



India-Bangladesh Chamber of Commerce and Industry

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From the Presidential Desk:

It is with a sense of both responsibility and hope that I address you in this edition of the IBCCI newsletter. As we reflect on the recent months, we are reminded of how interconnected our global, regional, and local environments truly are - and how external pressures can deeply impact bilateral commerce between India and Bangladesh.

The Russia-Ukraine war, now going on longer than three years, has generated extensive ripple effects across the globe. The disruptions in energy supplies, grain exports, and global inflation have touched every economy, including ours. The war has indirectly strained shipping logistics and raised input costs for industries in both Bangladesh and India, threatening our ability to maintain predictable trade flows. This geopolitical unrest highlights the urgent need for regional economic resilience and diversified sourcing. Simultaneously, the intensifying tariff disputes between the United States and major economies have added another dimension of global uncertainty.

Though not directly targeted, countries like India and Bangladesh feel the secondary impact, from supply chain bottlenecks to currency volatility. In such a scenario, deepening regional cooperation and enhancing intra-South Asian trade become not only beneficial but essential. Closer to home, Indo-Pak tensions continue to cast a shadow over regional peace and stability. The economic implications of this tensed geopolitical situation need to be taken into serious consideration. We look forward to a strong alliance for Economic development and lay high emphasis on the prevalence of peace and stability.

Meanwhile, on the domestic front in Bangladesh, we are witnessing an alarming rise in law and order disruptions-including irregularities, theft, robbery, mob violence and extortion-which pose substantial impediments to our business environment. These unwanted circumstances directly impact economic stability, investors' confidence and day-to-day commercial operations.

Cross border trade, especially with India, has been interrupted in certain zones due to insecurity and local unrest. Businesses, particularly small and medium enterprises (SMEs), face undue pressure and operational risks that obstruct growth and prosperity. Despite these challenges, IBCCI remains committed to sustaining and uplifting the business affiliations between India and Bangladesh. A universal maxim shows "Success is hidden in converting disadvantages into advantages." Through our collective efforts, open dialogue, and joint initiatives, we can transform these challenges into opportunities for regional growth and integration.

As we look ahead, let us reaffirm our commitment to fostering trust, connectivity, and innovation between our business communities. Together, we can build a future where trade is not merely transactional, but transformational — one that illuminates lives, builds bridges, and contributes to enduring peace and prosperity.

M. Shueb Chowdhury

In Routine Presidential Charge



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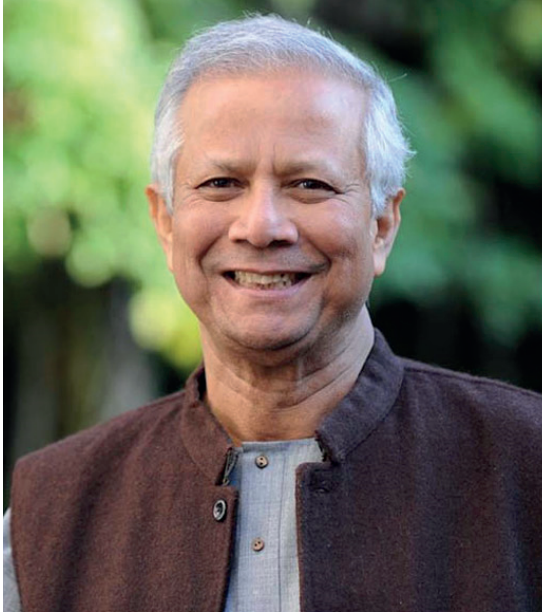
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Spirit of mutual respect, understanding to guide 2 nations to work together: Yunus to Modi



Professor Muhammad Yunus and Narendra Modi. | File photo

Bangladesh's interim government chief adviser Professor Muhammad Yunus and Indian prime minister Narendra Modi have exchanged Eid-ul-Azha greetings in the spirit of festivity, sacrifice, generosity and unity.

'I am confident that the spirit of mutual respect and understanding will continue to guide our nations to work together for the wellbeing of our peoples,' Professor Yunus wrote to PM Modi on June 6.

The interim government on Sunday shared both the letters through its verified social media handle.

He said Eid-ul-Azha is a time of reflection, which brings communities together in the spirit of festivity, sacrifice, generosity and unity and inspires them all to work together for the greater benefits of the peoples across the world. Prof Yunus said he deeply appreciates PM Modi's thoughtful message, kind greetings and warm wishes on the occasion of Eid-ul-Azha, which reflects the shared values between the two countries.

'I also would like to convey my warmest greetings to you, and through you, to the people of India on this auspicious occasion,' the message from Prof Yunus reads.

On this blessed occasion, Prof Yunus wished PM Modi good health and happiness and the people of India peace, progress, and prosperity. Earlier, on behalf of the people and the Government of India, PM Modi on June 4 conveyed warm greetings to Prof Yunus and the people of Bangladesh on the auspicious occasion of Eid al-Adha.

This holy festival is an integral part of the rich and diverse cultural heritage of India and is celebrated with immense joy and fervour by millions of people of Islamic faith across the country, Modi said.

'It reminds us of the timeless values of sacrifice, compassion and brotherhood, which are essential in building a peaceful and inclusive world,' PM Modi mentioned.

'I take this opportunity to extend my best wishes for your good health and well-being,' the message from Modi reads.

Bangladesh Investment Summit 2025

Bangladesh is the Best Place for Investment.

Chief Adviser Professor Muhammad Yunus on Wednesday urged the global investors to come up with their business in Bangladesh to change the world saying Bangladesh is the best place for investment.

“Bangladesh is a country with crazy ideas to change the world...so we invite you to join that craft not only to change Bangladesh by your business but to change the world,” he said while addressing the inaugural session of Bangladesh Investment Summit-2025 at Hotel Intercontinental in Dhaka, BSS reports.

Bangladesh Investment Development Authority (BIDA) organized the summit.

Prof Yunus said: “If you want to make a business with a purpose, along with the business we do, Bangladesh is the place.” About how people become happy by doing business, the chief adviser said making money, of course, is happiness but making other people happy is a super happiness. “If you have a business in Bangladesh, you will get happiness and super happiness. You will be proud of what you have done,” he added.

