

The Sub-commission decided on specific step. to expand economic relations between the two countries. Toward this objective, the two sides agreed that a joint business council should be established to increase direct contacts between the business sectors, including Indian Public Sector Enterprises, in industrial and commercial projects of high priority.

Indian Officials expressed their interest in expanding the scope and magnitude of Indian exports to the United States and agreed to provide a list of non-traditional products with potential for increased ex-HI the United States. The U.S. delegation provided a list of product categories in which the U.S. is interested in expanding its exports to India. Both sides agreed to co-operate in such trade expansion on a Government-Government and Government-private basis. Both sides also agreed upon the need for a regular and timely exchange of information on marketing conditions and regulations which might affect their exports to each other.

The Indian and U.S. delegations exchanged views on the U.S. Trade Act of 1974. The Sub-commission discussed pro-vis: ns considered to be of particular relevance and benefit to India and also examined questions relating to the implementation of a U.S. system of generalise* tai iff preferences.

Concerning problems faced by India as a result of recent short supply of key commodities, U.S. agricultural experts gave a detailed presentation of current and projected market developments, especially in the areas of fertilizers and pesticides. Considering the importance of agriculture to the two economies, the delegates decided to form a special working group which will meet immediately to concentrate on the supply of certain agricultural inputs in short supply, including developing long-term Indian capacity for production of terns.

To improve the climate for U.S. investment in India, the two sides agreed to hold talks within the next few weeks on a possible double taxation treaty.

The Sub-commission also explored new ways to stimulate co-operation between U.S. and Indian firms in the development of high technology and export oriented industries and in co-operative ventures in third countries. Both Governments, in co-operation with the proposed Joint Business Council, will actively co-operate to assure thai such opportunities are fully utilised.

Allegations against GM of Cotton Corporations of India

460. PROF. N. M. RAMBLE :
SHRI R. D. J. AVERGOANKAR:
SHRI K. N. DHULAP:
SHRI DEO RAO PATIL :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government have received any memorandum from employees listing serious allegations against the General Manager-<7w?-Secretary of the Cotton Corporation of India (Northern Region); and

(b) if so, what action Government have tiiSen thereon '.'

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI V. T. SINGH) : (a) Yes, Sir.

(b) The allegations are being looked into and necessary action is being taken on them, wherever required. The officer has since been transferred back to the Office of the Textile Commissioner, Bombay.

Stringent measures against Smugglers and Foreign Exchange Racketeers

461. SHRI SHYAMLAL GUPTA : Will the Minister of FINANCE be pleased to I state :

(a) whether Government have issued new guidelines to the various State Governments with a view to ensuring effective