

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/29

30 August 1974

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notifications Under Article 2, Paragraph 1

Attached is a notification received by the Textiles Surveillance Body (TSB) from INDIA in accordance with paragraph 1 of Article 2 of the Textiles Arrangement. As required by the provisions of this paragraph the TSB is circulating this notification to participating countries in the Arrangement for their information. A summary tabulation of this notification prepared by the secretariat is also attached.

It is to be noted that the TSB, in the light of paragraph 11 of COM.TEX/2, is continuing to examine the notifications received in order to ensure the completeness and adequacy of the information, and is requesting the supply of additional information wherever necessary. Any additional information thus received will also be circulated.

It is, of course, open to any party to the Arrangement to request the TSB or the secretariat to seek any further information or clarification they may wish to have from the parties concerned, or to supply any additional information of relevance. Such information will also be circulated.

Letter No. 1

I have the honour to refer to paragraph 1 of Article 2 of the "Arrangement Regarding International Trade in Textiles" and to furnish the following information on the import restrictions maintained by India.

"In terms of the import policy, import of most of textile items is banned. However, items like polyester filament yarn, raw cotton and raw wool etc. are allowed for import to actual users. In addition to these items, under the import policies for registered exporters we allow polyester filament yarn etc. against the export of non-cellulosic products, mixture/blended products from mixture cotton cellulosic fibre yarn."

Further details about the import restrictions will be furnished in due course.

Accept, Sir, the assurances of my highest consideration.

Yours faithfully,

(N.C. Hemrajani)
Chief Research Officer

Letter No. 2

I have the honour to refer to my letter of 17 May 1974 in which some information was furnished on the import restrictions maintained by India on textile products covered by the "Arrangement Regarding International Trade in Textiles". I am now enclosing further details about these restrictions in Annex 1 as required under paragraph 11 of the Report of the Textiles Committee Meeting held in March 1974 (COM.TEX/2).

For the purpose of clarification, I might add that:

- (a) the import policy is subject to changes from time to time to meet the trade and development needs of India keeping particularly in view the foreign exchange position and the indigenous production in India;
- (b) in certain cases, items normally not permissible are allowed for import on the merits of the case. Such decisions are taken by the Standing Inter-Departmental Committee on the Import Policy presided over by the Chief Controller of Imports and Exports;
- (c) items which are not specifically shown in the enclosed Annex 1 are not normally allowed to be imported;
- (d) there are also special provisions for import of raw materials etc. for re-exports after processing. Extracts of paragraph 88 of Part B of Volume II of the Red Book is enclosed as Annex 2.

Accept, Sir, the assurances of my highest consideration.

Yours faithfully,

(N.C. Hemrajani)
Chief Research Officer

ANNEX 1

Part and Serial No. of ITC Schedule	BTI No.	Description of items	Import policy for April '74-March '75 period (Actual users)
1. 177/IV	51.01 and 51.03	Nylon yarn and thread/polyester filament yarn	(1) Requirements of nylon yarn and thread and polyester filament yarn (except those covered by remarks (2) and (3)) below of actual users will be met on restricted basis by imports through STC (2) Allowed to actual users for import of polyester filament yarn having a diameter range of 40 microns to 210 microns for manufacture of surgical sutures on the recommendation of D.G.H.S. New Delhi (3) Allowed to actual users for import of industrial nylon yarn of 210 denier and above only for belting and tyre industry
2. 178/IV	53.10	Hand knitting wool	Nil
3. 179/IV	55.05	Cotton thread other than sewing or darning thread	Nil
4. 180/IV	55.05	Cotton twist yarn - (a) Cotton yarn of 60 counts and above (b) Others	Nil
5. 181/IV	55.06	Cotton sewing thread	Actual user for export production only
6. 182/IV	55.06	Cotton darning thread	Nil
7. 185/IV	50.10	Fabrics not otherwise specified containing more than 90 per cent of artificial silk	Nil
8. 186/IV	53.11	Khalid aliv blue, barathea and other woollen fabrics not otherwise specified suitable for making uniforms and containing more than 90 per cent of wool, excluding felts and fabrics made of shoddy or waste wool	Nil

