, Preferential Trade Arrangements, Trade Facilitation Committees, Border Haats, Inland Waterways, Digital Connectivity.

1. INTRODUCTION:

India and Bangladesh share a well established history of financial and exchange relations, which have developed essentially throughout the long term. The two nations are arranged in South Asia and are each other's neighbors, encouraging a nearby topographical closeness that has worked with reciprocal exchange and participation. The exchange connection among India and Bangladesh is essential for their economies as well as for local solidness and advancement.

India and Bangladesh are limited by a few arrangements and settlements that plan to advance exchange, speculation, and financial incorporation. These arrangements work with the trading of labor and products, capital, and innovation, prompting a vigorous financial organization.

2. A few central issues in regards to India and Bangladesh exchanging are as per the following:

- **Exchange Volume:** The exchange volume among India and Bangladesh has been reliably expanding throughout the long term. The two nations take part in the import and commodity of different merchandise, including materials, articles of clothing, apparatus, unrefined components, and horticultural items.
- **Import-Product Equilibrium:** India is one of the significant exchanging accomplices of Bangladesh, with a huge offer in Bangladesh's all out imports. Then again, Bangladesh sends out different items, especially pieces of clothing and materials, to India.
- **Land Boundary Exchange:** The land borders divided among India and Bangladesh go about as significant shipping lanes, making the transportation of merchandise more open and practical.
- **Economic accords:** India and Bangladesh have consented to various reciprocal exchange arrangements and Updates of Figuring out (MOUs) to advance exchange, lessen exchange obstructions, and work with smooth financial exchanges.



- **Financial Advantages:** The exchanging connection between the two nations has brought about monetary advantages for the two sides, setting out business open doors, cultivating modern development, and upgrading generally financial success.
- **Cross-Boundary Venture:** The two India and Bangladesh have supported cross-line speculations, permitting organizations from every country to put resources into different areas and saddle open doors for development and improvement.
- **Challenges:** Regardless of the general positive direction, certain difficulties exist in the India-Bangladesh exchanging relationship, including non-levy hindrances, framework issues, and administrative intricacies that should be addressed to additional upgrade exchange ties.

3. Trade Facilitations Measures: India and Bangladesh :

India and Bangladesh have carried out a few exchange help measures to upgrade respective exchange and monetary collaboration. These actions mean to lessen exchange hindrances, smooth out customs methodology, and advance simplicity of carrying on with work between the two nations. Here are a portion of the key exchange help measures:

- **Land Customs Stations (LCS):** India and Bangladesh have laid out different Land Customs Stations along their common lines to work with cross-line exchange. These stations go about as customs leeway focuses, making it simpler for brokers to move products between the two nations.
- **Special Exchange Courses of action:** The two nations have conceded each other particular admittance to specific items through different economic accords, like the South Asian Streamlined commerce Region (SAFTA) and the Respective Economic alliance. This decreases or disposes of duties on determined merchandise, making them more aggressive in one another's business sectors.
- **Inland Water Travel and Exchange Convention:** The Inland Water Travel and Exchange Convention permits the utilization of streams for moving products among India and Bangladesh. This gives another option and savvy method of transportation, particularly for cumbersome merchandise.
- **Line Haats:** Boundary Haats are nearby business sectors laid out along the boundary, permitting individuals from the two nations to exchange merchandise and farming items. This casual exchange assists support nearby economies and cultivates with peopling to-individuals contact.
- **Customs Harmonization and Improvement:** The two nations have done whatever it takes to blend customs methodology and work on documentation prerequisites for cross-line exchange. This diminishes delays and regulatory weights for brokers.
- **Single Window Freedom:** Endeavors have been made to carry out a solitary window leeway framework for exchange related documentation, permitting dealers to present all fundamental records at a solitary point, diminishing desk work and time delays.
- **Cross-Line Transport:** India and Bangladesh have dealt with further developing cross-line transport framework, including street, rail, and port offices. This improves the proficiency of the development of merchandise between the two nations.
- **Exchange Help Panels:** The two India and Bangladesh have laid out Exchange Assistance Boards that work to distinguish and resolve issues connected with exchange help and advance smoother exchange between the two nations.
- **Exchange Advancement and Business Designations:** Normal exchange advancement occasions and business appointments are coordinated to work with systems administration and investigate new business open doors among Indian and Bangladeshi organizations.