Prof Yunus said he does not look at Bangladesh alone but looks at the whole region with powerful resources, stressing the need for earning money together and changing the lives of people together.

“Each of your companies can enjoy that super happiness by expending and reaching out the impacts (to people),” he said.



Chief Adviser Professor Muhammad Yunus addresses the inaugural session of the Bangladesh Investment Summit-2025 at the Hotel Intercontinental on Wednesday.-PID

The chief adviser said the business can be the powerful mechanism to change the world, emphasising creation of a new civilisation.

“I underscore by saying we can create a world of ‘Three Zeros’. It can be done with the business, not by the government. The government cannot achieve that,” he said, adding that it is not the function of the governments but it is the function of individuals - human beings.

“We are human beings. We can change the world,” he said.

Noting that the business has given a big power tool on the people’s hands, the chief adviser said new civilization will be such a civilization where there will be no carbon emission.

Terming the carbon emission a self-destructive system, he stressed no wealth concentration, saying it is fun to make money but wealth concentration is the most



dangerous thing to the human being. “It will destroy the whole world.”

He also focused on zero unemployment at the summit, saying the young generation can change the world as they have technology and innovative ideas.

Prof Yunus said young people get excited about zero unemployment because all are entrepreneurs, not job seekers.

“Think like an entrepreneur. Make things happen. And Bangladesh is a place to see that,” he said.

USA, its founder said business in Bangladesh is not for Bangladesh only but it could be for the whole world.

Whoever through that microcredit, which was started in a little village, now would become a prime business in the United States, he said, adding it is “Grameen America”.

Prof Yunus said millions of women take money from Grameen America with loan size less than \$ 1,000, while Grameen America is growing very fast in the US. “So, little things in that sense - the Bangladesh’s

ground is very fertile. Put a little bit seeds, it becomes global,” he said, welcoming “all to join us to that mission - creating a new world.”

Recalling the Bangladesh’s independence in 1971, the Chief Adviser got emotional saying the 1974 is a year that “we cannot forget” as about 1.5 million people died in a famine.

That time, he said, the population of the country was farmers and most of them were landless ones,

while they used to grow a single crop.

From such a position, Bangladesh started its journey and it came a long way in 2025, he said.

“It’s an amazing journey...that Bangladesh came a long way in a very short time,” Prof Yunus said.

He also focused on the contribution of Grameen Bank and Grameenphone to eradicating poverty in Bangladesh.

The Chief Adviser said about 100,000 poor women were selling mobile-phone services using Grameenphone, which helped them overcome their poverty.



The Bangladesh Investment Summit 2025 was a clear signal that the country wants to compete on the global stage. PHOTO: CA PRESS WING

About the flourishing of the garment industry in Bangladesh, the Chief Adviser said Bangladesh was a country of farmers, landless farmers.

“We didn’t have any land, much land...only in the 70s, early 60s maybe. Some crazy young guys from the universities dared to enter into something which is happening in the country because of the business interest of other countries, the garment industry. They said, why not us?”

The crazy young guys began the journey of garment industry in Bangladesh, he said.

About the journey of microcredit in the

Baroness Rosie Winterton, UK's Trade Envoy to Bangladesh; Oscar Garca Maceiras, CEO of Inditex; and Apex Footwear Limited Managing Director Syed Nasim Manzur spoke to express their views on the investment front.

BIDA Executive Chairman Chowdhury Ashik Mahmud Bin Harun presented the business and investment potential of Bangladesh. Lutfey Siddiqi, Chief Adviser's Special Envoy on International Affairs, moderated the function.

The four-day summit began on April

7 showcasing the country's evolving investment opportunities and economic reforms.

The summit is being held to showcase Bangladesh's investment potential, highlight the economic reforms following the July revolution, and create long-term investment pipelines for sustainable economic growth.

Investors from around the world, top business executives and policymakers were present.

Courtesy: The Asian Age, 10 April 2025

Yunus, Modi hold bilateral talks on BIMSTEC sidelines



Chief Adviser Professor Muhammad Yunus and Indian Prime Minister Narendra Modi have sat for a bilateral meeting on the sidelines of the BIMSTEC Summit in Bangkok, Thailand.

“Chief Adviser has discussed all issues of our mutual interests. For example, renewal of the Ganges water treaty, Teesta water sharing, border killing,” Chief Adviser's Press Secretary Shafiqul Alam told reporters in Bangkok.

“I would say the meeting was very constructive, productive and fruitful,” he said.

Several photos show Yunus and Modi sitting across from one another with the delegations seated on each side of the room.

This marks the first in-person meeting between the two leaders since Prof Yunus took office. The talks come on the heels of a much-discussed visit by Yunus to China,

which was closely observed by the Indian media.

Both leaders are attending the summit, which aims to enhance economic and strategic collaboration among member states.

The two leaders had previously met, along with other BIMSTEC leaders, at a dinner hosted by Thailand Prime Minister Paetongtarn Shinawatra last evening.

Foreign Adviser Touhid Hossain met Indian External Affairs Minister S Jaishankar twice -- once in New York in September last year and again in February in Oman. However, bilateral relations have remained strained.



India has repeatedly expressed concerns over alleged attacks on religious minorities in Bangladesh, which the Bangladeshi government has termed interference in its internal affairs and gross misrepresentation of isolated incidents.

Bangladesh has witnessed growing anti-India sentiment for different reasons, including Delhi's support for Sheikh Hasina during her 15-year rule. She fled to Delhi after losing power on August 5 last year.

New Delhi has not responded to Dhaka's request to extradite the former prime minister to face trial for killings during the mass uprising.

Meanwhile, the Indian High Commission in Dhaka has substantially reduced--initially suspended visa services completely which has been eased for certain visitors more recently--number of visas citing staff shortage.