Part and Serial No. of ITC Schedule	BTN No.	Description of items	Import policy for April '74-March '75 period (Actual users)
9. 187/IV	53.11	Woollen fabrics, not otherwise specified, including shawl cloth containing more than 90 per cent of wool excluding felt and fabrics made of shoddy and waste wool and fabrics, specified in S. No. 186 of this Part of this Schedule	Nil
10. 188/IV	55.09	(a) Grey, piecegoods, (excluding bordered grey chaddars, dhoties, saris and scarves) (b) Printed piecegoods and printed fabrics (c) Cotton piecegoods and fabrics not otherwise specified	Actual user for import of lining and interlining material made of cotton fabrics for export production only
11. 189/IV	50.09	Fabrics not otherwise specified containing more than 10 per cent and not more than 90 per cent silk	Nil
12. 190/IV	50.10 51.04 53.11 55.09 55.07	Fabrics not otherwise specified containing not more than 10 per cent silk but more than 10 per cent and not more than 90 per cent artificial silk	Nil
13. 191/IV	53.11	Khaki, air blue, barathea and other fabrics not otherwise specified, suitable for making uniforms and containing not more than 10 per cent silk or 10 per cent artificial silk, but containing more than 10 per cent, but not more than 90 per cent wool	Nil
14. 192/IV	53.11	Fabrics, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk but containing more than 10 per cent but not more than 90 per cent wool, excluding fabrics specified in S. No. 191 of this Part of this Schedule	Nil

Part and Serial No. of ITC Schedule	BRN No.	Description of items	Import Policy for April '74-March '75 period (Actual users)
15. 193/IV	55.09	Fabrics, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk or 10 per cent wool but containing more than 50 per cent and not more than 90 per cent cotton	N11
16. 194/IV	55.09	Fabrics not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk or 10 per cent wool or 50 per cent cotton	N11
17. 195/IV	55.09 58.10	The following cotton fabrics, namely: Sateens including Italians or Sateen weave, velvets and velveteens and embroidered all over: (a) Italian of Sateen Weave (b) Velvets and velveteens (c) Others	N11 Actual users for import of lining and interlining material made of cotton fabrics for export production only N11
18. 196/IV	52.02	Fabrics containing gold or silver thread	N11
19. 197/IV	55.08 55.09 60.03 61.01 61.02 61.05 61.06 62.02 62.05	Textile manufactures, the following articles when made wholly or mainly of any of the fabrics specified in Item No. 48(3)(b) of the First Schedule to the Indian Tariff Act 1934; bed sheets, bed spreads, bolster-cases, counterpanes, table cloths, tray cloth, bed covers, table covers, dusters, glass cloths, handkerchiefs, napkins, pillow cases, pillow slips, scarves, shirts, shawls, cotton socks, towels, umbrella coverings	N11 Textile manufactures, being the articles specified in serial No. 197 of this Part of the Schedule, but being made wholly or mainly of fabrics specified in Item No. 48(3)(c) of the First Schedule to the Indian Tariff Act, 1934.
20. 198/IV			

