

**ANNEX 2A**  
**SCHEDULES OF TARIFF COMMITMENTS FOR GOODS**

**Section A**  
**General Provisions**

1. The staging category for an originating good of the United Kingdom imported into India is set out under the header “Staging Category” in Appendix 2A-a (Schedule of Tariff Commitments of India) and the staging category for an originating good of India imported into the United Kingdom is set out under the header “Staging Category” in Appendix 2A-b (Schedule of Tariff Commitments of the United Kingdom).
2. For the purposes of this Annex, the term “year” means, with respect to the first year (“year one”), the period from the date of entry into force of this Agreement until 31 December of the same year and, with respect to each subsequent year, the twelve-month period which starts on 1 January of that year.
3. For the purpose of implementing equal annual instalments of tariff reduction, each annual reduction shall be implemented on 1 January of each year. For the first year, the annual tariff reduction shall be implemented on the date of entry into force of this Agreement.
4. For the purposes of the reduction of customs duties in accordance with this Annex, in the case of ad valorem duties, any fraction less than 0.1 of a percentage point shall be rounded to the nearest one decimal place. In the case of 0.05 per cent, the fraction is rounded to 0.1 per cent. In the case of specific duties, any fraction smaller than 0.01 of one Indian Rupee or any fraction smaller than 0.01 of one Pound Sterling shall be rounded to the nearest two decimal places (in the case of 0.005, the fraction is rounded to 0.01).

## **Section B**

### **General Provisions on Administration and Implementation of Tariff Rate Quotas**

1. The administration of tariff rate quotas (“TRQs”) under this Agreement shall be as conducive to trade as possible. A Party shall administer its TRQs under this Agreement in a transparent, objective and non-discriminatory manner in accordance with its laws and regulations. Administration of those TRQs shall be minimally burdensome to businesses and each Party shall make every effort to administer its TRQs under this Agreement in a manner that allows importers to fully utilise TRQ quantities.
2. Where this Agreement enters into force during a year, the TRQ quantities for the remainder of that year shall be pro-rated and calculated as a proportion of the annual TRQ quantity. That proportion shall be the number of days remaining in the year divided by 365.
3. A Party opening a TRQ under this Agreement shall ensure that all relevant information concerning quota administration, including initial volume available and eligibility criteria, is published on its designated publicly available website in a timely manner.
4. Each Party shall identify the entities responsible for administering its TRQs and notify the other Party promptly after this agreement enters into force or after any change in responsible entities.
5. On the written request of either Party, the Parties shall consult and share information regarding a Party’s administration of its TRQs.

**Section C**  
**Schedule of Tariff Commitments of India**

1. The base rate of customs duty (Basic Customs Duty (BCD) + Agriculture, Infrastructure and Development Cess (AIDC) + Health Cess + Social Welfare Surcharge (SWS)) for an item is set out in Appendix 2A-a (Schedule of Tariff Commitments of India) under the header “Base Rate”.
2. The following staging categories shall apply to the elimination or reduction of customs duties by India pursuant to Article 2.6 (Treatment of Customs Duties):
  - (a) customs duties on originating goods provided for in the items in staging category ‘EIF’ shall be eliminated on the date of entry into force of this Agreement;
  - (b) customs duties on originating goods provided for in the items in staging category ‘E5’ shall be removed in five equal annual instalments beginning on the date of entry into force of this Agreement and such goods shall be free of customs duty from 1 January of year five;
  - (c) customs duties on originating goods provided for in the items in staging category ‘E5 (Eif+5)’ shall be excluded from any obligation or commitment for reduction or elimination of customs duty from the date of entry into force of the Agreement to 31 December of year five and no preferential customs duty concessions shall be implemented by India on such goods and thereafter customs duties on these goods shall be removed in five equal annual instalments beginning on 1 January of year six, and such goods shall be free of customs duty from 1 January of year ten;
  - (d) customs duties on originating goods provided for in the items in staging category ‘E7’ shall be removed in seven equal annual instalments beginning on the date of entry into force of this Agreement, and such goods shall be free of customs duty from 1 January of year seven;
  - (e) customs duties on originating goods provided for in the items in staging category ‘E10’ shall be removed in ten equal annual instalments beginning on the date of entry into force of this Agreement, and such goods shall be free of customs duty from 1 January of year ten;
  - (f) customs duties on originating goods provided for in the items in staging category ‘E10 (99%)’ shall be removed in ten equal annual instalments beginning on the date of entry into force of this Agreement, and such goods shall be free of customs duty from 1 January of year ten, provided that the good contains 99 percent or more platinum by weight;
  - (g) customs duties on originating goods provided for in the items in staging category ‘R0 to 2.5% end duty’ shall be reduced to 2.5% on the date of entry into force of this Agreement;