4. Economic ties between India and Bangladesh :

India and Bangladesh have had a long history of financial ties, however the facts really confirm that the degree of monetary commitment between the two nations has confronted specific difficulties and may have been described as



feeble contrasted with the potential they hold. Here are a few factors that have added to the impression of feeble monetary ties among India and Bangladesh.

- **Exchange Irregularity:** There has been a huge exchange lopsidedness between the two nations, with Bangladesh bringing in more from India than it trades. This import/export imbalance has involved worry for Bangladesh and has affected the general exchange elements between the two countries.
- **Non-Tax Boundaries:** Regardless of different economic deals and endeavors to lessen duties, non-tax obstructions have been an impediment to reciprocal exchange. Issues connected with customs methodology, specialized guidelines, and clean and phytosanitary measures have now and again blocked the smooth progression of merchandise between the two nations.
- **Foundation Difficulties:** Lacking framework, especially in line regions, has impacted exchange assistance and the development of products. Deficient transportation organizations and boundary crossing offices have prompted delays and expanded exchange costs for brokers.
- **Casual Exchange:** Casual exchange, frequently helped out through informal channels, has been significant among India and Bangladesh. While this sort of exchange can add to neighborhood economies, it may not be completely represented in true measurements and can make administrative difficulties.
- **Strategy and Administrative Obstacles:** Contrasts in approach systems and guidelines have made hindrances to speculation and exchange. Orchestrating guidelines and adjusting arrangements is fundamental to advance more prominent financial reconciliation.
- **Absence of Network:** Further developed availability, including better street and rail joins, as well as improved computerized availability, is fundamental for helping financial ties and working with cross-line exchange.
- **Speculation and Business Climate:** Establishing a helpful climate for venture and business development is essential for reinforcing financial ties. Resolving issues connected with simplicity of carrying on with work and guaranteeing a steady speculation environment can energize more cross-line venture.

5. Transport Infra-structure between India and Bangladesh:

- **Street Availability:** India and Bangladesh share a few land line intersections, which act as significant street joins for exchange and traveler development. A portion of the significant boundary intersections incorporate Benapole-Petrapole, Akhaura-Agartala, and Mahadipur (Bangladesh)- Hili (India). These intersections are essential for the development of merchandise and individuals between the two nations.
- **Inland Streams:** The convention on inland water travel and exchange has been instrumental in advancing the utilization of inland streams for shipping products among India and Bangladesh. Waterways like the Ganges and Brahmaputra are utilized for exchange and transportation, particularly for mass freight, and assume a critical part in encouraging financial ties.
- **Rail line Connections:** Rail line network among India and Bangladesh has likewise been getting to the next level. The Akhaura-Agartala rail connect, associating the Indian province of Tripura with Bangladesh, is a huge improvement in such manner. Endeavors have been made to improve rail availability for smoother cross-line development of merchandise and travelers.
- **Ports:** Ports assume a vital part in working with exchange between the two nations. Chittagong Port in Bangladesh and Kolkata Port in India are fundamental sea doors for the two countries. Drives have been taken to work on port foundation and functional productivity to deal with expanded exchange volumes.
- **Cross-Line Transport Understanding:** India and Bangladesh have marked a Cross-Boundary Transport Consent to work with street travel between the two nations. The understanding expects to work on customs and travel systems, diminishing postponements and working on the proficiency of cross-line transport.



