

Tariff Revision Committee

Report on the Customs Tariff

(PART I)

April 1966

MINISTRY OF COMMERCE
NEW DELHI

S. Subramanian,
Chairman.

Tariff Revision Committee,
Ministry of Commerce.
New Delhi, April 7, 1966

My dear Minister,

On behalf of the Tariff Revision Committee, I submit herewith its report on the Customs Tariff.

2. The primary task of the Committee was 'to advise the Government of India regarding the lines on which the Customs Tariff Schedule should be revised'. The Committee, however, found at an early stage of its work that it would have not merely to indicate the lines of the new Schedule, but also draft a new Schedule. As it would have been a stupendous task for each Member to examine in detail each and every heading, or for the whole Committee to discuss the entire Schedule, we followed the method of setting up a number of Sub-Committees, comprising experts from within as well as outside the Committee who were able to give detailed attention to various groups of commodities. The drafts so evolved were circulated for comments to all the Members of the Committee, to Trade Bodies and to Collectors of Customs. The task of editing the drafts prepared by the several Sub-Committees in the light of the suggestions received thereon and ensuring overall uniformity in presentation was entrusted to the Secretariat of the Committee. The Secretariat has also devoted attention to the implications of some of the re-classification proposals with reference to our commitments under GATT and the Indo-U.K. Trade Agreement.

3. While the Committee had already come to the conclusion that the Brussels Tariff Nomenclature (B.T.N.) should be suitably adapted to the needs of India, mainly through subdivision or merger of headings, it did not contemplate any radical change. In evolving a classification, it is frequently possible to classify the same article in two or more ways—e.g., according to its ordinary use, or some special use, or its composition, and it may be arguable that a particular article could more logically be fitted into a different place in the B.T.N. The Committee had, however, to bear in mind that it was not out to re-write the B.T.N., but to adapt it without going so far away from it as to lose the advantages of an international nomenclature. In certain special cases like machinery, handicraft articles and baggage, the Committee has not hesitated to depart from the B.T.N. Where the transfer of commodities from one chapter of the B.T.N. to another, widely separated from each other, was involved, for instance in the proposal that boxing gloves should be classified as sports' requisites rather than as articles of apparel, the Committee did not feel called upon to deviate from the B.T.N. although one of our colleagues had expressed a strong view to the contrary as indicated in the report. The Committee on the other hand fully appreciated that if the emphasis on the existing rates of duty could be tempered somewhat, the Schedule could also be condensed considerably by the omission of sub-headings.

4. In conclusion, I would like to add my personal gratitude to the Committee's acknowledgement of the kindness received from you. On the rare occasions when the Committee's work was found to impinge on matters of revenue policy, I had the privilege of being able to seek the guidance of the then Finance Minister Shri T. T. Krishnamachari. I also place on record my deep sense of obligation to all my colleagues on the Committee for their helpful and pleasant co-operation throughout.

Yours sincerely,

S. SUBRAMANIAN

Shri Manubhai Shah,
Minister of Commerce,
NEW DELHI.

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Schedules

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