

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## ANTI-DUMPING AND COUNTERVAILING DUTIES

### Submission of Laws and Regulations

#### Addendum

The following statement has been received from the Government of India:

"I ... forward herewith extracts of the following:

- I. Sections 4(1) and 8 of the Indian Tariff Act, 1934;
- II. Sections 11 and 13 of the Tariff Commission Act, 1951.

"Section 8 of the Indian Tariff Act provides for the levy of additional import duty (countervailing duty) on articles which benefit directly or indirectly from a subsidy or bounty in the country of production. There is, however, no express provision in any of the Indian laws for the levy of anti-dumping duty, but section 4(1) referred to above enables the Government of India to vary the protective import duty in a manner which will include the element of anti-dumping duty required to meet competition from low-priced products of other countries. Before, however, the duty can be so revised, there must be an enquiry and it is open to Government to have it undertaken either by the Tariff Commission or in any other manner. Where, however, it is desired that the enquiry should be held by the Tariff Commission, Sections 11 and 13 of the Tariff Commission Act will apply.

"Apart from what has been stated above, there is no other statutory provision in this country bearing on countervailing and anti-dumping duties."

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Extracts from THE INDIAN TARIFF ACT, 1934, (XXXII of 1934)

4. Power of Central Government to alter protective duties

(1) Where, in respect of any article chargeable under the First Schedule with a duty characterized in the third column thereof as protective, the \*Central Government is satisfied, after such inquiry as \*it thinks necessary, that such duty has become ineffective or excessive for the purpose of securing the protection intended to be afforded by it to a similar article manufactured in India, \*it may, by notification in the \*official Gazette increase or reduce such duty to such extent as \*it thinks necessary either generally or in respect of such article when imported from or manufactured in any country or countries specified in the notification:

(2) Provided that the duty leviable on any such article shall in no case be less than the duty leviable on a like article of British manufacture.

8. Additional import duty on bounty-fed articles

(1) Where any country, dependency or colony pays or bestows, directly or indirectly, any bounty or grant upon the production therein or the exportation therefrom of any article and the article is chargeable with duty under the provisions of this Act, then, upon the importation of any such article into \*\*India, whether the same is imported directly from the country of production or otherwise, and whether it is imported in the same condition as when exported from the country of production or has been changed in condition by manufacture or otherwise, the \*Central Government may, by notification in the \*official Gazette, impose an additional duty equal to the net amount of such bounty or grant, however the same be paid or bestowed.

(2) The net amount of any such bounty or grant as aforesaid shall be, from time to time, ascertained, determined and declared by the \*Central Government and the \*Central Government may, by notification in the \*official Gazette, make rules for the identification of such articles and for the assessment and collection of any additional duty imposed upon the importation thereof under sub-section (1).

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\* Subs. by the A.O. 1937

\*\* Subs. by Act 25 of 1950, s.II and Sch.IV.

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Extracts from the TARIFF COMMISSION ACT, 1951

CHAPTER III

Functions of the Commission

11. Reference of matters relating to protection of industries generally to the Commission

The Central Government may refer to the Commission for enquiry and report any matter requiring in its opinion:

(a) the grant of protection (whether by the grant of subsidies or the levy of protective duties or in any other suitable form) for the encouragement of any industry in India (including any industry which has not started production but which is likely to do so if granted suitable protection);

(b) an increase or decrease in the duties of customs or other duties in relation to any industry for the protection thereof;

(c) action to be taken in relation to the dumping of goods in the market occasioned by excessive import or otherwise;

(d) action to be taken where an industry is taking undue advantage of the tariff protection granted to it, particularly with reference to whether the protected industry is;

(i) charging unnecessarily high prices for its goods, or

(ii) acting or omitting to act in a manner which results in high prices being charged to consumers through limitation of quantity, deterioration in quality or inflation of cost of production and the like, or

(iii) acting in restraint of trade to the detriment of the public;

(e) further action to be taken in relation to the protection granted to an industry, with a view to its increase, decrease, modification or abolition according to the circumstances of the case.

13. Power of Commission suo motu to make inquiries

The Commission may on its own motion enquire into and report to the Central Government on any of the matters referred to in clauses (b), (c), (d) and (e) of Section 11, or in clauses (a), (b) and (c) of section 12.

