

**AGREEMENT¹ BETWEEN THE GOVERNMENT
OF INDIA AND THE GOVERNMENT
OF THE PEOPLE'S REPUBLIC OF
BANGLADESH RELATING TO
AIR SERVICES
Dacca, 5 May 1978**

The Government of the Republic of INDIA

AND

The Government of the People's Republic of BANGLADESH,
HEREINAFTER described as the "Contracting Parties";

CONSIDERING that it is desirable to establish on the basis of equality and reciprocity air services between and beyond the territories of the two countries and to strengthen their relations in the field of civil aviation;

RECOGNISING that the establishment of air services would help to preserve and promote friendship and understanding among peoples;

MINDFUL OF the need for safe, regular, efficient and economical air transport;

AND DESIRING to conclude an Agreement for the above purposes;

HAVE AGREED as follows :

Article I

For the purpose of the present Agreement, unless the context otherwise requires :

- (a) the term "aeronautical authorities" shall mean in the case of the Government of the Republic of India, the Director General of Civil Aviation or any person or body authorised to perform the functions presently exercised by the said Director General;

1. Came into force on 5 May 1978.

- (b) the term "aeronautical authorities" shall mean in the case of the People's Republic of Bangladesh, the Director General of Civil Aviation or any person or body authorised to perform the functions presently exercised by the said Director General;
- (c) the term "designated airline" shall mean an airline which one Contracting Party has designated in writing to the other Contracting Party, in accordance with Article III of the present Agreement;
- (d) the terms "territory", "air service", "international air service" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Articles 2 and 96 of the Convention on International Civil Aviation opened for signature at Chicago on the 7th December, 1944.

Article II

Each Contracting Party grants to the other Contracting Party the rights specified in the present Agreement for the purpose of establishing international air services on the routes specified in the Annex hereto (hereinafter called "the agreed services" and "the specified routes").

2. Subject to the provisions of the present Agreement, the airlines of each Contracting Party shall, while operating scheduled services, enjoy the following rights :
 - (a) to fly without landing across the territory of the other Contracting Party,
 - (b) to make stops in the territory of the other Contracting Party for non-traffic purposes.
3. While operating the agreed services on the specified routes, the designated airlines of one Contracting Party shall have the right to make stops in the territory of the other Contracting Party at the points specified in the Annex to the present Agreement for the purpose of putting down and taking on international traffic in passengers, cargo and mail.
4. Nothing in this Article shall be deemed to confer on the airlines of one Contracting Party the privilege of taking on, in the territory of the other Contracting Party, passengers, cargo or mail destined for another point in the territory of that other Contracting Party.
5. The laws, regulations and instructions of one Contracting Party relating to the entry into, departure from, or operation of aircraft within the territory of the said Contracting Party shall apply to

the aircraft of the other Contracting Party in the operation of air services while within such territory.

Article III

1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more airline for the purpose of operating the agreed services on the specified routes.
2. On receipt of the designation, the other Contracting Party shall, through its own aeronautical authorities and subject to the provisions of paragraphs 3 and 4 of this Article, without delay grant to the designated airlines the appropriate operating authorisation.
3. The aeronautical authorities of one Contracting Party may require the airlines designated by the other Contracting Party to satisfy them that they are qualified to fulfil the conditions prescribed under the laws and regulations normally applied by them to the operation of international air services.
4. Each Contracting Party shall have the right to refuse to accept the designation of the airlines or to withhold the grant to the airlines of the right specified in paragraph 3 of Article II of the present Agreement or to impose such conditions as it may deem necessary on the exercise by the airlines of such rights in any case where it is not satisfied that substantial ownership and effective control of those airlines are vested in the other Contracting Party or its nationals.
5. The airlines designated and authorised under this Article may begin to operate the agreed services at any time provided the requirements of Article VIII and X have been complied with.

Article IV

Each Contracting Party reserves to itself the right to suspend or revoke the operating authorisation or to impose such appropriate conditions as it may deem necessary in case of failure by the designated airlines of the other Contracting Party to comply with the laws and regulations of the former Contracting Party, or in case there is a failure to fulfil the conditions under which the rights are granted in accordance with the present Agreement or in case substantial ownership and effective control of the designated airlines no longer vest in the other Contracting Party or its nationals. Such action shall be taken only after consultation between the Contracting Parties in accordance with Article XII of the present Agreement unless an immediate suspension of operations or imposition of conditions is

necessary to prevent further infringement of the laws and regulations of the Contracting Party concerned or of any provision of the present Agreement.

