

**GENERAL AGREEMENT ON  
TARIFFS AND TRADE**

CONFIDENTIAL  
TEX.SB/1054\*  
23 November 1984

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Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Report on the Matter Referred to the TSB under Article 11:4

India/United States

Note by the Chairman

Attached is a communication received from India, the letter addressed to the United States by the Indian authorities, concerning Categories 445, 446 and 334, which had been the subject of TSB review under Article 11:4.

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<sup>1</sup> For the TSB review see COM.TEX/SB/978. See also TEX.SB/1022 for a report by the United States under Article 11:8.

\* English only/Anglais seulement/Inglés solamente



TS/140-3

584

भारत का स्थायी मिशन  
जेनेवाPERMANENT MISSION OF INDIA  
TO THE UNITED NATIONS OFFICES  
9, RUE DU VALAIS  
1202 GENEVA  
TELEPHONE : 32 08 59

No.GEN/PMI/203/5/84

RECEIVED	DOG. ISSUED	SOLD
TEX 56/1024		
REG 1 4 NOV 1984		
For	Action	Comment
Cabinet of DG		
Info. Service		
INTEL. AFF.		
Spec. Comm. Aff. Div.		
CHIEFMAN TSB	X	

November 13, 1984

Dear Mr. Ambassador,

I am forwarding a copy of a self-explanatory letter that has been addressed by my authorities to the Embassy of the United States of America in New Delhi regarding categories 445, 446 and 334 which have been the subject of reference by India under paragraph 4 of Article 11 of the TSB. I would be grateful if the contents of this letter could be brought to the attention of the members of the Textiles Surveillance Body.

Please accept, Mr. Ambassador, the assurances of my highest consideration.

(S.P. Shukla)

Ambassador

Amb. Marcelo Raffaelli,  
Chairman,  
Textiles Surveillance Body  
GATT

Encl: One

For	Action	Comment	Int.
OPER. DEPT. A			X
Non Tar. M. Div.			
Development Div.			
Tech. Coop. Div.			
Trade Pol. Div.			
Spec. Proj. Div.			
OPER. DEPT. B			
Econ. R/Anal. Unit			
Agriculture Div.			
Tariff Div.			
Tech. Bar. T. Div.			
Ext. Rel. Div.			
DEPT. COMM. AFF. DIV.			
Adm. / Fin. Div.			
Trans. / Doc. Div.			
Training Div.			
Personnel Off.			
Conference Off.			



**M K Sabharwal**  
**Joint Secretary**  
Tel: 374192

भारत सरकार  
वाणिज्य मन्त्रालय  
नई दिल्ली-110011  
GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE  
(Department of Textiles)  
NEW DELHI-110011

No:1/26/84-EP(T&J)-I

6th November, 1984

Dear Mr Kenney,

Please refer to your letter dated 20th Sept.1984 regarding consultations on Categories 445, 446 and 334.

2. The Government of India has noted with satisfaction the decision of the Government of the United States of America to withdraw the request for consultations and quota restrictions for Categories 445 and 446 in response to the recommendation of the Textile Surveillance Body. Government of India is, however, disappointed that the Government of the United States of America has not accepted in full the recommendations of the TSB by not agreeing to rescind the consultation call and the restraint on Category 334. The unanimous recommendation of the TSB is clear and categorical that the United States rescind the restraints on all the three categories. The recommendation was based on a full and detailed consideration of the case presented by both the sides with reference to the then available information and market data as also the status and trade-inhibiting effect of the Group-II limit. Any fresh data collected and considered after the TSB had made its recommendation is, therefore, not relevant. Government of India is of the view that if a situation of market disruption or real risk thereof has been perceived by the Government of the United States of America in the light of any fresh data, the appropriate course would be to first rescind the current restraint on category 334 and then seek fresh consultations on the basis of new data and other relevant specific factual information in terms of Annex 'A' of the MFA.

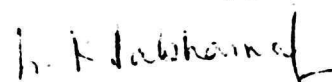
3. However, without prejudice to the foregoing position, the Government of India is willing to enter into fresh consultations in response to the request by the Government of the United States of America. As the TSB in its recommendation has, among other things, taken into account 'the status and trade inhibiting effect of the Group-II limit', the Government of India considers it necessary that the proposed consultations also cover the Group-II limit.

Contd... 2

4. This acceptance of the invitation to consult is without prejudice to the view that the TSB might take on the response of the Government of the United States of America regarding Category 334 made in the TSB meeting of the 15th October, 1984 and the rights of the Government of India under the MFA and its Protocol of Extension of December, 1981.

A copy of this letter is being forwarded to Chairman, Textile Surveillance Body.

Yours sincerely,



(N K SABHARWAL)

Mr George R. Kenney,  
Counsellor for Economic Affairs,  
Embassy of the United States of America,  
NEW DELHI