

## Outcome of study reports of Tariff Commission

The following recommendations of Tariff Commission have been accepted and implemented by the referring agency.

- Commission has made significant contribution specially in the case of fertilizer sector where Govt. has been disbursing huge amount of subsidies. Subsidies disbursed during last five years are as below. Quantum of subsidies payable for phosphatic and potassic fertilizers are worked out based on the Commission's Pricing studies on Di-Ammonium phosphate, Complex Fertilizers and Muriate of Potash, etc.

(Rs. crores)

Year	Phosphatic and potassic fertilizers	Urea	Total
2006-07	10298	17721	28019
2007-08	16933	26385	43319
2008-09	65554	33939	99494
2009-10	39452	24580	64032
2010-11	28500	24340	53840

- Report on Pricing of Cost Components of LNG Import and Regasification and Transportation Tariff of NG/R-LNG suggested substantial reduction in tariff of HVJ pipeline i.e. Rs. 832/MSCM as against existing tariff of Rs. 1150/MSCM .
- GAIL had entered into gas supply contracts with the consumers. Independent power producers are among consumers of gas. Gas transportation charges were being levied by GAIL from the consumers as per these contracts. In the Commission's study transportation tariff were worked out using pipeline network principle. Report on Transportation Tariff for KG Basin Gas Supply Network suggested substantial reduction in tariffs as below:

### Tariff charged by GAIL Vs Normative Tariff

Rs./MSCM

Name of IPP	Transportation Tariff	
	Charged by GAIL	Normative computed by TC
GVK Industry	805	298
Spectrum Power	805	298
Reliance Energy	1,258	298
LANCO	1,732	730

(\* ) Note: Recommendations of TC adopted with modifications

- Report on Gas Transportation Tariff for Bajhera-Agra-Firozabad Spurline and Agra/Firozabad City Distribution Network suggests substantial reduction in transportation

tariff of HVJ and Agra – Firozabad spurline and city gas distribution charges i.e. Rs. 1014/MSCM as against Rs. 1217/MSCM.

5. Hon'ble Supreme Court held (CA No. 2459 – in 2002) that “the decision rendered by the Tariff Commission on the issue of revising the retention price of cement would be binding on the Government of India”.
6. The Tariff Structure for glass components used for CPTs were endorsed to the Department of revenue and Department of Commerce by the Department of Information Technology.
7. Ministry of External Affairs vide its letter No. D.O. AC/202/20/2011 dated 2/6/2011 communicated that Commission's report on India's need for critical raw material and identification of sources of such raw materials in Asia, Africa and Latin America provided exhaustive and useful information to Indian Embassies and mission abroad and have been appreciated by most of the Missions /Posts abroad.
8. Department of Health using the reports of the Commission on Copper-T and Tubal rings made substantial savings (reference letter no. S12012/21/2004-supply dated 26/4/2005).
9. The Commissions assessment of savings made by MoH&FW by procuring condoms on the prices recommended by Tariff Commission during the period adopting the prices recommended by Tariff Commission during the period 2004-05-2007-08) works out to Rs 135.15 crores
10. Ministry of Food Processing Industry vide its letter No. 4-5/2008 –F&VP/NE dated 23/6/2011 have appreciated the efforts of Tariff Commission in for the comprehensive study on food parks.
11. Ministry of Housing & Urban Poverty Alleviation vide its letter No. O-17034/145/2009-H/FTS –1674 dated 30/1/2012 appreciated the report on analysis of share of various tariffs (Taxes, fees of govt.) in cost of construction of residential Apartments/Houses in select States/UTs and select Urban Local bodies.
12. Office of Economic Adviser vide its letter dated 19/9/2012 endorsed the recommendations of Tariff Commission on Naptha, to the Ministry of Revenue.

13. NMCC vide its letter No. 21(1)/2012-NMCC dated 14<sup>th</sup> January, 2012 endorsed the recommendations of Tariff Commission on the IDS reports to the Department of Revenue.
14. The recommendations of Tariff Commission on the final rates of concessions for Ammonium Sulphate (AS) produced by FACT and GSFC were accepted by the Department of Fertilizers(reference Letter no. 22011/6/2009 dated 25/5/2012
15. Ministry of Health & Family Welfare vide No. X-11035/12/2012-DGQC dated 3/4/2013 while referring to the study done by Tariff Commission recommended to the Revenue Department that the inverted duty structure which is generally skewed in respect of the Medical devices needs to be corrected.
16. Commission's report on Critical Raw Materials: Australia as Potential Source" "has been has circulated to all the missions abroad by Ministry of External Affairs.
17. Department of IP&P has placed the executive summary and findings of the Commission's report on "Review of Performance of Cement Industry" on its Web-site".
18. The reports of the Commission on Inverted duty structure have been used by the Department of Industrial Policy and Promotion in their pre-budget Memorandum sent to the Department of Revenue.
19. Tariff Commission's Report on "Study on quantum value and types of bio-resources exported from India", has been cited in the background note of the Expert committee Meeting/Key-stake holder consultation on "strategies for up-scaling domestic and international trade in herbal & medicinal plant resources in the 12<sup>th</sup> FYP".
20. The price of Pregnancy Test Kit recommended by Tariff Commission for the years 2009-10 and 2010-11 has been adopted by the Ministry of Health (reference letter no. S.12012/35/2007/Supply/Pregnancy Kit dated 16/5/2013)
21. Tariff Commission's Report on "Study on quantum value and types of bio-resources exported from India", has been appreciated by the Ministry of Environment and Forests. [Reference letter no. 28-13/2008-CS-III dated 19.6.2013](#)