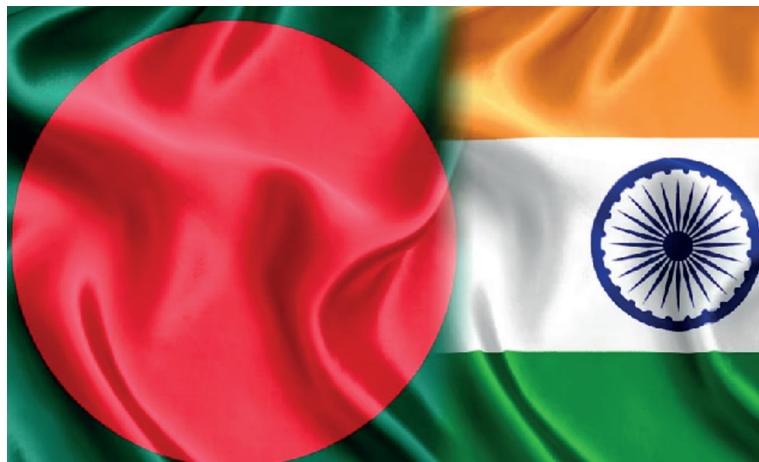
Against this backdrop, the meeting between Yunus and Modi could serve as a confidence-building measure, even amid lingering concerns between the two nations on various issues, diplomatic sources said.

"We want to have a good relationship with India, a good working relationship," Adviser Touhid told the media recently.

Professor Yunus's remarks in China where he had mentioned Bangladesh as being the 'only guardian of the oceans' in the region and a conduit between the seven sisters and the sea set off alarm bells across the Indian media landscape over the last few days.

Indian foreign minister S Jaishankar's speech at BIMSTEC was in part, responding to the statements made by Bangladesh chief adviser, although no one was named in particular.

Source: The Daily Star, Apr 4, 2025



Shipped \$462 million of garments in 15 months through India

Bangladesh's garment industry has transshipped more than 34,900 tones of apparel products worth \$462.34 million through India to 36 countries in 15 months.

The exports, spanning from January 2024

to March 2025, included a wide range of clothing items such as blouses, trousers, T-shirts, and baby garments. Key markets included the United States, European Union nations like Germany and France, and Asian

destinations such as Japan and South Korea.

The shipments were routed through India as part of regional trade facilitation. The total export value stood at Tk 5,640.5 crore, according to trade data shared by the Bangladesh Garment Manufacturers and Exporters Association.

The United Arab Emirates, Australia, and Canada were among the top non-EU importers, while South Africa and Chile also featured prominently.

Industry analysts attribute the volume of business to Bangladesh's competitive manufacturing costs and India's strategic transshipment infrastructure.

On April 8, India abruptly cancelled the transshipment route for Bangladesh, disrupting an export route for some local exporters.

Bangladesh exported about \$36 billion of garments in the 2023-24 fiscal year.

Source: The Daily Star, Apr 11, 2025

Imports from India rise as exporters battle against lead time

Bangladesh's reliance on Indian imports has been increasing as local manufacturers and industries are struggling to reduce the time needed to bring in goods from other destinations, as they battle to meet shrinking lead times.

If local manufacturers import raw materials from China, Latin America or Africa, they lose their competitive edge in the global supply chain, especially as international retailers and brands have lately shortened lead times.

The import of Indian goods, especially cotton, fabrics and yarn, has been increasing since July last year, when political and labor unrest disrupted export-import activities and led to a halt in production across many factories.

According to Bangladesh Bank data, imports from India increased by 2.09 percent to \$2.36 billion in the October-December quarter of 2024, a year-on-year increase from the \$2.04 billion recorded the year prior.

In FY24, the total import value of Indian goods to Bangladesh was \$9 billion and in the FY23 the import value from India was \$9.94 billion, central bank data showed.

In the first six months of the current fiscal year, the total import value from India remained on the same trajectory, hitting

\$4.41 billion. However, given the increasing flow of imports, it may exceed last year's number.

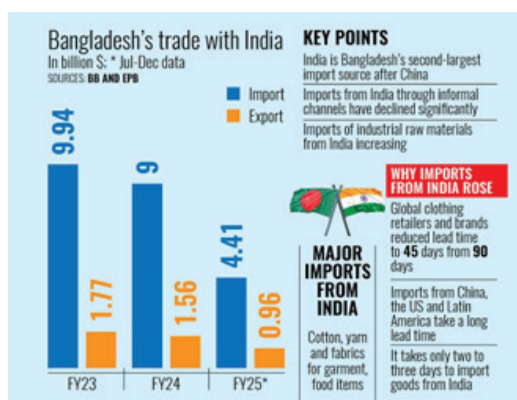
Cotton is among the major commodities imported from India. Bangladesh imports cotton worth more than \$3 billion each year, with more than half coming from India. In FY23, imports of Indian cotton stood at \$1.92 billion and climbed to \$2.36 billion in FY24.

Other major commodities imported by Bangladesh from India include cotton yarn, fabrics, handloom products, and organic and inorganic chemicals.

Importers said increased trade through formal channels played a role in the rise, informing that trade through informal routes dropped significantly due to improved border vigilance by both countries.

Yet, the main reason for rising imports from India is the fact that it allows companies to preserve the most valuable commodity of all: time.

Competition in the global supply chain intensified in the aftermath of the Covid-19 pandemic, the Russia-Ukraine war, and high global inflation, leading international clothing retailers and brands to halve lead times from 90 days to 45 days.



But if local garment exporters import cotton from Africa, Latin America, Australia or the US, it takes, at least 35 days to arrive at the Chattogram port before taking another 15 days or so to reach the mills.

So, it takes 45 days just to deliver cotton to the mills.

However, if cotton is imported from India, it takes only two to three days to get delivery, that too at cheaper prices.

Before the Covid-19 pandemic, Bangladesh had cut down on its imports of Indian cotton. The country, which used to source around 60 percent of its cotton from India, had reduced the level to below 30 percent as Indian cotton traders often stopped sending cotton to Bangladesh without any prior notice.

However, the scenario has somewhat reversed in recent times, with a resurgence in imports of Indian cotton, yarn and fabrics.

Showkat Aziz Russell, president of the Bangladesh Textile Mills Association (BTMA), whose members are the biggest importers of Indian raw materials, said local millers and manufacturers were left with little choice but to turn to Indian goods again.

“You can say we are kind of bound to rely more on Indian goods because of the changing nature of global business trends,” Russell told The Daily Star over the phone.

This is because shorter lead times are the main factor in business, he said, adding that Indian cotton can be imported in two to three days.