Article V

The charges imposed in the territory of one Contracting Party for the use of airports and other aviation facilities by the aircraft of the designated airlines of the other Contracting Party shall not be higher than those paid by the aircraft of the national airlines of the former Contracting Party engaged in similar international air services.

Article VI

Aircraft operated on the agreed services by the designated airlines of either Contracting Party, as well as their regular equipment, supplies of fuel and lubricants, and aircraft stores (including food, beverages and tobacco) on board such aircraft shall be exempt from all customs duties, inspection fees and other similar charges on arrival in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft up to such time as they are re-exported. The equipment and supplies so exempt shall not be unloaded, stored or used except under the supervision and control of the customs authorities of the other Contracting Party.

2. The following shall also be exempt from the above mentioned duties, fees and charges but not from charges relating to the services rendered :
 - (a) aircraft stores (including food, beverages and tobacco) taken on board in the territory of either Contracting Party within limits fixed by the authorities of the said Contracting Party for use on board the aircraft engaged in an international service of the other Contracting Party;
 - (b) spare parts including components introduced or taken on board the aircraft in the territory of either Contracting Party for incorporation in or for maintenance, repair or overhaul of the components/aircraft used by the designated airline of the other Contracting Party;
 - (c) fuel and lubricants intended for being supplied to aircraft operated on the agreed services by the designated airlines of the other Contracting Party, even when these supplies are to be used on the part of the journey performed over the territory of the Contracting Party in which they are taken on board.

Materials referred to in sub-paragraphs (a), (b) and (c) above may be required to be kept or used under customs supervision or control.

3. Neither Contracting Party shall be obliged to grant to the designated airlines of the other Contracting Party, exemption or remission of customs duty, inspection fees or other similar charges unless such other Contracting Party grants exemption or remission of such duty, fees or charges to the designated airlines of the first Contracting Party.

Article VII

The designated airlines of each Contracting Party shall enjoy in all respects fair and equal opportunity in the operation of the agreed services on the specified routes.

2. In the operation of the agreed services by the designated airlines of one Contracting Party, the interests of the designated airlines of the other Contracting Party shall be taken into consideration so as not to affect unduly the services which the latter provide on the whole or part of the same route.
3. The capacity to be provided and the frequency of services to be operated shall be as agreed between the aeronautical authorities of the Contracting Parties in accordance with the principles laid down in paragraphs 1 and 2 of this Article and by taking into consideration the estimated requirements of traffic to be jointly agreed.
4. Any increase in the capacity to be provided or frequency of services to be operated by the designated airlines of either Contracting Party shall be as agreed between the aeronautical authorities. Pending such agreement or settlement, the capacity and frequency entitlements already in force shall prevail.
5. The capacity to be provided, the frequency of services to be operated as agreed to in accordance with the provisions of this Article, shall be specified in an exchange of letters between the aeronautical authorities of the Contracting Parties.

Article VIII

Each Contracting Party shall cause its designated airlines to supply to the aeronautical authorities of the other Contracting Party, as long in advance as practicable prior to the inauguration of the agreed services, information relating to the type of service, the type of aircraft to be used, the flight schedules, the tariff schedules, and

all other relevant information concerning the operation of the agreed services including such information as may reasonably be required to satisfy the aeronautical authorities that the requirements of the present Agreement are being duly observed. The provisions of this Article shall like-wise apply to any changes concerning the agreed services.

Article IX

The aeronautical authorities of either Contracting Party shall furnish to the aeronautical authorities of the other Contracting Party statistics relating to the traffic carried during each month on their air services to or from the territory of the other Contracting Party showing the points of embarkation and disembarkation of such traffic. Such statistics shall be furnished as early as possible and in any case within ninety days of the period to which they relate.

Article X

The tariffs to be charged by any designated airline of a Contracting Party for carriage of passengers, cargo and baggage on the agreed services on the specified routes shall be fixed by agreement between the designated airlines of both Contracting Parties and shall be submitted for the approval of the aeronautical authorities of both Contracting Parties before their introduction. If the designated airlines fail to agree, the matter shall be referred to the aeronautical authorities of the Contracting Parties.

2. The tariffs agreed by the designated airlines of the Contracting Parties shall be submitted for the approval of the aeronautical authorities of both Contracting Parties as soon as possible, and in any case at least 60 days before the proposed date of their introduction. If neither of the aeronautical authorities express disapproval within 45 days from the date of receipt of the said tariffs, those shall be considered as approved.
3. In the event that tariffs are not fixed in accordance with paragraph 1 of this Article or that the aeronautical authorities of any Contracting Party disapprove of the tariffs so fixed, the aeronautical authorities of the Contracting Parties shall endeavour, as expeditiously as possible, to determine the tariffs by mutual agreement. Should the aeronautical authorities of the Contracting Parties fail to reach such agreement, the matter shall be referred to the Contracting Parties for settlement.