Part and Serial No. of ITC Schedule	BTN No.	Description of items	Import policy for April '74-March '75 period (Actual users)	
21. 109/IV	51.04 52.02 55.08 55.09 56.07 60.03	Textile manufactures, being the articles specified in S.No. 197 of this Part of this Schedule, but being made wholly or mainly of any of the fabrics specified in Item Nos. 48, 48(1) 48(3)(a), 48(4), 48(5), 48(7), 48(9), or 48(10) of the First Schedule to the Indian Tariff Act, 1934	Nil	
22. 200/IV	55.09	Fents, being bona fide remnants of piece-goods or other fabrics or materials liable to duty under Item No. 48(3) of the First Schedule of the Indian Tariff Act, 1934 not exceeding 4 yards in length	Nil	
23. 201/IV	50.09 50.10	Fents, being bona fide remnants of piece-goods or other fabrics of material liable to duty under Item No. 48, 48(1), 48(4) or 48(5) of the First Schedule to the Indian Tariff Act, 1934, not exceeding 2½ yards in length	Nil	
24. 202/IV	51.04 52.11 56.07	Fents, being bona fide remnants of piece-goods or other fabrics of materials other than those specified in S.Nos. 200 and 201 of this Part of the Schedule and not exceeding 4 yards in length	Nil	
25. 203/IV	58.07	Ribbons	Nil	
26. 204/IV	62.01	Blankets and rugs (other than floor rugs) excluding blankets and rugs made wholly or mainly from artificial silk	Nil	
27. 205/IV	58.01 58.02	Woollen carpet floor rugs, ruffle cloth, shawls and lohais	Nil	
28. 206/IV	59.02 62.01	Manufactures of wool, not otherwise specified including felt but excluding those specified in S.No. 205 of this Part of the Schedule	Actual user for import of melton cloth for manufacture of tennis balls	

Part and Serial No. of ITC Schedule	BTN No.	Description of items	Import policy for April '74-March '75 period (Actual users)
29. 207/IV	58.07	Cotton braids or cords, namely ghorris and muktakesisi	N.I.L
30. 47/V	53.01 53.03 53.04 53.05	Wool tops, wool waste, shoddy wool and woollen rags	(1) Requirements of actual users for woollen rags will be met on a restricted basis by imports through the State Trading Corporation. (2) Import of wool tops, wool waste and shoddy wool will not be permitted

N.B.: 'N.I.L' indicates that import is not permitted.

ANNEX 2

Extracts of Paragraph 88 of Part B of Volume II of the Red Book

88. Applications may be considered from registered exporters for import of raw materials to be re-exported after processing in India. The main features of this scheme are as under:

- (i) if the manufacture is undertaken in a customs bond, the import may be permitted of raw materials/components required for processing and re-export, without reference to indigenous angle;
- (ii) if the manufacture is not undertaken in a customs bond, the import may be allowed only of those raw materials/components required for re-export after processing, which are not available from indigenous sources;
- (iii) if the import is on payment, and not on CCP¹ basis, an export bond with bank guarantee will be taken from the importer, for a value equal to 50 per cent of the value of goods to be imported. If the import is to be made against a CCP and no foreign exchange remittance from India is involved, only a legal undertaking without a bank guarantee may be taken from the importer in the prescribed form; and
- (iv) in these cases, the question of giving REP² benefit on such exports will be considered on merits in each case depending upon the import replenishment in Section II in respect of the products exported, the actual import content allowed for the exports in question and the added value after taking into account the indigenous raw materials/components, if any, used in the manufacture.

¹CCP - Customs clearance permit

²REP - Registered exporters policy

Letter No. 3¹

In continuation of Mr. Chadha's letter No. D-93/DPR/74 dated 9 July 1974, I am enclosing the statement showing BTN numbers against the textile items notified by India to the Textiles Surveillance Body under Article 2(1) of the Textile Arrangement, as desired by you in your letter of 5 July 1974.

Yours sincerely,

(N.C. Hemrajani)

¹ Letter received in response to the secretariat's request for the details in terms of the Textiles Committee's decision (see COM.TEX/2, paragraph 11) found to be lacking in the previous notification.