• Line Framework: Further developing foundation at the boundary intersections is pivotal for upgrading exchange and monetary collaboration. The two nations have been attempting to modernize and redesign offices at the land line intersections to assist customs freedom and straightforwardness gridlock.

• Advanced Availability: Upgrading computerized availability, for example, further developing web network and correspondence organizations, is imperative for empowering smoother cross-line exchanges and exchange related exercises.

6. CONCLUSION:

The exchange connection among India and Bangladesh assumes a urgent part in encouraging monetary development and collaboration in the South Asian district. By tending to difficulties and consistently investigating new open doors, the two nations can fabricate a more grounded and more supportable exchanging organization, helping their economies and the prosperity of their residents. For the latest data, it is prescribed to allude to true government sources and exchange related distributions from the two India and Bangladesh. Regardless of these difficulties, the two India and Bangladesh perceive the possible advantages of extending their financial ties. There have been endeavors on the two sides to resolve these issues and cultivate more grounded financial participation. Respective exchanges, economic alliance, and joint endeavors are a portion of the actions embraced to beat these difficulties. The vehicle foundation among India and Bangladesh has seen a few upgrades throughout the long term, yet there were still regions that required further improvement to upgrade network and exchange help. This can be accomplished through more prominent participation in exchange assistance, harmonization of guidelines, speculation advancement, and framework improvement. Upgraded computerized network and further economic alliance that address explicit areas' requirements can likewise assume a part in cultivating a more grounded financial relationship. In general, the monetary framework among India and Bangladesh gives an establishment to development and participation, and with coordinated endeavors and proceeded with joint effort, the two countries can take advantage of their maximum capacity and construct a more hearty and commonly helpful financial organization.

REFERENCES:

1. Acharyya, R. 2006. Trade Liberalization, Poverty and Income Inequality in India. INRM Policy Brief No. 10. Asian Development Bank (ADB), India Resident Mission. New Delhi.
2. Banerjee, A., and A. Newman. 2004. Inequality, Growth and Trade Policy. Mimeo. MIT, Massachusetts.
3. Basu, K. 2001. India and the Global Economy: Role of Culture, Norms and Beliefs.
4. Das, K. C. 1996. The Political Economy of Regional Cooperation in South Asia. Pacific Affairs. Vol. 69 (2): 4.
5. Das Kumar, Samir, Border Economy of India's Northeast" World Focus, vol.XXXIV, No.12, December 2013, P.36.
6. Dubey, M., L. R. Baral, and R. Sobhan. 1999. South Asian Growth Quadrangle: Framework for Multifaceted Cooperation. New Delhi: Macmillan.
7. Government of India. 2003. Economic Survey 2002-03. New Delhi.
8. India-Bangladesh Bilateral Trade and Potential Free Trade Agreement, Bangladesh Development Series, Paper No: 13, The World Bank Office, Dhaka, December, 2006 p.57.
9. Kabir, Mahfuz, "Bangladesh-India Trade and Investment: Bangladesh Perspective", in Smruti S Pattanaik, Four Decades of India Bangladesh Relations Historical Imperatives and Future Direction, IDSA, Gyan Publishing House, New Delhi, 2012, pp. 138-139.
10. Limao, N., and A. J. Venables. 2001. Infrastructure, Geographical Disadvantage, Transport Costs, and Trade. The World Bank Economic Review. Vol. 15 (3): 451-479.
11. Pohit, S., and N. Taneja. 2000. India's Informal Trade with Bangladesh and Nepal: A Qualitative Assessment. Working Paper 58. Indian Council for Research on International Economic Relations, New Delhi.
12. SAARC Secretariat. 2006. SAARC Regional Poverty Profile 2005, Katmandu. Sahoo, P. 2006. Foreign Direct Investment in South Asia: Policy, Trends, Impact and Determinants. Discussion Paper 56. Asian Development Bank Institute (ADBI), Tokyo
13. United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). 2005. ESCAP Trade Facilitation Framework: A Guiding Tool. Bangkok: UNESCAP.