

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/673

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Limited distribution

SEVENTH PROTOCOL OF RECTIFICATIONS AND MODIFICATIONS

Items submitted by the Government of India

The Government of India has submitted the attached lists of items for inclusion in the draft Seventh Protocol of Rectifications and Modifications which is to be drawn up at the Twelfth Session. The notes appearing hereunder are intended to facilitate checking by the contracting parties.

EXPLANATORY NOTES

Item 4(3): It has been ruled by the Customs authorities that all milk cream, whether sterilised or not, should be classified under tariff item 4(1). Item 4(3) sterilised cream therefore became redundant in the Tariff and has since been cancelled. The tariff concession in respect of sterilised cream is now being granted under item 4(1) and it is proposed to indicate this in Schedule XII.

Item 22(5): The rates of specific duty in respect of sub-items a(11) and (d) have been changed to decimal coinage which has been adopted by India recently. The new rates are slightly lower than the present bound rates.

A foot-note to the item in Schedule XII states that when the higher of the two rates (which is the standard rate in the case of sub-items 22(5)(a) and (d)) is applicable, the minimum ad valorem incidence of the duty shall be not less than 45 per cent. The Indian Customs Tariff does not contain the relevant foot-note now but shows the ad valorem rate as an alternative duty.

It is proposed to incorporate these changes in Schedule XII (Geneva and Annex) through the Seventh Protocol of Rectifications and Modifications.

Item 28(29): The proposed addition of "carbolic acid" within brackets at the end of the description is merely explanatory and is intended to make the description conform to the relevant entry in the Indian Customs Tariff.

Item 30(2)(cc): The specific duties in respect of sub-items (i) and (ii) have been changed in accordance with the decimal coinage now in use in India. The changes do not involve any difference in the bound rates of duty.

Item 30(13): In 1955, the Government of India renegotiated the withdrawal of its commitment relating to a group of dyestuffs falling under item 30(1) and 30(13). Naphthol was one of the dyes for which the commitment was withdrawn from item 30(1) as a result of those renegotiations but subsequently, it was noticed that commitment on this category of dyestuff continued under Item 30(13) when they were imported under the trade name of ultrazols. The withdrawal of the concession on naphthol should cover the commitment regarding ultrazols also which is merely a different name for the same product. Accordingly, it is proposed to omit the reference to ultrazols in item 30(13) of Schedule XII Geneva and Torquay.

Item 71(10): The bound alternative specific duty has been changed in accordance with the decimal coinage adopted by India recently. The duty is now stated per gross instead of per dozen. The change does not however involve any difference in the actual bound rate of specific duty.

Item 72(4): Since a new sub-item has been opened under item 72(4), "Passenger lifts and component parts and accessories thereof" are now classifiable under item 72(4)(a) of the Indian Customs Tariff. It is proposed to show the correct tariff item number.

Item Ex 63(14): It has been ruled by the Customs authorities that "hoops and strips of stainless steel of 250 mm width or more" are correctly classifiable under item 63(19) or 63(20) according to thickness and not under item 63(14). The entry in the special Part II of Schedule XII (Annecy) in respect of this concession is also no longer relevant and it is proposed to cancel it.

Items 63(19) and 63(20) are not preferential items and it is not necessary to insert any entry in the place of item 63(14) in Part II of Schedule XII (Annecy) for the purpose of establishing the margin of preference.

Item Ex 28A: The duty on the item was bound at the rate applicable under item 28 of the Indian Customs Tariff and the bound rate was expressed in Schedule XII (Torquay) as follows:

"Rate of duty actually charged at the time for such products of the United Kingdom or British Colonial origin plus 10 per cent ad valorem plus 5 per cent of the total duty."

For purposes of establishing the margin of preference in respect of the item, the preferential rate of duty was shown in a special Part II of Schedule XII.

The Indian Customs Tariff as recently amended specifies the most-favoured-nation and the preferential rates of duty applicable under item 28 as 40 per cent and 30 per cent respectively. The duty in respect of item ex 28A homeopathic medicines also has been fixed at 40 per cent ad valorem (m.f.n. rate)

and 30 per cent ad valorem (preferential rate). It is therefore proposed to replace the entries against the item under the column "rate of duty" in Schedule XII (Torquay) by the entry "40 per cent ad valorem".

