Finance Act, 1997

Section 79 - INSERTION OF NEW SECTION 8B - Inthe Customs Tariff Act, 1975

51 of 1975)-(here in after referred to as the 'Customs Tariff Act'), afterSection 8-A, the following section shall be inserted, namely :- "8-B. Power of Central Government to impose safeguard duty.- (1) If the Central Government, after conducting such inquiry as it deems fit, is satisfied that any article is imported into India in such increased quantities and under such conditions so as to cause or threatening to cause serious injury to domestic industry, then, it may, by notification in the Official Gazette, impose a safeguard duty on that article : Provided that no such duty shall be imposed on an article originating from a developing country so long as the share of imports of that article from that country does not exceed three per cent or where the article is originating from more than one developing countries, then, so long the aggregate of the imports from all such countries taken together does not exceed nine per cent of the total imports of that article into India. (2) The Central Government may, pending the determination under sub-section (1), impose a provisional safeguard duty under this sub-section on the basis of a preliminary determination that increased imports have caused or threatened to cause serious injury to a domestic industry : Provided that where, on final determination, the Central Government is of the opinion that increased imports have not caused or threatened to cause serious injury to a domestic industry, it shall refund the duty so collected : Provided further that the provisional safeguard duty shall not remain in force for more than two hundred days from the date on which it was imposed. (3) The duty chargeable under this section shall be in addition to any other duty imposed under this Act or under any other law for the time being in force. (4) The duty imposed under this section shall, unless revoked earlier, cease to have effect on the expiry of four years from the date of such imposition : Provided that if the Central Government is of the opinion that the domestic industry has taken measures to adjust to such injury or threat thereof and it is necessary that the safeguard duty should continue to be imposed, it may extend the period of such imposition: Provided further that in no case the safeguard duty shall continue to be imposed beyond a period of ten years from the date on which such duty was first imposed. (5) The Central Government may, by notification in the Official Gazette, make rules for the purposes of this section, and without prejudice to the generality of the foregoing, such rules may provide for the manner in which articles liable for safeguard duty may be identified and for the manner in which the causes of serious injury or causes of threat of serious injury in relation to such articles may be determined and for the assessment and collection of such safeguard duty. (6) For the purposes of this section,- (a) "developing country" means a country notified by the Central Government in the Official Gazette for the purposes of this section; (b) "domestic industry" means the producers- (i) as a whole of the like article or a directly competitive article in India; or (ii) whose collective output of the like article or a directly competitive article in India constitutes a major share of the total production of the said article in India; (c) "serious injury" means an injury causing significant overall impairment in the position of a domestic industry; (d) "threat of serious injury" means a clear and imminent danger of serious injury. (7) Every notification issued under this section shall, as soon as may be after it is issued, be laid before each House of Parliament.".