

**Relevant Extracts related to Tariff Commission in the Annual Report of  
Department of IP&P for the year 2009-10**

**Tariff Commission**

Tariff Commission came into existence on 2nd September 1997 with the mandate to evolve an overall tariff structure keeping in view the interests of various sections including producers, traders and consumers as also the international commitments.

The broad role & responsibilities encompassed in the Terms of Reference (TORs) as revised in September 1998 are as follows:

- (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 the account the international commitments. The Commission should aim at rationalisation.
- (b) To study critical market access offers received from trading partners as part of WTO framework and to advise the Government on the opportunities and challenges generated by these offers (as preference made by the Government).
- (c) To make a detailed impact analysis on select sectors like textiles, agriculture, automobiles, information technology, chemicals, steel and engineering goods through a multi-disciplinary team.
- (d) To examine the transition-period required for select industries and to recommend the gradual phasing out of the tariffs to facilitate the reform process as referred to it by the Government from time to time.
- (e) To identify the tariffication process for select economic activities as referred by the Government from time to time.

(f) To monitor the tariff changes in the competing and trade-partner countries and maintain an inventory of tariff rates at a sufficiently detailed level.

(g) To carry out technical studies on cost of production of different goods and services and their competitiveness in relation to other countries.

(h) To render advice on issues referred to it by the Government on classification of goods, and products along with applicable tariff on such goods and products.

(i) To undertake such other tasks as may be assigned by the Government from time to time.

(j) To present an annual report to the Government of its activities.

The erstwhile Bureau of Industrial Costs & Prices (BICP) was merged with the Tariff Commission on 1.4.1999. Presently, the Commission is headed by a full-time Chairman of the rank of Secretary to Government of India, assisted by a full-time Member Secretary in the rank of Additional Secretary. The Commission may also have 3 to 5 part-time / full time members, so far, apart from the Chairman and Member Secretary, no other member has been appointed.

### **I Studies Completed**

*Following studies have been completed during the year 2009-10*

(1st April, 2009 to 31st December, 2009)

(i) Report on Milk availability and its price

(ii) Cost price study of B-Twill Jute Bags

(iii) Report of study on umbrellas

(iv) Report on Cost study for levy sugar pricing

(v) Evolving modalities for fixation of selling price of various Alkaloids produced by GOAWs Neemuch & Ghazipur

### **II Studies at the advance stage of completion**

(i) Critical analysis of the impact of Port Tariff Regulation and the effect of such regulation on EXIM trade.

(ii) India's requirement of mineral & other critical commodities for next 2 decades and their source countries.

### **III Studies in progress**

(i) Rationalization of sugar zones

(ii) Study on Fixing per Km and per tonne rate for transportation of Fertilizer by road.

(iii) Study on fixation of normative transportation charges to be paid by the FCI to Rice millers for transportation of CMR Paddy and CMR Levy rice beyond 8 KMs and reviewing of normative milling charges for raw and par boiled rice.

(iv) Study on actual cost of production of potable water using various techniques and rural sanitations.

(v) Study on impact of various FTAs on petrochemicals, plastics, pharmaceuticals.

(vi) Diagnostic study of 56 food parks to ascertain their present status vis-à-vis measures for revitalization.

(vii) Study on Pricing Structure of Iodized Branded Salt (Vacuum & refined) vis-à-vis unbranded salt.

(viii) Study on Casting of Pharmaceuticals/ computer/ cosmetics / Plastic goods manufactured in exempted States vis-à-vis not exempted States.

(ix) Sectoral Impact of Chinese imports on the competitiveness of domestic manufacturing Industries.

(x) Cost price study on B-Type Hessain Jute Bags.

(xi) Study for the Cost of Pregnancy Detection Kit (Card/ Cassette Format) Supplied in Nishchay Brand Name reserved for Government of India supplies only.

(xii) Cost price study of single super phosphate (SSP).

(xiii) Study on impact of reduction in current tariff on Indian Poultry Industry as per country's commitment to the WTO.

(xiv) Study on the capital goods of setting up steel projects of various types.

(xv) Study of export dependent industries which are hit by slow down – e.g. Leather, Textile and Gem and Jewellery.

(xvi) Assessment of production capacity of Bidders for various types of condoms.

- (xvii) Cost price study of Ammonium Sulphate - determine the Normative Cost of Ammonium Sulphate.
- (xviii) Study on the Impact of various FTAs on Chemicals Industries Comprising of Organic Chemicals, Inorganic Chemicals, Dyestuffs Pesticides.
- (xix) Study of the analysis of share of various tariffs (taxes and fees of Govt.) in cost of construction of residential apartments/houses infrastructure.
- (xx) Study on impact of reduction in current tariffs on skimmed milk powder/whole milk powder, butter and butter oil on India dairy industry as well as Indian dairy farmers as per India's commitment to the WTO.
- (xxi) Cost price study on determining the element wise cost of production of Cement Plants in H.P.
- (xxii) Study on Pricing of Steel on the basis of raw material cost for integrated steel plant, sponge iron plant and rolling mills.
- (xxiii) Study on Socio-Economic Impact of the occurrence of the Avian Influenza in West Bengal, Assam and Tripura on Poultry Industry and farmers in these States and in the rest of the country.
- (xxiv) Cost based study of the Petroleum Products of the National Oil Marketing Companies.

#### **IV Other Activities**

*Other activities being taken by the Commission during the year are as under:-*

- (a) Strengthening of database for monitoring global trade & policies trends of goods & services as also WTO issues.
- (b) Providing real-time information on the website of the Tariff Commission including requisite disclosures under Right to Information Act, 2005.
- (c) Continuous training of employees on emerging trade and industry aspects as also fast changing organizational concepts/techniques.
- (d) Modernization cum updation of library and documentation facilities to enable the organization to deal effectively with its mandate.
- (e) Sustainably ensure the state-of-the-art computer network infrastructure for e-functioning.