Moreover, Indian yarn, cotton, chemicals and other industrial raw materials are cheaper, he said.

Md Abdul Wahed, joint secretary general of the India-Bangladesh Chamber of Commerce and Industry, said trade with India currently takes place through 24 land ports and three rail ports alongside airports and seaports.

So, as all the ports are operational and border security has been tightened, trade through informal channels is almost impossible now, he added.

Monsoor Ahmed, a former chief executive officer of the BTMA, said many local businessmen had no choice but to source raw materials from India as banks in other countries were reluctant to accept letters of credit (LCs) because of the US dollar shortage in Bangladeshi banks.

Mohammad Abdur Razzaque, chairman of the Research and Policy Integration for Development, said the Indian economy is complementary to Bangladesh's industries as India is the second-largest source of industrial raw materials in the world after China.

It is also true that geographical proximity, familiarity with the language and a similar culture also contribute to higher import dependence on Indian goods, Razzaque added.

The most-imported items were cotton, manmade fiber, fabrics, cotton and non-cotton yarn, textile chemicals and others, according to data from India's Ministry of Commerce and Industry.

On the other hand, Bangladesh has hardly been able to capitalize on duty-free trade benefits with India, with exports to the

country still slow because of a lack of product diversity.

Bangladesh exported \$970 million worth of goods, mainly garment items, to India in the July-December period of the current fiscal year, according to data from the Export Promotion Bureau (EPB) of Bangladesh.

In FY24, Bangladesh's exports to India totaled \$1.56 billion, an 11.63 percent decline from the \$1.77 billion exported the previous fiscal year.

Source: The Daily Star, Mar 30, 2025

3rd country export: India **revokes** transshipment for Bangladesh

Shipments to Nepal, Bhutan via road are to be unaffected

India suspends transshipment facilities for Bangladesh

India has revoked the transshipment facility for Bangladesh's export cargo to third countries transiting through its land borders to Indian airports and ports, but clarified that the measure would not affect Dhaka's trade with Nepal and Bhutan through Indian territory.

The move, however, is likely to increase the cost for Bangladesh's apparel exporters who also deliver export orders to Western markets via India's airport, namely, the Indira Gandhi International Airport in New Delhi.

In a notification on Tuesday, the Central Board of Indirect Taxes and Customs (CBIC) of India said it rescinded the transshipment of export cargo from Bangladesh to third countries through Land Customs Stations (LCSs) to ports or airports, in containers or closed-bodied trucks.

An Indian circular in June 2020 had allowed this facility.

In its Tuesday notification, the CBIC said it decided to revoke the 2020 circular with

immediate effect, but added that cargo that had already entered India can exit the Indian Territory.

Explaining the decision, Indian Ministry of External Affairs Spokesman Randhir Jaiswal told reporters yesterday that the transshipment facility to Bangladesh for third-country cargo resulted in a "significant congestion" across Indian airports, leading to backlog, delay, and a rise in logistics cost for Indian exporters.

But he added, "It has no impact on Bangladesh's trade with Nepal and Bhutan."

His comment came in reply to a question if the move was linked to Bangladesh Chief Adviser Dr Muhammad Yunus's recent remarks made in China, seeking extension of the latter's "economic sphere" through northeastern India to Bangladesh to access the Bay of Bengal.

Following the Indian government's decision, Commerce Adviser Sheikh Bashir Uddin held a meeting with different stakeholders and made several decisions to minimize its impacts on the RMG sector.

"We have discussed how we can utilize our resources and capacity, including using the Sylhet airport and Dhaka airport,



so that our apparel buyers do not lose competitiveness.... We will have to hold another meeting headed by the commerce secretary tomorrow [today] and I hope to come to a conclusion about this from the meeting,” he told reporters.

India’s decision comes at a time when Bangladeshi goods, particularly readymade garments, face higher tariffs when entering the US market, the single biggest destination for Bangladeshi goods.

“This is going to affect us. Our opportunity for shipment will shrink, and our costs will go up,” said Faruque Hassan, a former president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

He mentioned that the volume of garments shipped via India is not significant. “But it is a setback for the industry. India should not have made this decision.”

On February 15, 2025, India’s Apparel Export Promotion Council (AEPCC) requested the CBIC to revoke the transshipment facility for third-country exports from Bangladesh.

AEPCC Chairman Sudhir Sekhri had said at the time that allowing Bangladeshi export cargo from Delhi Air Cargo Terminal will further increase the logistical challenges and increase the transport cost for Indian apparel exporters.

“Almost 20-30 loaded trucks come to Delhi every day, which slows down smooth cargo flow. This has led to an excessive increase in air freight rates, delay in handling and processing of export cargo and severe congestion at the cargo terminal at the IGI Airport, Delhi,” he said, adding that it affects Indian RMG exports through the airport.

Earlier, such transshipment of Bangladesh export cargo was allowed only through Kolkata airport.

International clothing retailers and brands sourcing from Bangladesh prefer the

Delhi airport to Dhaka’s Hazrat Shahjalal International Airport (HSIA) to carry goods due to the lower tariff offered by India.

The tariff at HSIA is so high that buyers remain competitive even when their goods travel a distance of nearly 1,900 kilometers in trucks from Bangladesh to Delhi via Benapole and Petrapole.

For example, it costs \$3 to transport one kilogram of garment items from the HSIA to destinations in Europe. The charge is \$1.2 if the goods are sent via Delhi’s Indira Gandhi International Airport.

Currently, 1,000-1,500 tones of Bangladeshi products, mostly RMG items, are shipped to western markets through this airport, according to airport sources.

Selim Raihan, executive director of South Asian Network on Economic Modeling (SANEM), said that Trump’s reciprocal tariffs are going to take effect from today.

“On the same day, India’s decision to cancel the transshipment facility for Bangladesh’s export cargo to third countries is a concerning development.

“Given the vital role this facility has played in facilitating trade and reducing costs, the sudden move will likely increase the logistical burden on Bangladesh, potentially impacting its competitiveness in regional markets.”

He said that this decision appears to be a response to growing competition in sectors such as readymade garments, but it underscores a broader issue of trade dynamics between neighboring countries.

“Such a move is not even consistent with the World Trade Organization.”

