

**TRADE AGREEMENT<sup>1</sup> BETWEEN THE  
GOVERNMENT OF INDIA AND THE  
GOVERNMENT OF THE MONGOLIAN  
PEOPLE'S REPUBLIC**

**New Delhi, 8 February 1978**

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The Government of the Republic of INDIA

AND

The Government of the MONGOLIAN People's Republic,  
(hereinafter referred to as Contracting Parties),

BEING desirous of developing trade relations between the two countries,

AND IN PURSUANCE of the objective of the Indo-Mongolia Joint Declaration of March 1, 1973,

HAVE AGREED upon the following :

*Article I*

The Contracting Parties shall, in every possible way, support the development of mutually beneficial trade between the two countries on the basis of mutual respect and equality and shall consider with goodwill the suggestions which either Contracting Party may present for consideration of the other.

*Article II*

The Contracting Parties shall in the course of trade between the two countries accord facilities allowed by their respective laws relating to import and export and foreign exchange rules and regulations.

*Article III*

The trade between the Contracting Parties shall be conducted through contracts to be concluded under this Agreement between the

1. Came into force on 14 February 1978.

exporters/importers of the Republic of India, including state-owned organisations, and competent foreign trade organisations of the Mongolian People's Republic.

#### *Article IV*

The Contracting Parties shall accord each other most favoured nation treatment in respect of :

- (i) Customs duties and charges of any kind on imports or exports, or in connection therewith.
- (ii) The methods of levying such duties and charges, and
- (iii) Rules, formalities and charges in connection with customs clearing operations.

The Contracting Parties shall grant each other in respect of the import and export licences or permissions where such licences/permissions are prescribed under their regulations, treatment no less favourable than that granted to any other country.

#### *Article V*

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

#### *Article VI*

The provisions of Article IV and V above shall not, however, apply to the grant or continuance of any :

- (a) advantage accorded by either Contracting Party to contiguous countries for the purpose of facilitating frontier traffic;
- (b) advantage or preference accorded by either Contracting Party to any country, as existing on the date of the conclusion of the present Agreement or in replacement of such advantage or preference as existed prior to the 10th April 1947;
- (c) advantage or preference accorded under any scheme for expansion of trade and economic cooperation among developing countries which is open for participation by developing countries and to which either Contracting Party is or may become a party;

- (d) advantage and preference resulting from a multilateral treaty, a customs union and/or a free-trade area of which either Contracting Party is or may become a party.

*Article VII*

The export of goods and commodities from the Republic of India to the Mongolian People's Republic and from the Mongolian People's Republic to the Republic of India, during the period of validity of the present Agreement, shall be carried out in accordance with the Annexure 'A' and 'B', the details of which shall be agreed upon from time to time between the Contracting Parties.

The Annexure 'A' and 'B' can be extended, altered or renewed with mutual consent of the Contracting Parties expressed through letters exchanged between them.

The Annexure 'A' and 'B' are indicative lists of goods and commodities available for export from the Contracting Party mentioned therein to the other, and shall not be construed as excluding export of goods and commodities not enumerated therein.

*Article VIII*

All payments for current transactions between the two countries shall be effected in freely convertible currency.

*Article IX*

The Contracting Parties shall take all possible steps to facilitate speedy transportation of goods sold and purchased under this Agreement.

*Article X*

Any contract concluded under this Agreement but not carried out before the date of the expiry of this Agreement shall continue to be implemented in accordance with the provisions of this Agreement.

*Article XI*

The physical and juridical persons in the Republic of India and the physical and juridical persons in the Mongolian People's Republic may agree that legal disputes arising from contracts concluded in commercial or other economic matters shall be referred to arbitration.

*Article XII*

The Contracting Parties shall consult each other on questions

that may arise in the course of the implementation of the present Agreement.

### *Article XIII*

This Agreement shall come into force from the 14th of February, 1978 and shall remain valid for a period of five years. Thereafter, it shall be extended automatically for a period of one year each time, unless either Contracting Party gives to the other a notice in writing, three months before the expiry of any of the aforesaid periods of validity, of its intention to terminate this Agreement.

DONE in New Delhi on 8th February, 1978 in two originals, each in the Hindi, Mongolian and English languages, all the texts being equally authentic, provided that in case of doubt, the English text shall prevail.

*Sd/-*

MOHAN DHARIA  
Minister of Commerce, Civil  
Supplies and Cooperation  
For the Government of the  
Republic of India

*Sd/-*

MANGALYN DUGERSUREN  
Minister for Foreign Affairs  
For the Government of the Mongolian  
People's Republic

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### **ANNEXURE A**

#### **GOODS AND COMMODITIES AVAILABLE FOR EXPORT FROM THE REPUBLIC OF INDIA TO THE MONGOLIAN PEOPLE'S REPUBLIC**

##### Food Stuffs :

1. Fruits, Fruit Juices and canned products
2. Nuts
3. Pepper and other spices
4. Canned fish
5. Tobacco and tobacco goods
6. Tea

##### Raw Materials :

7. Shellac and goods based on shellac
8. Gum and rubber
9. Vegetable oil
10. Ferrous and non-ferrous rolled metals
11. Ferrous and non-ferrous metal wares
12. Light industry machinery
13. Electrotechnical goods

14. Lifting handling (transport equipment)
  15. Other measuring instruments
  16. Chemical goods
  17. Medical equipment and pharmaceuticals
  18. Consumer goods
  19. Other goods, including films
  20. Textiles including woollen, cotton and silk
  21. Jute manufactures
  22. Tarpaulins
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## ANNEXURE B

### *GOODS AND COMMODITIES AVAILABLE FOR EXPORT FROM THE MONGOLIAN PEOPLE'S REPUBLIC TO THE REPUBLIC OF INDIA*

Wool :

1. Camel mane unwashed
2. Sheep wool, fleece, washed
3. Sheep wool, autumn, unwashed
4. Lamb's wool felt, unwashed
5. Horse-hair
6. Goat-hair

Skins of Animals :

7. Horse and camel skins, raw
8. Sheep and goat skins, worked up
9. Baby-camel skin, lambskin, raw

Fur :

10. Marmot
11. Fox
12. Wolf skin
13. Squirrel and other furs

Other Goods :

14. Tungsten and other metals which do not contain iron
  15. Woollen knitwear
  16. Woollen cloth
  17. Woollen blankets
  18. Tanned skins, leather goods, leather coats, jackets
  19. Cattle horns
  20. Medicinal herbs
  21. Films
  22. Marmot tusks
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