As the m.f.n. and preferential rates of duty in respect of the item are now clearly given, the entry in the special Part II of Schedule XII is no longer necessary for establishing the preference margin and may be cancelled.

ANNEX

GENEVA (1947) SCHEDULES

SCHEDULE XII - INDIA (GENEVA)

PART I - Most-Favoured-Nation Tariff

Item 4(3)

The item number in column 1 shall read: "ex 4(1)".

Item 22(5)

Replace this item by the following:

"22(5) Spirits -

(a) Bitters -

(i) entered in such manner as to indicate that the strength is not to be tested

Rs. 73 per Imperial gallon or 45 per cent ad valorem, whichever is higher

(ii) not so entered

Rs. 55.25 per Imperial gallon of the strength of London Proof or 45 per cent ad valorem, whichever is higher

(c) Perfumed spirits

Rs. 60 per Imperial gallon or 25 per cent ad valorem, whichever is higher plus one-fourth of the total duty

(d) Rum

Rs. 55.25 per Imperial gallon of the strength of London Proof or 45 per cent ad valorem, whichever is higher."

Provided that where the unit of assessment is the Imperial gallon of the strength of London Proof, the duty shall be increased or reduced in proportion as the strength is greater or less than London proof.

Item 28(29)

The description of the item shall read:

"Acetic Acid, Boric Acid, Borax
and Phenol (Carbolic acid)".

Item 30(2)(cc)

Replace this item by the following:

"30(2)(cc) Ultramarine blue:

- | | | |
|-------|--|--|
| (i) | in packing of 1 lb. or over | 30 per cent ad valorem, or Rs. 8.50 per cwt., whichever is higher |
| (ii) | in packing of $\frac{1}{2}$ lb. and over but less than 1 lb. | 30 per cent ad valorem, or Rs. 11.25 per cwt., whichever is higher |
| (iii) | in packing of $\frac{1}{4}$ lb. and over but less than $\frac{1}{2}$ lb. | 30 per cent ad valorem, or Rs. 17 per cwt., whichever is higher |
| (iv) | in packing of less than $\frac{1}{4}$ lb. | 30 per cent ad valorem, or Rs. 24 per cwt., whichever is higher |

Item 30(13)

The description shall read:

"Ex 30(13) Dyes derived from coal-tar, the following, namely:-

Alizarine moist exceeding
20 per cent.,
Alizarine red,
Sulphur dyes of colours other
than black, and Azo dyes
excluding Acid Azo dyes and
Direct Azo dyes."

Item 71(10)

Replace this item by the following:-

"71(10) Safety razors and parts therefor,
including blades:

- | | | |
|-----|--|---|
| (a) | Safety razors and parts therefor,
not otherwise specified | 30 per cent ad valorem |
| (b) | Blades for safety razors | 40 per cent ad valorem or
Rs. 2.25 per gross." |

Item 72(4)

The item number in column 1 shall read:

"72(4)(a)"

ANNEXY SCHEDULES

SCHEDULE XII - INDIA

PART I - Most-Favoured-Nation Tariff

Item Ex 22(5)

Replace this item by the following:

"Ex 22(5)(d) Rum

Rs. 55.25 per Proof
gallon or 45 per cent
ad valorem, whichever
is higher"

Item Ex 63(14)

The item number in column 1 shall read:

"Ex 63(19) and
Ex 63(20)"

SCHEDULE XII - INDIA

PART II - Preferential Tariff

Item Ex 63(14)

Delete this item.

TORQUAY SCHEDULES

SCHEDULE XII - INDIA

PART I - Most-Favoured-Nation Tariff

Item Ex 28A

Replace this item by the following:

"Ex 28A Homoeopathic Medicines 40 per cent ad valorem"

Item Ex 30(13)

Replace this item by the following:

"Ex 30(13) Dyes derived from coal-tar,
the following, namely:-

Alizarine moist exceeding
20 per cent,
Alizarine red,
Sulphur dyes of colours
other than black, and
Azo dyes excluding Acid Azo
dyes and Direct Azo dyes."

SCHEDULE XII - INDIA

PART II - Preferential Tariff

Item Ex 28A

Delete the entry.