He said that as the global trade landscape becomes more complex and competitive, cooperation between developing countries like Bangladesh and India is more important than ever.

The two countries share a long history of economic and cultural ties, and maintaining a smooth flow of trade is essential for both, he added.

“India is among the top trading partners of Bangladesh, and this change in policy is not consistent with the prospects of an enhanced bilateral relationship. We sincerely hope that India will reconsider its position and engage in dialogue to find a solution that benefits both countries,” said Raihan, also a professor of economics at Dhaka University.

Mohammad Abdur Razzaque, chairman of Research and Policy Integration for Development (RAPID), said the development can be seen as a major blow to regional integration and cooperation.

“Ironically, it comes so soon after the BIMSTEC Summit, only to demonstrate the

lack of genuine commitment to promoting trade within the region.”

He said, given the current turmoil in global trade, particularly in the face of President Trump’s reciprocal tariffs, there is serious consideration globally for exploring trade opportunities through South-South cooperation, especially increasing trade among Asian nations.

“In that context, the revocation of the transshipment facility is deeply disappointing and sends the wrong signal.”

Zahid Hussain, a former lead economist of the World Bank’s Dhaka office, said India’s decision to suspend transshipment facilities for Bangladesh is unfortunate and unnecessary.

Source: The Daily Star, Apr 10, 2025



The Indian high commissioner identified cooperation between the two countries in the RMG and textile sector.

Indian High Commissioner to Bangladesh Pranay Verma hopes that trade connectivity and economic engagement between Bangladesh and India will continue to bring people and businesses of the two countries closer together.

Speaking at an interactive session on

India hopeful of greater trade connectivity, economic engagement with Bangladesh

Monday, the Indian envoy highlighted the importance of the Ready-Made Garments (RMG) sector in Bangladesh’s socio-economic development and also in promoting closer supply/value chain linkages between India and Bangladesh.

The high commissioner identified cooperation between the two countries in the RMG and textile sector as a testament to their interdependence and mutual benefit.

He expressed hope that the participation of a large delegation from Bangladesh in Bharat Tax 2025 will open up new opportunities for establishing new supply chain linkages and



investment, and technology tie-ups across various segments of the textile value chain.

The exhibition will be held in New Delhi, India, from February 14–17.

The High Commission of India, Dhaka, organized the interactive session with leading businesses and the Business Chambers of the textile sector of Bangladesh.

The interactive session was held in the context of the upcoming Bharat Tax 2025, a global textile event that will bring together important stakeholders from the textile industry and will encompass the entire textile value chain under one roof.

Source: Dhaka Tribune, 03 Feb 2025

Despite Tensions and Boycott Calls, Bangladesh's Imports of Indian Goods Remain Steady

Despite calls for boycotts, reciprocal trade bans, and a range of political measures, tensions continue to rise between Bangladesh and India. This strained relationship has put pressure on bilateral trade and the business environment in both countries. However, India's exports to Bangladesh have not decreased. In the current 2024–25 Indian fiscal year (April–March), Bangladesh has imported goods worth USD 11.45 billion from its neighboring country. In the previous fiscal year, the figure stood at USD 11.06 billion. The trade balance remains tilted, with Bangladesh exporting significantly less to India. These statistics have been published by the Directorate General of Foreign Trade under India's Ministry of Commerce and Industry.

Over the last five decades, trade between Bangladesh and India has grown steadily. India is Bangladesh's second-largest source of imports, following China, and conversely, Bangladesh is one of the top destinations for Indian exports. Approximately 85% of total trade between the two countries consists of Indian exports. According to international relations analysts, this economic reality has so far shielded trade relations from the impact of the recent diplomatic tensions. However, business leaders warn that prolonged political instability may eventually affect economic ties as well.

The relationship between Bangladesh and India began to sour after the fall of the Sheikh Hasina government in August last year. Initially, the tensions were limited to verbal confrontations. More recently, the two countries have imposed reciprocal trade bans on each other. Nevertheless, Indian exports to Bangladesh have not declined amid this political friction.

International relations experts argue that this is evidence of the interdependent nature of today's global economy. Even when political and diplomatic ties become strained, economic and commercial relations often remain stable—examples include the United States and Canada, or India and China, and even China and Japan. The fundamental distinction between political diplomacy and economic reality has become increasingly evident over the past few decades.

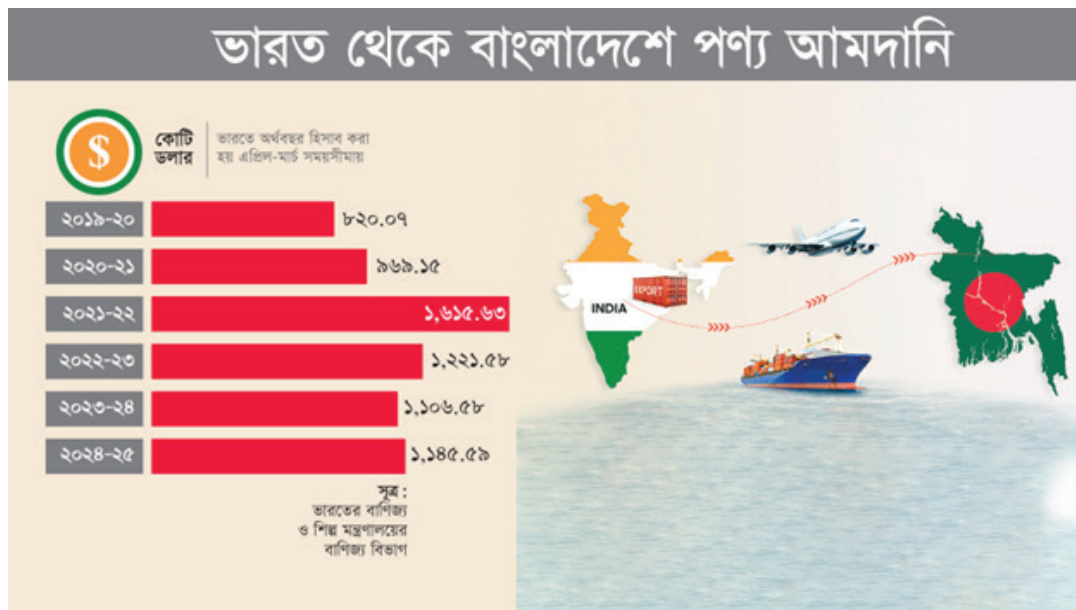
Professor Dr. Delwar Hossain from the Department of International Relations at the University of Dhaka told Bonik Barta, "Many assumed that imports from India would decline sharply, and that Bangladesh's exports would fall too. But this has not happened so far, which is quite significant. Although there may be differences between the two nations in terms of security and strategic issues, prioritizing economic interdependence reflects diplomatic maturity. I believe the economic ties

built over the decades between the two countries cannot be easily undermined, as the rules of politics differ greatly from those of economics. For instance, India has significantly restricted visas for Bangladeshis, yet trade remains unaffected. Both countries are maintaining commercial ties. In today's globalized world, this is a fundamental characteristic of economic relations.”

