

## History

### Background of Predecessor Bodies

- In the pre independence period, the tariff board under the Ministry of Commerce was in existence “to advise the Government on measures required for the protection of domestic industry”.
- The Tariff Commission was set up in 1951 under the Tariff Commission Act 1951 by merging tariff board with statutory powers and functions to recommend protection to Indian industries, change in duties of any goods, action in relation to dumping of goods and to undertake suo moto studies.
- Bureau of Industrial Costs and Prices (BICP) was set up in 1970 on the recommendation of administrative reforms commission with statutory powers under IDR Act to call for information and to advice on various issues pertaining to determination of industrial costs, on cost reduction and improvement in industrial efficiency and pricing in relation to various industries.
- The old Tariff Commission was wound up under the TC(REPEAL) Act 1976 due to stringent import and foreign exchange regulation, the necessity of protection of domestic industry through tariff regulation had lost significance and the observation of the second fiscal commission that the functions of the TC were largely similar to those of BICP.
- Out of BICP, National Pharmaceutical Pricing Authority(NPPA) was carved out with the functions of pricing of bulk drugs and formulation and placed under the Ministry of Chemicals and Fertilizers.

### Present Tariff Commission

- The Tariff Commission was established on 2<sup>nd</sup> September, 1997, under the Department of Industrial Policy and Promotion, as an independent expert body to tender advice to the Government on tariffs and tariff related issues concerning trade in goods and services, that have an impact on India’s larger economic interests and international commitments.

- The Bureau of Industrial Costs & Prices(BICP) was merged with Tariff Commission in April, 1999. The BICP role was to advise the Government on a continuous basis on issues relevant to cost reduction, improvement in industrial efficiency, energy audit and pricing of public and private sector industrial products and services.
- Tariff Commission is currently emphasizing on meeting the requirements of changing economic scenario and address issues relating to enhancing the competitiveness of Indian industry in line with New manufacturing Policy.

### **Functions Being Performed**

- (a) To make recommendations as an expert body, on matters referred to it by Government regarding fixation of tariff and all tariff related issues in relation to trade in goods and services, keeping in view the interest of various sectors including production, trade and consumers and taking into account the international commitments.
- (b) To make a detailed impact analysis on select sectors like textiles, agriculture, and automobiles information technology, chemicals, steel and engineering goods through a multi-disciplinary team.
- (c) To carry out technical studies on cost of production of different goods and services and their competitiveness in relation to other countries.
- (d) Core function of BICP including pricing, efficiency, improvement and cost reduction, issue of Public & Private sector, Industrial Product & Services
  - Commodities under Administrative Price Mechanism(APM)
  - State monopolies/public utilities
  - Government procurement
  - Price Monitoring
  - Others
- (e) To undertake other tasks as may be assigned by the Government from time to time.