

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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INDIAN REGULATORY DUTY

Communication from the Government of India

The following communication, dated 5 January 1972, has been received from the Government of India.

1. The Government of India have been compelled during the current financial year to take a number of measures for maximum mobilization of resources to meet the recent situation arising on account of the staggering cost of refugee relief, rehabilitation of the significant sections of the population affected by natural calamities in a number of States, including the devastating cyclone that hit the Eastern Coast of India a few months ago.
2. A set of revenue-raising measures introduced with effect from 13 December 1971, include imposition of regulatory duty of customs on all imports with the exception of foodgrains, books and a few other specified imports. The regulatory duty is applicable on most imports at 2.5 per cent ad valorem. In respect of thirty-nine specified products (out of which only six are either wholly or partially GATT-bound) the regulatory duty is at the rate of 10 per cent ad valorem. Goods which have been exempted from the regulatory duty and goods which are subject to a rate of 10 per cent ad valorem are described in the annexes.
3. The regulatory duty is not expected to have a significant effect on the quantum or value of imports into India. In conjunction with steps taken to restrain fiscal expenditure and for mobilization of savings and internal resources by the flotation of new loans and upward adjustments in the rates of internal taxation the regulatory duty is expected to contribute to better balancing in the Government account and also help in achieving equilibrium in the balance of payments.

Annex I

BRIEF DESCRIPTION OF GOODS WHICH HAVE BEEN EXEMPTED
FROM THE REGULATORY DUTY OF CUSTOMS ON
13 DECEMBER 1971

1. Grains
2. Wheat
3. Rice
4. Samples of goods which are exempt under the International Convention to Facilitate the Importation of Samples and Advertising Material
5. Trade catalogues, price lists and advertising circulars exempt from import duty under the aforesaid Convention
6. Paper money
7. Books, printed, including covers for printed books, charts and maps, proofs etc.
8. Current coins of the Government of India
9. Works of art, namely statuary and pictures intended to be put up in a public place and memorials of a public character to be put up in a public place
10. Specimens, models and wall-diagrams illustrative of natural science, medals and antique coins
11. Free items of baggage including those covered by concessions under the Transfer of Residence Rules and Baggage Rules
12. Vehicles which are now passed free under the Convention on Temporary Importation of Road Vehicles
13. Reimported articles of baggage and goods of Indian origin and goods imported for repairs and return which are now passed free
14. Aircraft materials imported subject to re-export
15. Television equipment now passed free subject to bond for re-export
16. Goods imported by post and which are now passed free of duty
17. Gifts imported by post which are now free of customs duty
18. Unclaimed postal articles which are now exempt from customs duty
19. Free gifts imported by philanthropic organizations for free distribution to the poor and needy, which are now exempt from basic customs duty
20. Donations such as to the National Defence Fund, Indian Red Cross etc.

21. Durable containers which are now exempt from basic customs duty
22. Government stores imported primarily for defence purposes and other articles connected with defence or defence personnel and are now exempt from customs duty
23. Tourist literature which is now passed free of duty
24. Trophies, theatrical equipment including costumes belonging to any foreign theatrical company etc. which are now exempt from customs duty
25. Scientific and technical instruments etc. imported by research or educational institutions
26. Goods imported for the Kandla Free Trade Zone and are now passed free
27. pontoons imported subject to re-export
28. Precious stones imported by post for approval and return
29. Tangible appliances and hearing-aids for the blind and deaf which are now exempt from basic customs duty

Annex II

BRIEF DESCRIPTION OF GOODS WHICH HAVE BEEN SUBJECTED TO
REGULATORY DUTY OF CUSTOMS AT THE RATE OF 10 PER CENT
AD VALOREM ON 13 DECEMBER 1971

1. Horses of a value exceeding Rs 2,000 each
2. Fruits candied, crystallized or glacéd
3. Spices
4. Hops
- 5.* Tallow
6. Cocoa and chocolate other than confectionery
7. Biscuits
8. Vegetable products such as pickles, chutnies, sauces, etc.
9. Fruit juices, squashes, cordials etc.
10. Certain vegetables canned or bottled
11. Certain fruits canned or bottled
12. Jams, jellies and marmalades, canned or bottled
13. Certain fruit juices
14. Vegetables, canned or bottled
15. Fruits such as apricots, berries, grapes, plums etc. canned or otherwise packed
16. All sorts of drinks n.o.s.
17. Cider
18. Ale, beer, port, etc.
19. Wines
20. Spirits such as brandy, gin, whisky
21. Tobacco, manufactured
22. Cigars
23. Cigarettes
- 24.* Certain mineral oils
25. Liquid gold

* Whole item bound in GATT.

- 26.** Certain coal-tar dyes and derivatives
- 27.** Certain paints, colours and painters' materials
28. Plumbago and graphite
29. Furniture of wickerwork or bamboo
30. Wood-pulp
31. Paper, excluding newsprint
32. Articles made of paper and articles of stationery
33. Alloy, tool or special steel bars, rods or flats
- 34.* Domestic refrigerators
- 35.** Certain items of machinery such as boot and shoe manufacturing machinery, cinema projecting apparatus, metal-working machinery, mining machinery, oil crushing and refining machinery, petroleum and gas well drilling equipment, refrigerating machinery, sugar manufacturing machinery etc.
36. Motor-cars, including taxi cabs
37. Ivory, manufactured
38. Artificial or synthetic resins and plastic materials
39. Smokers' requisites

* Whole item bound in GATT.

** Part item bound in GATT.