Experts also point out that industrial development in Bangladesh and its large

fiscal year. This decreased steadily, reaching USD 11.06 billion in 2023–24. However, in the Indian fiscal year ending in March, exports to Bangladesh increased by 3.53% to USD 11.45 billion.

The statistics show that Bangladesh imports the most cotton from India, followed by food grains. Other major imports include minerals, fuel, electricity, and various goods and services. Meanwhile, Bangladesh's primary export to India is ready-made garments.



population create a demand that cannot be met by domestic production alone—something common to many countries. The economic realities between India and Bangladesh are both strong and complex. Therefore, even if either country desires to disrupt trade, it would be difficult to do so. The mutual interdependence that has developed over the last two to three decades is clearly reflected in the ongoing trade relationship, which continues to grow despite political tension.

According to India's Ministry of Commerce, the value of Indian exports to Bangladesh reached USD 16.15 billion in the 2021–22

Following the political upheaval and the fall of the Awami League government, Indian exports to Bangladesh declined. In July–August, domestic instability in Bangladesh affected trade between the two countries. For three consecutive days, trade at the Benapole land port was halted, causing a 19.43% drop in Indian exports to Bangladesh in August. Exports declined again by 1.66% in September, rose by 2.5% in October, dropped by 3.03% in November, but then surged by 31.51% in December. This growth continued into January, with a 15.09% increase, though exports again declined in February and March.



The recent diplomatic tensions, the suspension of transshipment privileges, and trade bans on land routes have created new concerns, according to business leaders. Abdul Wahed, Joint Secretary General of the India-Bangladesh Chamber of Commerce and Industry (IBCCI), told Bonik Barta, “Although trade between the two countries is growing, since July–August Bangladesh has stopped importing yarn, while India has revoked transit privileges. India has also restricted imports of ready-made garments and several other goods. These actions clearly reflect the tensions. Despite overall trade growth, things could worsen.”

He added that businesses on both sides are currently suffering due to the prevailing political differences. “I believe the only solution lies in forming an elected government as soon as possible. The longer an interim government remains in place, the more the gap will persist. Through an elected government, bilateral trade can be strengthened, benefiting both countries’ businesses. Without it, there is no real solution for businesspeople.”

India’s trade statistics show that in the 2021–22 fiscal year, Indian imports from Bangladesh amounted to USD 197 million (USD 1.97 billion). This rose slightly to over USD 2 billion in the following year but declined again in 2023–24. In the latest 2024–25 fiscal year, Indian imports from Bangladesh increased by 8.7% to slightly over USD 2 billion.

Responding to these business concerns, international relations expert Dr. Delwar Hossain noted, “The concerns of the business community are understandable. They are emphasizing the need for political stability, with elections being a key element of that stability. I believe that political stability is essential for addressing economic uncertainty.”

Analysts observe that commercial ties between Bangladesh and India have

significantly strengthened over the past decade. This growth is based on mutual demand, market capacity, and supply chain infrastructure. The acceptability of Indian goods in the Bangladeshi market is a major factor behind this export trend.

Dr. Selim Raihan, Executive Director of the South Asian Network on Economic Modeling (SANEM), told Bonik Barta, “While political and diplomatic tensions have been observed at times—particularly recently—the overall trade relationship between Bangladesh and India has grown substantially over the past decade. Despite the tensions, data shows that Indian exports to Bangladesh have not suffered major setbacks, and have instead increased. This demonstrates that the demand for goods, market capacity, and supply chain structure between the two countries rest on a solid foundation. The acceptability of Indian goods in Bangladesh is a key driver of this trend. Additionally, geographical proximity, cultural similarities, and mutual interdependence have deepened and stabilized this trade relationship. In various sectors such as raw materials for exports, agricultural products, construction materials, and consumer goods, Indian imports play a crucial role in Bangladesh.”

He further noted that imports from Bangladesh to India are also gradually increasing, which is a positive development. “In the 2024–25 fiscal year, Indian imports from Bangladesh exceeded USD 2 billion, indicating a small but visible step toward trade balance. If both countries continue to improve infrastructure, border management, and policy cooperation, this trade relationship could become even more prosperous, balanced, and sustainable. Despite the tensions, the relationship remains pragmatic and strategically significant, and both sides should strive to maintain it.”

Source: Bonik Barta, 29 May 2025

7th Act East Business Show 2025 held from 25th to 27th March 2025 at State Convention Centre, Shillong, Meghalaya, India



Photo: The Secretary General of IBCCI greeted the Honorable Chief Minister of Meghalaya, H E Shri Conrad K Sangma, at the 7th Act East Business Show 2025 with a Crest

The India-Bangladesh Chamber of Commerce and Industry (IBCCI) participated in the 7th Act East Business Show 2025, held from 25th to 27th March at the State Convention Centre in Shillong, Meghalaya, India. A five-member delegation, led by Secretary General S M Abul Kalam Azad, was warmly welcomed by the Government of Meghalaya and the Indian Chamber of Commerce (ICC). Inaugurated by the Honorable Chief Minister of Meghalaya, H.E. Shri Conrad K Sangma, the three-day event aimed at strengthening trade ties with BBIN and ASEAN nations and attracted delegates from 14 countries, including Australia, Bhutan, Germany,

Indonesia, Malaysia, the Philippines, Thailand, and the UAE.