Article XI

The aeronautical authorities of the two Contracting Parties shall exchange views regularly on the application and interpretation of the present Agreement.

Article XII

Consultations may be requested at any time by either Contracting Party for the purpose of initiating any amendment to the present Agreement. Consultations may also be required on matters concerning the interpretation and application of the present Agreement if either Contracting Party considers that an exchange of views within the meaning of Article XI has been inconclusive. Such consultations shall begin within a period of sixty days from the date of request. Any amendment agreed between the two Contracting Parties shall come into force on the date to be mutually determined and confirmed by an exchange of diplomatic notes.

Article XIII

If any dispute arises relating to the interpretation or application of the present Agreement, the aeronautical authorities of the Contracting Parties shall endeavour to settle it by negotiation between themselves, failing which the dispute shall be referred to the Contracting Parties for settlement.

Article XIV

Each Contracting Party shall grant to the designated airlines of the other Contracting Party the right to transfer to its head office in a freely convertible currency the excess of receipts over expenditure resulting from the operation of the agreed services on the specified routes, subject to fulfilment of exchange control formalities of the Contracting Party concerned.

Article XV

The Annex to the present Agreement shall be deemed to be a part of the Agreement.

2. The present Agreement shall come into force on the date of signature thereof.

Article XVI

Either Contracting Party may, at any time, give written notice to the other of its desire to terminate the present Agreement. If such

notice is given, the present Agreement shall terminate twelve months after the date of receipt of the notice by the other Contracting Party unless the aforesaid notice is withdrawn by agreement before the expiry of this period.

DONE at Dacca, this 5th day of May 1978 in six originals, two each in the English, Hindi and Bengali languages, all the texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

Sd/-

K.P.S. MENON
For the Government of the
Republic of India

Sd/-

A.B.M. GHULAM MOSTAFA
For the Government of the
People's Republic of Bangladesh

ANNEX SECTION I

The airlines designated by the Government of the People's Republic of Bangladesh shall be entitled to operate the agreed services in both directions on the routes specified in this Section and to land for traffic purposes in the territory of the Republic of India at the points specified therein.

Points of origin	Intermediate points	Points in the Republic of India	Points beyond
1. Bangladesh	Nil	Calcutta	Nil
2. Bangladesh	Nil	Bombay	(a) Bahrain or Dubai; (b) Baghdad or Cairo; (c) Athens or Belgrade or East Berlin or Prague; (d) Frankfurt or Brussels or Amsterdam; (e) London.

NOTES :

- On the sector Bombay/Frankfurt/Bombay, the airlines designated by the Government of the People's Republic of Bangladesh shall not carry any passenger traffic.
- Points mentioned above need not be served in the order specified.
- Any point or points on the specified routes may be omitted at the option of the designated airlines.
- The word 'or' when used between two or more points in the column 'points beyond' shall mean that only one point from each set may be served by the designated airlines on all

their services. The option reserved to the airlines to select such a point shall be exercised only once every six months and no second option shall be available in respect of the same set of points during such period.

SECTION II

The airlines designated by the Government of the Republic of India shall be entitled to operate the agreed services in both directions on the routes specified in this Section and to land for traffic purposes in the territory of the People's Republic of Bangladesh at the points specified therein.

Points of origin	Inter-mediate points	Points in the People's Republic of Bangladesh	Points beyond
1. India	Nil	(a) Dacca (b) Chittagong	Nil
2. India	Nil	Dacca	(a) Rangoon or Hanoi or a point in Australia to be selected by the airlines designated by the Government of the Republic of India out of Perth and Sydney; (b) Vientien o Saigon or Jakarta or Manila; (c) Hongkong or Singapore or a point in Malaysia to be selected by the airlines designated by the Government of the Republic of India out of Kuala Lumpur and Penang; (d) Osaka; (e) Tokyo.

NOTES :

1. On the sector Dacca/Singapore/Dacca, the airlines designated by the Government of the Republic of India shall not carry any passenger traffic.
 2. Points mentioned above need not be served in the order specified.
 3. Any point or points on the specified routes may be omitted at the option of the designated airlines.
 4. The airlines designated by the Government of the Republic of India shall not serve Dacca & Chittagong on the same flight.
 5. The word 'or' when used between two or more points in the column 'points beyond' shall mean that only one point from each set may be served by the designated airlines on all their services. The option reserved to the airlines to select such a point shall be exercised only once every six months and no second option shall be available in respect of the same set of points during such period.
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