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**Press Information Bureau
Government of India
Ministry of Commerce & Industry**

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Bilateral Trade agreement between India and Bhutan

Commerce and Industry Minister Smt. Nirmala Sitharaman and H.E. Tengye Lyonpo Lekey Dorji, Minister for Economic Affairs, Royal Government of Bhutan signed the Agreement on Trade, Commerce and Transit between India and the Royal Government of Bhutan in the presence of H.E. Lyonchhen Tshering Tobgay, Prime Minister of Bhutan at the Gyalyong Tshokhang in Thimphu on 12 November, 2016.

The first Agreement on Trade and Commerce between Bhutan and India was signed in 1972. Since then, the Agreement has been renewed four times. The last Agreement was renewed on July 28, 2006 and was valid till July 29, 2016. The validity of the Agreement was extended for a period of one year or till the date of coming into force of the new Agreement, whichever is earlier, by exchange of diplomatic notes between the two countries.

The new bilateral Trade Agreement aims to enhance trade between the two countries through trade facilitation by improving procedures, cutting down on documentation and adding additional exit/entry points for Bhutan's trade with other countries. It is also expected to further strengthen the excellent relations between the two countries.

During the visit, the Commerce and Industry Minister also had an audience with His Majesty Jigme Khesar Namgyel Wangchuck, the King of Bhutan and called on Lyonchhen Tshering Tobgay, Hon'ble Prime Minister of Bhutan.

She also had a bilateral meeting with a high level Bhutanese delegation led by Lyonpo Lekey Dorji, Minister for Economic Affairs of Bhutan where both the leaders discussed various issues related to bilateral trade, transit and investment.

MJPS