

Trade and Payments Agreement Protocol, 31 October 1967

February 14, 1964

TRADE AND PAYMENTS AGREEMENT BETWEEN THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BULGARIA

New Delhi

The Government of India and the Government of the People's Republic of Bulgaria, ANIMATED by the desire to develop economic and trade relations between the two countries on a mutually advantageous basis and to increase the volume of trade between them to as high a level as is possible,

HAVE agreed upon the following :

Article I

1. Both the Contracting Parties will in every possible way develop and strengthen the economic and trade relations between the two countries on the principles of equality and mutual benefit. They will study and with the utmost goodwill take decisions on the suggestions which either of them would like to present for the consideration of the other, with the purpose of achieving closer economic relations.

2. During the period of validity of this Agreement, the total value of imports will be equal to the total value of exports effected by either country; however, for this purpose payments of a non-commercial nature will also be included. Further, for this purpose, and for periodic reviews, imports and exports whether on deferred payment terms or on cash basis, relating to the contracts concluded and to be concluded on the basis of this and earlier Indo-Bulgarian Trade and Payments Agreements as well as payments of a non-commercial nature will be taken into account as and when payments are made.

Article II

The Contracting Parties will accord upon importation and exportation of goods from one country to the other maximum facilities allowed by their respective laws, rules and regulations. In any case the said goods shall enjoy full most-favoured-nation treatment with respect to customs duties and charges of any kind imposed on imports or exports or in connection therewith, with respect to the methods of levying such duties and charges, with respect to rules, formalities and charges in connection with customs clearing operations; and charges of any kind imposed on or in connection with imported goods.

The Contracting Parties will accord to each other in respect of the issuance of import and export licences treatment no less favourable than that granted to any other country.

Article III

Any advantage, favour, privilege or immunity granted by either of the Contracting Parties to import or export of any product originating in the territory of a third country or destined for its territory, shall be accorded immediately and unconditionally to the like product originating in the territory of either of the Contracting Parties or destined to be imported into its territory.

Article VI

The provisions of Articles II and III shall not, however, apply to the grant or continuance of any :

1. advantages accorded by either Government to contiguous countries with the purpose of facilitating frontier traffic;
2. preferences or advantages accorded by India to any third country and existing on 18th April, 1956 or in replacement of such preferences or advantages as existing prior to the 15th of August, 1947.

Article V

The exports of goods from Bulgaria to India and from India to Bulgaria during the period of validity of the present Agreement will be carried out in accordance with the attached Schedules 'A' and 'B' the details of which will be agreed upon between the two Contracting Parties for every calendar year. The Schedules 'A' and 'B' can be extended, altered or renewed by letters exchanged between the two Contracting Parties.

Article VI

The import and export of the goods stipulated in Article V will be carried out in accordance with the export, import and foreign exchange regulations in force in either country and on the basis of contracts to be concluded between the Bulgarian Enterprises on the one side and the Indian physical and juridical Parties, including Indian State-owned Organisations, on the other.

Article VII

1. All payments of a commercial and non-commercial nature between physical and juridical persons residing in India and physical and juridical persons residing in Bulgaria will be effected in non-convertible Indian Rupees.
2. For the purpose of effecting the aforementioned payments :
 - I. The Bulgarian National Bank will continue to maintain a Central Account with the Reserve Bank of India and one or more accounts with one or more commercial bank(s) in India, authorised to deal in foreign exchange;
 - II. The Central Account maintained by the Bulgarian National Bank with the Reserve Bank of India, will be used for depositing the rupee holdings of the Bulgarian National Bank and for replenishing the accounts of the Bulgarian National Bank with the authorised Indian Commercial Banks and for operating the technical credit;
 - III. The accounts maintained by the Bulgarian National Bank with the Indian Commercial Banks will be used for carrying out all other operations connected with the payment of a commercial and non-commercial nature mentioned above;
 - IV. The Central Account will be replenished by transfer of funds in Indian rupees from the accounts maintained by the Bulgarian National Bank with the Indian commercial banks and by receipts under the technical credit;
 - V. The accounts with the commercial banks will be replenished by transfers of funds from other similar accounts and from the Central Account.
3. The payments permitted in accordance with the Indian Foreign Exchange Control Laws and Regulations will be effected on the basis of this Agreement to the physical and juridical persons residing in the People's Republic of Bulgaria by the physical and juridical persons residing in India, by crediting the amount of such payments to the accounts of the Bulgarian National Bank with the Indian commercial banks.

Likewise, the payments which are to be effected by the physical and juridical persons residing in the People's Republic of Bulgaria to the physical and juridical persons residing in India in accordance with the Bulgarian Foreign Exchange Control Laws and Regulations, will be effected by debiting the accounts maintained by the Bulgarian National Bank with the Indian commercial banks, under the instructions of the Bulgarian National Bank.

4. The details in regard to the procedure for the operation of the Central Account will be mutually agreed upon between the Reserve Bank of India and the Bulgarian National Bank at the earliest practicable date.