The Chief Minister emphasized the region's strategic importance and called for tailored strategies for each Northeastern state, while also highlighting the state's strong economic growth, sustainable development goals, and sectorial opportunities in agriculture, tourism, IT, and renewable energy.

The Secretary General of IBCCI participated as a panelist in the session titled "Export Promotion from NER". During his address, he highlighted several key areas of collaboration

between Bangladesh and India's Northeast region. He emphasized the need for improving trade infrastructure at border points such as Tamabil-Dawki, boosting bilateral cooperation in sectors like textiles, agro-processing, ICT, and healthcare, and facilitating smoother cross-border movement of goods and services. He also spoke about the potential of forming joint ventures in renewable energy, tourism, and fisheries, and encouraged initiatives for mutual skill development and capacity building in both countries. Additionally, he urged for simplification of regulatory and customs procedures to reduce trade barriers and enhance private sector engagement.



Photo: The Secretary General of IBCCI is addressing as a panelist on the session titled "Export Promotion from NER" on 26th of March, 2025

IBCCI delegates actively engaged in B2B and B2G meetings with entrepreneurs, diplomats, and officials from several countries, resulting in the signing of multiple Expressions of Interest (EOIs). The event provided valuable networking opportunities and a platform to explore future collaborations, particularly in agribusiness, manufacturing, and regional connectivity. It concluded with a valedictory session outlining Meghalaya's roadmap for sustainable economic development and enhanced regional cooperation.

3rd Edition of Export Promotional Meet, 2024 on 21st November 2024 at Guwahati, Assam, India

The India-Bangladesh Chamber of Commerce and Industry (IBCCI) participated in the 3rd Edition of the North East Export Promotional Meet held on 21st November 2024 at NEDFi House, Guwahati, Assam, India. Organized by the Indian Chamber of Commerce (ICC) - North East Initiative in collaboration with the Ministry of External Affairs, Government of India, the event brought together delegates from focus countries including Bangladesh, Nepal, Laos, Thailand, and Bhutan.

A seven-member delegation represented IBCCI, led by Secretary General S M Abul Kalam Azad. The event featured six key sessions, including the Inaugural Session, Trade Export Leaders Remarks Session, and three phases of the North East Export Promotion Meet. The Chief Guest, H.E. Mr.



Photo: IBCCI Secretary General is greeting the Chief Guest of the event H.E. Mr. Pabitra Margherita, Union Minister of State, Ministry of External Affairs, Government of India with a Crest

Pabitra Margherita, Union Minister of State for External Affairs, emphasized regional economic collaboration, infrastructure projects, and green technology.

During the Trade Export Leaders Remarks Session, the Secretary General of IBCCI addressed the gathering, highlighting the significant growth in trade between Bangladesh and India over the years.

However, he noted that much progress is still needed when it comes to the Northeast region. He emphasized the potential for increased collaboration and joint ventures in sectors such as RMG and textiles, IT, tourism, healthcare, construction, agriculture, food and beverages, petroleum, chemicals and minerals, and energy. IBCCI delegates engaged in productive B2B sessions, resulting in the signing of five Expressions of Interest (EOIs). They also held meaningful discussions with the Dawki delegation on export challenges at the Tamabil Land Port and met with the IBCCI Guwahati Chapter to explore bilateral

cooperation. Additional interactions with delegations from Bhutan, Nepal, Thailand, and the Dhaka Chamber of Commerce and Industry (DCCI) further enhanced regional networking. The Secretary General expressed gratitude to the Indian Chamber of Commerce and the Government of India for their warm hospitality and successful organization of the event, which provided an important platform for fostering cross-border trade and partnerships.



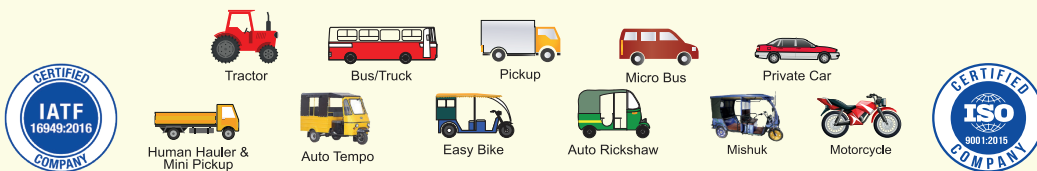
Photo: IBCCI Secretary General is speaking at the Trade Export Leaders Remarks Session

Upcoming Events in India, 2025 (Rest will follow):

SL	Date	Program Name	Place	Organizer
1	2 July 2025	5th Edition of the CII SR Sustainability, ESG & Climate Change Summit	Radisson Blu Hotel (Airport), Chennai	Confederation of Indian Industry (CII)
2	01-03 August 2025	7th Edition of the SGCCI Yam Expo 2025	Surat, Gujarat, India	Southern Gujarat Chamber of Commerce & Industry (SGCCI)
3	17 to 18 September 2025	ICC Global Business Summit	Jio Centre and Hotel Lalit, Mumbai, India.	Indian Chamber of Commerce (ICC)

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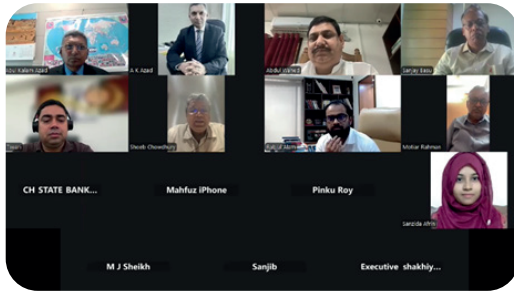
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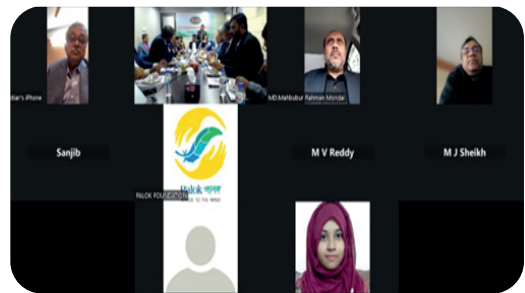
A Cross-section of the participants of the 100th Board Meeting of the IBCCI through Zoom on 17th May 2025



