

**TRADE AGREEMENT<sup>1</sup> BETWEEN THE  
GOVERNMENT OF INDIA AND THE  
GOVERNMENT OF THE PEOPLE'S  
DEMOCRATIC REPUBLIC  
OF YEMEN  
New Delhi, 23 April 1979**

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The Government of the Republic of INDIA

AND

The Government of the People's Democratic Republic of YEMEN,  
DESIROUS to extend and deepen the trade relations between both  
countries on the basis of equality and mutual benefit,

HAVE AGREED on the following :

*Article 1*

The Contracting Parties shall, in accordance with the laws and regulations in force in the two countries, make all possible efforts to increase the volume of trade between them, during the period of validity of this Agreement.

*Article 2*

Each Contracting Party shall, subject to its general import/export and other regulations, grant the required approvals in connection with the deliveries of goods and commodities to the other country.

*Article 3*

- (a) The Contracting Parties shall accord to each other most favoured nation treatment in respect of import and export licences, customs duties and all other charges and taxes applicable to importation, exportation or transit of commodities.
- (b) Any advantages, favour, privilege or immunity granted by either

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1. Came into force on 23 April 1979.

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 like product originating in the territory of the other Contracting Party or destined to be imported into its territory.

- (c) The provisions of clauses(a) and (b) of this Article shall not, however, apply to the grant or continuance of any
- (i) advantages accorded by either Contracting Party to contiguous countries for the purpose of facilitating frontier traffic;
  - (ii) preferences or advantages 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 preferences or advantages as existed prior to the 10th April, 1947;
  - (iii) any 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 of the Governments is or may become a party;
  - (iv) advantages and preference resulting from a customs union and/or free trade area of which either country is or may become a party.
  - (v) preferences which the People's Democratic Republic of Yemen has granted or may grant in future to Arab countries.

#### *Article 4*

All payments and settlements in relation to imports and exports between the two countries shall be made in accordance with their respective foreign exchange laws and regulations.

#### *Article 5*

Subject to its respective laws and regulations, each Contracting Party shall allow the holding of permanent or temporary fairs and exhibitions by other and shall extend to the other Contracting Party all facilities for holding such fairs and exhibitions.

#### *Article 6*

Nationals of either Contracting Party shall be permitted to enter, sojourn, travel or reside in the territory of the other Contracting Party for the purpose of promoting trade between the two countries,

provided that the enjoyment of the above right shall be subject to the laws and regulations of such other Party as are generally applicable to all foreigners alike.

*Article 7*

Merchant ships belonging to either Contracting Party together with their cargoes, shall enjoy, in all matters relating to navigation, free entry into ports of the other Contracting Party open to foreign trade, use of port facilities, loading and unloading dues, taxes and other facilities, a treatment in no way less favourable than the treatment granted to ships of other foreign countries, except that any concessions granted to ships engaged in coastal trade of either Contracting Party shall not be available under this Article to ships of the other Contracting Party.

*Article 8*

In order to facilitate the implementation of this Agreement, the Contracting Parties agree to consult with each other in respect of any matter arising from or in connection with this Agreement.

For this purpose, the Contracting Parties shall establish a Joint Committee composed of representatives of the two countries to be designated by the respective Governments. The Committee shall meet upon request of either Contracting Party, in New Delhi and Aden alternately.

*Article 9*

This Agreement shall come into force upon signature and shall remain valid for a period of two years. Thereafter, it shall be automatically renewed for periods of one year at a time, unless either Contracting Party notifies the other in writing, of its intention to terminate the Agreement, ninety days prior to the expiry of any of the aforesaid periods of validity of the Agreement.

DONE and signed at New Delhi on the 23rd April, 1979, in two originals each in the Hindi, Arabic and English languages, all 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/-*

AHMED OBEID AL-FADHLI  
Minister of Trade & Supplies

For the Government of the  
People's Democratic Republic  
of Yemen