5. Any balances in the Rupee Accounts of the Bulgarian National Bank or any debt of the Bulgarian National Bank in connection with the grant of technical credit will, upon expiry of this Agreement, be used during the ensuing 12 months for the purchase of such Indian or Bulgarian goods as the case may be as were eligible for exchange during the previous year.

Payments arising from contracts concluded before the expiry of this Agreement but falling due after the expiry of this Agreement shall, notwithstanding the expiry of this Agreement, be effected in accordance with the provisions of this Article and be utilised in the same manner as the balances referred to in the preceding sub-paragraph during the ensuing 12 months after each such payment. In both cases, after the expiry of the said twelve-month period, any balances outstanding will be settled in such a way as maybe agreed upon between the two Governments.

Article VIII

1. The Contracting Parties agree that, in exercise of their rights of shippers' preference they shall, to the maximum extent possible utilise the vessels owned or chartered by shipping organisations of the two countries concerned for shipping cargoes imported or exported under this Agreement, on the basis of world competitive freight rates and conditions.

2. Mercantile ships of either country with or without cargoes therein, will, while entering, staying in or leaving the ports of the other country, enjoy the most favoured facilities granted by their respective laws, rules and regulations to ships under third countries' flags. This principle shall not, however, apply to ships engaged in coastal navigations.

Article IX

In order to facilitate the implementation of this Agreement the two Contracting Parties agree to consult each other at the request of either Party in as short a time as possible, but not later than forty-five days from the date of the receipt of request, in respect of matters connected with trade and payments between the two countries.

Article X

The validity of this Agreement shall be deemed to have taken effect from the 1st January, 1964 and shall remain in force for a period of five years from that date.

DONE in New Delhi on 14th February, 1964 in two originals in the English language, both texts being equally authentic.

S d /-

S. VOHRA

On behalf of the
Government of India.

S d /-

I. COLOMEEV

On behalf of the Government of
People's Republic of Bulgaria.

SCHEDULE A

LIST OF GOODS AVAILABLE FOR EXPORT FROM BULGARIA TO INDIA

1. Complete Industrial Plants:

I. Plant for manufacturing Electric Meters

II. Plant for manufacturing Transformers

III. Plant for manufacturing Electric Motors

IV. Plant for manufacturing Electric Hoists

V. Plant for manufacturing Electric Trucks

VI. Plant for manufacturing Electric Porcelain (High end Low Voltage)

VII. Plant for manufacturing Battery Separators and Accumulators

VIII. Ore Dressing Plant

IX. Plant for manufacturing Fire Bricks

X. Plant for Ferro-Silicium (Silicon)

XI. Plant for manufacturing Concrete Goods (Poles, Posts, Sleepers etc.)

XII. Plant for manufacturing High Tension (voltage) Electric lines

XIII. Plant for manufacturing Steam Aggregators

XIV. Mining Equipments for excavating Zinc and Lead, Copper

XV. Transformers and Distributor Sub-Stations

XVI. Silos

XVII. Hydro-Electric Power Stations

XVIII. Steam Ships

XIX. Plant for manufacturing Sulphuric Acid, Calcium Soda, Caustic Soda

XX. Plant for manufacturing Calcium Carbide and Medical Glucose

2. Machine Tools and Forging Presses

3. Woodworking Machines.

4. Building and Ceramic Machines

5. Cranes

6. Transport Vehicles

7. Electric Trucks
8. Machines for the Food Industry
9. Internal Combustion Engines
10. Textile Machines, Spare Parts and Equipments
11. Tonga Baling Machines.
12. Machines for the Chemical Industry
13. Hydraulic Generators
14. Generator Sets
15. Electric Hoists
16. Power Transformers
17. Measuring Transformers
18. Explosion-Proof Apparatus
19. Crane Apparatus
20. High-Voltage Apparatus
21. Electric Porcelain.
22. Electric Installation Materials
23. Electric Insulating Materials
24. Electronic Apparatus
25. Medical Electric Apparatus
26. Dentist's Chair, Operation Chair and others
27. Hell Bearing
28. Power Cables and paper insulated wires
29. Steel Plates, Bars, Rounds, Forgings and other categories
30. Pig Iron
31. Paper
32. Raw Silk
33. Die block-Steel
34. Soda-ash Heavy
35. Caustic Soda
36. Ammonium Nitrate
37. Sodium Nitrate

38. Sodium Nitrite
39. Potassium Hydroxide
40. Urea
41. Ammonium Bicarbonate
42. Light Magnesium Carbonate
43. Gas Sulphur
44. Peppermint Oil
45. Drugs and Pharmaceutical Products
46. Sera and Vaccines
47. Dyes Intermediates
48. Photographic Sensitized paper
49. Caprolactum Monomer and Polymer Chips
50. Menthol in Crystals
51. Cellulose for Paper Industry

SCHEDULE 'B'