17th AGM of the India-Bangladesh Chamber of Commerce and Industry (IBCCI) on 12th December 2024 at 4:00 PM in the Conference Room of the IBCCI Secretariat



17th AGM of IBCCI is in progress



17th AGM of the India-Bangladesh Chamber of Commerce and Industry (IBCCI) on 12th December 2024 at 4:00 PM through Zoom



17th AGM of IBCCI is in progress



Honorary Joint Secretary General Mr. Md. Abdul Wahed greeted the NBR chairman with a crest at the Pre-Budget discussion meeting with NBR on 5th March, 2025



IBCCI Delegates headed by Honorary Joint Secretary General Mr. Md. Abdul Wahed at the Pre-Budget discussion meeting with NBR on 5th March, 2025



The Secretary General of IBCCI was felicitated by Shri Mahesh Kumar Saharia, Chairman NER, ICC, with Uttario at the opening ceremony of the 7th Act East Business Show 2025, Shillong, Meghalaya, India on 26th of March, 2025



The Secretary General of IBCCI was greeted with a crest at the Session on Export Promotion from NER on 26th of March, 2025



A cross-section of IBCCI Delegates at the 7th Act East Business Show 2025, Shillong, Meghalaya, India on 26th of March, 2025



The IBCCI Secretary General, along with delegates, greeted the Honorable Minister of Agriculture and Horticulture Dr Mazel Ampareen Lynghod, Govt. of Meghalaya, with a Souvenir on 26th March 2025 at the State Convention Centre, Shillong, Meghalaya, India



IBCCI delegates greeted a young entrepreneur of Nagaland, Ms Viseina Basumatari, with a Souvenir at the B2B Session on 25th March 2025



IBCCI delegates greeted the Indian Chamber of Commerce with a crest on the 25th of March, 2025, at the 7th Act East Business Show 2025



A cross-section of the audience with the dignitaries of the inaugural session of the 7th Act East Business Show 2025, Shillong, Meghalaya



Mr. Shri Ishantor Sobhapandit, Regional Director - NER, Indian Chamber of Commerce is greeting the Secretary General of IBCCI with Uttorio and a Memento at the 3rd Edition of Export Promotional Meet, 2024 on 21st November 2024 at Guwahati, Assam, India



Group Photo of the foreign delegates with the Chief Guest H.E. Mr. Pabitra Margherita at the 3rd Edition of Export Promotional Meet, 2024 on 21st November 2024 at Guwahati, Assam, India



Group Photo with the delegates of Dawki Land Port at the 3rd Edition of Export Promotional Meet on 21st November 2024 at Guwahati, Assam, India



Secretary General of IBCCI is greeting Mr. Shri Ishantor Sobhapandi with a Crest at the 3rd Edition of Export Promotional Meet, 2024 on 21st November 2024 at Guwahati, Assam, India



With the President and Directors of IBCCI Guwahati Chapter at Hotel Nakshatra on 21st of November 2024 evening



With a cross-section of the Nepalese Delegates at the Hotel Nakshatra on 21st November 2024 at Guwahati, Assam, India



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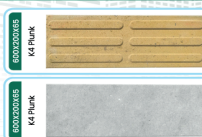


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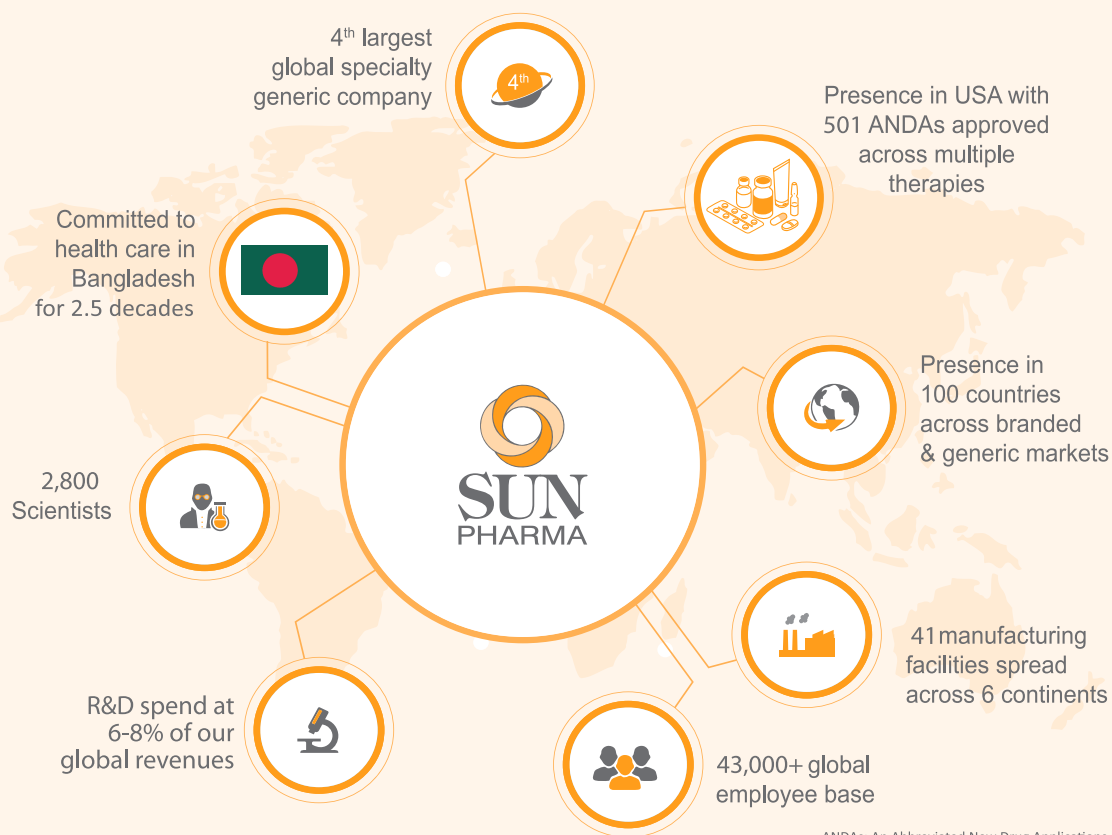
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