

TABLE 34

| INDIA                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                        |                                                          |                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Product                                                                                                                                                                                                                                                                                                                                                                                                                               | Type of Restriction                                                                    | Estimated Impact on U. S. Trade                          | Trade Agreement Status                                                                                                                                                                                                                                                                                                                          |
| Engineering goods; chemicals, drugs, and pharmaceuticals; tires and tubes; paper, paper products; leather and leather goods; plastics; fish and fish products; sports goods; woolen carpets and rugs; woolen textiles and hosiery, and mixed fabrics and ready-made garments thereof; unmanufactured tobacco and cigarettes; processed foods; cotton textiles and apparel; cashew kernels; gem and jewelry items; cinematograph films | Export subsidies<br>(a) import entitlements<br>(b) 25% rebate on domestic rail charges | Not significant                                          | Legal under Article XVI                                                                                                                                                                                                                                                                                                                         |
| Imports in general                                                                                                                                                                                                                                                                                                                                                                                                                    | Bilateral agreements                                                                   | Significant, but group too broad to permit trade summary | Legal and affects bound items                                                                                                                                                                                                                                                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                        |                                                          | (b) Practices are of administrative nature consisting of issuing bid invitations on short deadlines, failing to identify sources of financing, restricting quotations or specifications to British and Indian standards, and re-negotiating bids. In the case of steel, India insists on firm offers instead of usual "escalator clause" quote. |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                        |                                                          | Import licenses are granted to registered exporters at specified percentage of exports, for replenishment of raw materials, intermediates, components, and spares components of exported goods.                                                                                                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                        |                                                          | Virtually all foreign aid granted bilaterally to India is tied to purchases in the donor country. Special payments agreements with Soviet bloc countries permit payment in rupees.                                                                                                                                                              |