Notification to the Textiles Surveillance Body Under Article 2(1) by INDIA

Date of notification	BTN number	Product description	Type of measure applied	Country affected	Levels of imports affected		Effective date of entry	Expiry date	Remarks
					Quantity	Value			
17.5.1974		A. Textile products which can be imported under 1974-75 import policy subject to actual user licences	Actual user import licensing	All sources			(Import policy for the period between April 1974 and March 1975)		
	51.01) 51.03)	177/IV Nylon yarn and thread/polyester filament yarn							(1) Requirements of nylon yarn and thread and polyester filament yarn (except those covered by remarks (2) and (3) below) of actual users will be met on restricted basis by imports through STC.
	55.06	181/IV Cotton sewing thread							(2) Allowed to actual users for import of polyester filament yarn having a diameter range of 40 microns to 210 microns for manufacture of surgical sutures on the recommendation of D.G.H.S., New Delhi.
	55.09	188/IV (a) Grey, piecegoods, (excluding bordered grey chaddars, dhoties, saris and scarves). (b) Printed piecegoods and printed fabrics. (c) Cotton piecegoods and fabrics not otherwise specified.							(3) Allowed to actual users for import of industrial nylon yarn of 210 denier and above only for belting and tyre industry.
	55.09) 58.10)	195/IV The following cotton fabrics, namely: Sateens including Italians or Sateen weave, velvets and velveteens and embroidered all overs: (b) Velvets and velveteens.							Actual user for export production only.
	59.02) 62.01)	206/IV Manufactures of wool, not otherwise specified including felt but excluding those specified in S.No. 205 of this Part of the Schedule							Actual user for import of lining and inter-lining material made of cotton fabrics for export production only.
	53.01) 53.03) 53.04) 53.05)	47/V Wool tops, wool waste, shoddy wool and woollen rags.							Actual users for import of lining and inter-lining material made of cotton fabrics for export production only.
									Actual user for import of melton cloth for manufacture of tennis balls.
									(1) Requirements of actual users for woollen rags will be met on a restricted basis by imports through the State Trading Corporation.
									(2) Import of wool tops, wool waste and shoddy wool will not be permitted.

Notification to the Textiles Surveillance Body Under Article 2(1) by INDIA (cont'd)

Date of notification	BTN number	Product description	Type of measure applied	Country affected	Levels of imports affected		Effective date of entry	Expiry date	Remarks
					Quantity	Value			
17.5.1974		B. <u>Textile products which are not permitted for imports in 1974-75 period</u>							
	53.10	173/IV Hand knitting wool							Imports of these textile items are not permitted, but could be allowed in exceptional circumstances. If found necessary the Government could also permit imports of textile products not listed in A and B.
	55.05	179/IV Cotton thread other than sewing or darning thread							The basic considerations in India's import policy are;
	55.05	180/IV Cotton twist yarn - (a) Cotton yarn of 30 counts and above (b) Others							(a) the import policy is subject to changes from time-to-time to meet the trade and development needs of India keeping particularly in view the foreign exchange position and the indigenous production in India;
	55.06	182/IV Cotton darning thread							(b) in certain cases, items normally not permissible are allowed for import on the merits of the case. Such decisions are taken by the Standing Inter-Departmental Committee on the Import Policy presided over by the Chief Controller of Imports and Exports;
	50.10	185/IV Fabrics not otherwise specified containing more than 90 per cent of artificial silk							(c) items which are not specifically shown here are not normally allowed to be imported;
	53.11	186/IV Khaki, air blue, barathea and other woollen fabrics not otherwise specified suitable for making uniforms and containing more than 90 per cent of wool, excluding felts and fabrics made of shoddy or waste wool							(d) there are also special provisions for import of raw materials etc. for re-exports after processing. For details see the original notification.
	53.11	187/IV Woollen fabrics, not otherwise specified, including shawl cloth containing more than 90 per cent, of wool excluding felt and fabrics made of shoddy and waste wool and fabrics, specified in S.No. 186 of this part of this Schedule							
	50.09	189/IV Fabrics not otherwise specified containing more than 10 per cent and not more than 90 per cent, silk							
50.10) 51.04) 53.11) 55.09) 56.07)	190/IV	Fabrics not otherwise specified containing not more than 10 per cent silk but more than 10 per cent and not more than 90 per cent artificial silk							
53.11	191/IV	Khaki, air blue, barathea and other fabrics not otherwise specified, suitable for making uniforms and containing not more than 10 per cent silk or 10 per cent artificial silk, but containing more than 10 per cent, but not more than 90 per cent wool							

