



དཔལ་ལྷན་འབྲུག་གཞུང་ བསྟན་ཀླུ་ལྷན་ཁག།  
ཚོང་འབྲེལ་ལས་ཁུངས་ ཐིམ་ཕུག།  
**DEPARTMENT OF TRADE**  
**MINISTRY OF ECONOMIC AFFAIRS**  
**ROYAL GOVERNMENT OF BHUTAN**  
**THIMPHU : BHUTAN**



**PRESS RELEASE**

H.E. Tengye Lyonpo Lekey Dorji, Minister for Economic Affairs, Royal Government of Bhutan and H.E. Smt. Nirmala Sitharaman, Minister of State (Independent Charge) for Commerce and Industry, Government of India signed the Agreement on Trade, Commerce and Transit between the Royal Government of Bhutan and the Government of the Republic of India in the presence of H.E. Lyonchhen Tshering Tobgay, Prime Minister of Bhutan at the Gyalong 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 28 July, 2006 and was valid till 29 July, 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 countries.

India is Bhutan's largest and the most important trading partner. India-Bhutan trade in 2015 was recorded at Rs. 85.54 billion, which accounts for 83 % of Bhutan's total trade.

The new bilateral Trade Agreement aims to further enhance trade and investment 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. Bhutan-India Free Trade Agreement is considered as one of the most liberal trading arrangements in the region that is mutually beneficial to both the countries.

Further, the Agreement on Trade, Commerce and Transit between the two countries is expected to further strengthen the excellent relations between the two countries and enhance people to people contact.

