

## India-Bangladesh

### Why in news?

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India has offered a new line of credit for \$5 billion to Bangladesh.

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### Connecting India and Bangladesh:

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- The lines of credit were part of India's well-thought-out strategy to give Bangladesh smaller sums it can absorb and building capacity.

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- The two sides are expected to announce a slew of agreements including one for the reconstruction of a seventh India-Bangladesh **railway line between Agartala and Akhaura**, a Rs 1,000-crore project, for which the foundation stone was laid in August 2016.

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- The 15-km line from **Bangladesh to Tripura** is significant as it is part of India's larger strategy of assisting Bangladesh's infrastructure while using it to transit to the north-eastern states.

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- The line is **expected to shorten rail routes** by as much as 1,000 km once completed.

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### What are the new arrangements to be taken care of?

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- Ferry services connecting Assam, Bangladesh and West Bengal and permissions for running cruise liners between the two countries, along with several road projects, are expected to be among more than 40 agreements to be announced in near future.

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- Also included are power projects and a civil nuclear cooperation agreement, diplomats privy to the negotiations said.  
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- The next part of the plan is to link Bangladesh to other neighbourhood countries.  
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- While the plan under the **Bangladesh-Bhutan-India-Nepal initiative** has hit a roadblock over the Bhutanese Parliament's refusal to ratify the network, officials are understood to be working around it, to link Bangladesh, India and Nepal.  
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### **Comparing India and China:**

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- Bangladesh has rejected comparisons of the plan for India's \$5 billion LoC in infrastructure with the recent announcement by Chinese President Xi Jinping of \$24 billion in development aid, with \$13 billion more in the private sector for Bangladesh, which joined China's "Belt and Road initiative" in October 2016.  
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**Source: The Hindu**

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