- (h) customs duties on originating goods provided for in the items in staging category 'R0 to 5% end duty' shall be reduced to 5% on the date of entry into force of this Agreement;
- (i) customs duties on originating goods provided for in the items in staging category 'R0 to 50%' shall be reduced to 50% of the base rate of customs duty on the date of entry into force of this Agreement;
- (j) customs duties on originating goods provided for in the items in staging category 'R5 to 5% end duty' shall be reduced in five equal annual instalments beginning on the date of entry into force of this Agreement, and customs duty on such goods shall be reduced to 5% from 1 January of year five;
- (k) customs duties on originating goods provided for in the items in staging category 'R5 to 50%' shall be reduced in five equal annual instalments beginning on the date of entry into force of this Agreement, and customs duty on such goods shall be reduced to 50% of the base rate of customs duty from 1 January of year five;
- (l) customs duties on originating goods provided for in the items in staging category 'R5 to 75%' shall be reduced in five equal annual instalments beginning on the date of entry into force of this Agreement, and customs duty on such goods shall be reduced to 75% of the base rate of customs duty from 1 January of year five;
- (m) customs duties on originating goods provided for in the items in staging category 'R5 to 50% (Eif+5)' shall be excluded from any obligation or commitment for reduction or elimination of customs duty from the date of entry into force of the Agreement to 31 December of year five and no preferential customs duty concessions shall be implemented by India on such goods and thereafter, customs duties shall be reduced in five equal annual instalments beginning on 1 January of year six, and customs duties on such goods shall be reduced to 50% of the base rate of customs duty from 1 January of year ten;
- (n) customs duties on originating goods provided for in the items in staging category 'R10 to 40%' shall be reduced in ten equal annual instalments beginning on the date of entry into force of this Agreement, and customs duty on such goods shall be reduced to 40% of the base rate of customs duty from 1 January of year ten;
- (o) customs duties on originating goods provided for in the items in staging category 'R10 to 50%' shall be reduced in ten equal annual instalments beginning on the date of entry into force of this Agreement, and customs duty on such goods shall be reduced to 50% of the base rate of customs duty from 1 January of year ten;
- (p) customs duties on originating goods provided for in the items in staging category 'R10 to 70% end duty' shall be reduced in ten equal annual instalments beginning on the date of entry into force of this Agreement,

and customs duty on such goods shall be reduced to 70% from 1 January of year ten;

- (q) customs duties on originating goods provided for in the items in staging category '75%, R10 to 40%' shall be reduced to 75% on the date of entry into force of this Agreement and thereafter shall be reduced in nine equal annual instalments from 1 January of year two and customs duty on such goods shall be reduced to 40% from 1 January of year ten;
  - (r) customs duties on originating goods provided for in the items in staging category '110%, R10 to 75%, MIP 5' shall be reduced to 110% on the date of entry into force of this Agreement and thereafter shall be reduced in nine equal annual instalments from 1 January of year two and customs duty on such goods shall be reduced to 75% from 1 January of year ten, provided that the imported good fulfils the requirement of minimum import price of USD 5 per litre and fulfils the terms and conditions set out in paragraph 7;
  - (s) customs duties on originating goods provided for in the items in staging category '110%, R10 to 75%, MIP 6' shall be reduced to 110% on the date of entry into force of this Agreement and thereafter shall be reduced in nine equal annual instalments from 1 January of year two and customs duty on such goods shall be reduced to 75% from 1 January of year ten, provided that the imported good fulfils the requirement of minimum import price of USD 6 per 750 ml and fulfils terms and conditions set out in paragraph 7;
  - (t) the items indicated with "TRQ – ICE", "TRQ – EV", or "TRQ-Trucks" shall be subject to the respective tariff rate quota and conditions set out in this Section. The tariff concessions for the Tariff Rate Quotas are provided only up to the volume as specified in this Section; and
  - (u) the items indicated with "Exclusion" shall be excluded from any commitment or obligation to reduce or eliminate customs duty on a good and no preferential customs duty concessions shall be implemented by India on that good under this Agreement.
3. Notwithstanding anything provided in this Agreement, zero emission vehicles (electric or hydrogen fuel vehicles) which are two-wheeled vehicles, buses or trucks are excluded from any commitment or obligation to reduce or eliminate customs duty on a good and no preferential customs duty concessions shall be implemented by India on that good under this Agreement.