LIST OF GOODS AVAILABLE FOR EXPORT FROM INDIA TO BULGARIA

1. Fruits, fresh, dried, processed and preserved and fruit juices and squashes
2. Cashew kernels
3. Pepper
4. Other spices
5. De-oiled oil-cakes including de-oiled groundnut cake meal
6. De-oiled rice bran meal
7. Decorticated and delinted cotton seed cake
8. Canned sardines and other tinned Fish
9. Groundnuts H.P.S.
10. Sheep and animal casings
11. Fish meal
12. Tea
13. Coffee
14. Tobacco
15. Shellac and shellac based products

16. Hides and skins, raw, semi-processed and tanned including raw goat skins
17. Cotton waste
18. Raw jute
19. Coir fibres, yarn and other products
20. Myrobolan extract
21. Animal hairs including bristles
22. Mica
23. Iron ore
24. Kyanite
25. Dead burnt magnesite
26. Vegetable oils, linseed oil, castor oil, groundnut oil
27. Rolled steel
28. Iron and steel castings and forgings
29. Steel pipes, tubes and fittings thereof
30. Ferrous metal manufactures including fabricated steel structurals, deformed steel re-inforced bars, builders, fasteners, needles all sorts etc.
31. Non-ferrous, semies and manufactures
32. Internal combustion engines including diesel engines including components and ancillaries thereof
33. Machinery for cotton, art silk and jute textiles and components, accessories and ancillaries thereof
34. Sugar mill machinery and components and ancillaries thereof
35. Solvent extraction plants
36. Chemical and pharmaceutical machinery
37. Cement mill machinery and components and ancillaries thereof
38. Industrial machinery nos.
39. Transport equipments like motor vehicles, industrial shunters etc. and components and ancillaries thereof .
40. Machine tools including lathes, shapers, drills (Pillar and Radial), planners, lotters, turret and capstan lathes, tool and cutter grinders, belt sanders, hacksaw and band saw machines
41. Foundry moulding and other foundry machines
42. Electric furnaces for both melting and heat treatment operation
43. Cutting tools

44. Small tools including steel files, hacksaw and band saw blades.
45. Dies jigs and fixtures.
46. Surface coated and bonded abrasives
47. Batteries, dry and storage, including deaafaid batteries and batteries for use in fork lift trucks
48. Electric cables and wires
49. Railway train lighting and signalling equipment
50. Railway track fastners, fittings and accessories
51. Railway rolling stock
52. Laboratory, scientific, electrical measuring and industrial process/flow control instruments
53. Water meters
54. Razor blades and safety razors
55. Zip fastners
56. Engineering manufactures n.o.s.
57. Cotton textiles and hosiery
58. Woollen textiles and knitted wears
59. Readymade shirts and garments
60. Jute manufactures
61. Jute canvas/tarpauline
62. Other textile products n.o.s.
63. Rubber tyres and tubes
64. Cosmetics and toiletries
65. Tooth brushes
66. Nylon socks
67. Linoleum
68. Abrasives
69. Paper and paper products
70. Leather footwear
71. Finished leather and leather manufactures
72. Sports goods
73. Plastic goods

74. Indian handicrafts and cottage industry products e.g. handloom (cotton and silk) - artistic silver, brass and bidri products, ivory articles, wood carvings, etc.
75. Sodium and potassium bichromate
76. Magnesium chloride
77. Magnesium sulphate
78. Calcium chloride and fuses
79. Ferric alumina
80. Stearic acid
81. Gloic acid
82. Ethyl acid
83. Chranic acid
84. Mercuric chloride
85. Sodium perborate
86. Barium carbonate
87. Sulphonated castor oil
88. Quinine
89. Emetine HCl
90. Cortisone and allied compounds
91. Strychnine nitrate
92. Bismuth salts
93. Camaquin amodiaquin
94. Sex hormones
95. VitaminA
96. Masnesium stearate
97. Destrin
98. Paints and varnishes
99. Crushed bones
100. Essential oils
101. Medicinal herbs
102. Semi-precious stones/gold rings/jewelleries, etc.
103. Books and periodicals

104. Films cinematographic, exposed

PROTOCOL

PROTOCOL TO THE TRADE AND PAYMENT AGREEMENT

NEW DELHI, 31 OCTOBER 1967

With reference to Article V of the Trade and Payments Agreement between the Government of India and the Government of the People's Republic of Bulgaria signed in New Delhi on the 14th February, 1964 and the discussions now held in New Delhi between the Indian Trade Delegation and the Bulgarian Government Trade Delegation, the two delegations have agreed upon the exchange of goods between the two countries for the period from January 1, 1968 until December 31, 1968.

The List of Commodities 'A' and 'B' attached to the above mentioned Agreement, shall be valid for the calendar year 1968.

DONE in New Delhi, on the 31st October, 1967 in two originals in English language, both texts being equally authentic.

Sd/-

On behalf of the Government of India.

Sd/-

On behalf of the Government of People's Republic of Bulgaria.