Notification to the Textiles Surveillance Body Under Article 2(1) by INDIA (cont'd)

Date of notification	BTN number	Product description	Type of measure applied	Country affected	Levels of imports affected		Effective date of entry	Expiry date	Remarks
					Quantity	Value			
17.5.1974	53.11	192/IV Fabrics, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk but containing more than 10 per cent, but not more than 90 per cent wool excluding fabrics specified in S.No. 191 of this part of this Schedule							
	55.09	193/IV Fabrics, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk or 10 per cent, wool but containing more than 50 per cent and not more than 90 per cent cotton							
	55.09	194/IV Fabrics, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk or 10 per cent wool or 50 per cent cotton							
	55.09 58.10	195/IV (a) Cotton fabrics of Italian sateen weave (c) Others							
	52.02	196/IV Fabrics containing gold or silver thread							
	55.08 55.09 60.03 61.01 61.02 61.05 61.06 62.02 62.05	197/IV Textile manufactures, the following articles when made wholly or mainly of any of the fabrics specified in Item No. 40(3)(b) of the First Schedule to the Indian Tariff Act 1934: bed sheets, bed spreads holster-cases, counterpanes, table cloths, tary cloth, bed covers, table covers, dusters, glass cloths, handkerchiefs, napkins, pillow cases, pillow slips, scarves, shirts, shawls, cotton socks, towels, umbrella coverings							
		198/IV Textile manufactures, being the articles specified in serial No. 197 of this part of the Schedule, but being made wholly or mainly of fabrics specified in Item No. 40(3)(c) of the first Schedule to the Indian Tariff Act, 1934							
	51.04 52.02 55.08-09 56.07 60.03 61.01-02 61.05-06 62.02 62.05	199/IV Textile manufactures, being the articles specified in S.No. 197 of this part of this Schedule, but being made wholly or mainly of any of the fabrics specified in Item Nos. 48, 48(1), 48(3)(a), 48(4), 48(5), 48(7), 48(9), or 48(10) of the first Schedule to the Indian Tariff Act, 1934							

Notification to the Textiles Surveillance Body Under Article 2(1) by INDIA (cont'd)

Date of notification	BTN number	Product Description	Type of measure applied	Country affected	Levels of imports affected		Effective date of entry	Expiry date	Remarks
					Quantity	Value			
17.5.1974	55.09	200/IV	Fents, being bona fide remnants of piecegoods, or other fabrics or materials liable to duty under Item No. 48(3) of the first Schedule of the Indian Tariff Act, 1934 not exceeding 4 yards in length						This tabulation summarizes the original notification and the details subsequently received in response to the secretariat's request.
	50.09-10	201/IV	Fents, being bona fide remnants of piecegoods or other fabrics of material liable to duty under Item No. 48, 48(1), 48(4) or 48(5) of the first Schedule to the Indian Tariff Act, 1934, not exceeding 2-1/2 yards length						
	51.04) 53.11) 56.07)	202/IV	Fents, being bona fide remnants of piecegoods or other fabrics of materials other than those specified in S.Nos. 200 and 201 of this part of the Schedule of not exceeding 4 yards in length						
	58.07	203/IV	Ribbons						
	62.01	204/IV	Blankets and rugs (other than floor rugs), excluding blankets and rugs made wholly or mainly from artificial silk						
	58.01-02	205/IV	Woollen carpet floor rugs, rufile cloth, shawls and lohis						
	58.07	207/IV	Cotton braids or cords, namely ghorris and muktakesisi						