



**REPORT
OF THE
INDIRECT TAXATION
ENQUIRY COMMITTEE**

**PART I
OCTOBER, 1977**

**MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
GOVERNMENT OF INDIA**

**DEPARTMENT OF REVENUE
INDIRECT TAXATION ENQUIRY COMMITTEE**

Shri H. M. Patel,
Finance Minister of India,
NEW DELHI.

Sir,

We, the Members of the Indirect Taxation Enquiry Committee, submit herewith Part I of our report.

The reason why we are submitting Part I of our report in advance of the finalisation of the rest of our report is that we gather that Government are anxious to have our recommendations in their hands as early as possible so that they can be examined and considered well before the time when budget proposals begin to take shape. We have accordingly, in Part I of our report, outlined our main conclusions and recommendations and the reasons behind them.

Part II of our report, apart from being a more detailed presentation of the recommendations in Part I along with the facts and figures on which they are based, will set out the results of the various studies involving a good deal of research which we initiated and also examine the impact of indirect taxation on a select number of important industries. Further, since we found that a wide range of the problems and difficulties presented to us by trade and industry as well as by departmental representatives were basically procedural in nature, we have preferred to deal with them at some length in Part II of our report though there is a brief reference to procedural reform in Part I. We shall submit Part II of our report well within the extended term of life of the Committee.

It is our hope that our report will be of some help to Government in bringing about the kind of reform in indirect tax system of the country which was their aim in asking us to undertake this task.

Yours faithfully,

Sgd/-
(L. K. Jha)
Chairman

Sgd/-
(G. B. Newalkar)
Member

Sgd/-
(J. Sen Gupta)
Member

Sgd/-
(K. Narasimhan)
Member-Secretary

Sgd/-
(Raja J. Chelliah)
Member

Sgd/-
(M. V. Arunachalam)
Member

Sgd/-
(S. S. Marathe)
Member

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