*TRQ on Internal Combustion Engines (ICE)*

4. An originating good provided for in the items indicated with "TRQ - ICE" under the Column "Staging Category" in Appendix 2A-a (Schedule of Tariff Commitments of India) shall be subject to the corresponding tariff rate quota, as set out below:

- (a) the aggregate quantity of originating goods of the United Kingdom described in subparagraph 4(b) that shall be permitted to enter India with concessions on customs duty in a particular year is specified below:

ICE - Passenger Car (HS 8703) - Completely Built Units (CBU)							
Year	more than 3000 cc petrol and more than 2500 cc diesel		from 1500 cc (petrol) to (and incl.) 2500 cc (diesel) / 3000 cc (petrol)		Up to (and incl.) 1500 cc		Total Quota
	In-quota tariff (Base rate of customs duty – 110.0 %)	Quota Size	In-quota tariff (Base rate of customs duty – 66.0 %)	Quota Size	In-quota tariff (Base rate of customs duty – 66.0 %)	Quota Size	
1	30.0 %	10,000	50.0 %	5,000	50.0 %	5,000	20,000
2	25.0 %	12,500	40.0 %	6,000	40.0 %	6,000	24,500
3	20.0 %	15,500	30.0 %	7,000	30.0 %	7,000	29,500
4	15.0 %	18,500	20.0 %	8,000	20.0 %	8,000	34,500
5	10.0 %	19,000	10.0 %	9,000	10.0 %	9,000	37,000
6	10.0 %	16,300	10.0 %	8,150	10.0 %	8,150	32,600
7	10.0 %	15,200	10.0 %	7,600	10.0 %	7,600	30,400
8	10.0 %	14,100	10.0 %	7,050	10.0 %	7,050	28,200
9	10.0 %	13,000	10.0 %	6,500	10.0 %	6,500	26,000
10	10.0 %	11,900	10.0 %	5,950	10.0 %	5,950	23,800
11	10.0 %	10,800	10.0 %	5,400	10.0 %	5,400	21,600
12	10.0 %	9,975	10.0 %	4,988	10.0 %	4,988	19,950
13	10.0 %	9,150	10.0 %	4,575	10.0 %	4,575	18,300
14	10.0 %	8,325	10.0 %	4,163	10.0 %	4,163	16,650
15 and onwards	10.0 %	7,500	10.0 %	3,750	10.0 %	3,750	15,000

- (b) the tariff codes to which this TRQ applies are as follows:

HS Code		
87032110	87032391	87033199

HS Code		
87032191	87032399	87033210
87032199	87032410	87033291
87032210	87032491	87033299
87032291	87032499	87033310
87032299	87033110	87033391
87032310	87033191	87033399

- (c) The out-of-quota customs duty rate at which an originating good of the United Kingdom that is covered by this category shall be permitted to enter India in a particular year is specified in the table below:

Out-of-Quota Duty Reduction - on ICE - Passenger Car (HS 8703) - CBU			
Year / Category	more than 3000 cc petrol and more than 2500 cc diesel	from 1500 cc (petrol) to (and incl.) 2500 cc (diesel) / 3000 cc (petrol)	Up to (and incl.) 1500 cc
	Out-of-quota duty (Base rate of customs duty – 110.0 %)	Out-of-quota duty (Base rate of customs duty – 66.0 %)	Out-of-quota duty (Base rate of customs duty – 66.0 %)
1	95.0 %	60.0 %	60.0 %
2	90.0 %	60.0 %	60.0 %
3	85.0 %	60.0 %	60.0 %
4	80.0 %	60.0 %	60.0 %
5	75.0 %	55.0 %	55.0 %
6	70.0 %	55.0 %	55.0 %
7	65.0 %	55.0 %	55.0 %
8	60.0 %	55.0 %	55.0 %
9	55.0 %	55.0 %	55.0 %
10 and onwards	50.0 %	50.0 %	45.0 %

*TRQ on Electric, Hybrid and Hydrogen Vehicles*

5. An originating good provided for in the items indicated with “TRQ - EV” under the Column “Staging Category” in Appendix 2A-a (Schedule of Tariff Commitment of India) shall be subject to the corresponding tariff rate quota, as set out below:

- (a) the aggregate quantity of originating goods of the United Kingdom described in subparagraph 5(b) that shall be permitted to enter India with concessions on customs duty in a particular year is specified below:

<b>Electric/ Hybrid/ Hydrogen-Passenger Cars (HS 8703) - CBU</b>							
<b>Year</b>	<b>Below £40,000 CIF</b>		<b>£40,000 CIF to £80,000 CIF (inclusive)</b>		<b>Above £80,000 CIF</b>		<b>Total Quota</b>
	<b>In-quota tariff</b>	<b>Quota Size</b>	<b>In-quota tariff (Base rate of customs duty – 110.0 %)</b>	<b>Quota Size</b>	<b>In-quota tariff (Base rate of customs duty – 110.0 %)</b>	<b>Quota Size</b>	
6	No	Nil	50.0 %	400	40.0 %	4,000	4,400
7	No	Nil	40.0 %	600	30.0 %	6,000	6,600
8	No	Nil	30.0 %	800	20.0 %	8,000	8,800
9	No	Nil	20.0 %	1,000	15.0 %	10,000	11,000
10	No	Nil	10.0 %	1,200	10.0 %	12,000	13,200
11	No	Nil	10.0 %	1,400	10.0 %	14,000	15,400
12	No	Nil	10.0 %	1,550	10.0 %	15,500	17,050
13	No	Nil	10.0 %	1,700	10.0 %	17,000	18,700
14	No	Nil	10.0 %	1,850	10.0 %	18,500	20,350
15 and later years	No	Nil	10.0 %	2,000	10.0 %	20,000	22,000

- (b) the tariff codes to which this TRQ applies are as follows:

<b>HS Code</b>			
87034010	87035030	87036090	87038010
87034030	87035090	87037010	87038030
87034090	87036010	87037030	87038090
87035010	87036030	87037090	87039000

- (c) there will be no out-of-quota preferential customs duty in respect of the HS codes listed in subparagraph 5(b). For greater certainty, India shall



not provide any out-of-quota preferential customs duty on zero emission vehicles (electric, hybrid or hydrogen fuel vehicles); and

- (d) for greater certainty, the values listed in the TRQ are not subject to adjustment for inflation.

*TRQ on Trucks*

6. An originating good provided for in the items indicated with “TRQ - Trucks” under the Column “Staging Category” in Appendix 2A-a (Schedule of Tariff Commitment of India) shall be subject to the corresponding tariff rate quota, as set out below:

- (a) the aggregate quantity of originating goods of the United Kingdom described in subparagraph 6(b) that shall be permitted to enter India with concessions on customs duty in a particular year is specified below:

ICE - Goods Vehicles (HS - 8704) - Completely Built Units			
Year	In-Quota Duty (Base Rate - 44.0%)	Out-of- Quota Duty (Base Rate – 44.0%)	Quota Size
Year 1	37.0 %	41.8 %	2,500
Year 2	29.9 %	39.6 %	2,750
Year 3	22.9 %	37.4 %	3,000
Year 4	15.8 %	35.2 %	3,250
Year 5	8.8 %	33.0 %	3,500
Year 6	8.8 %	30.8 %	3,500
Year 7	8.8 %	28.6 %	3,500
Year 8	8.8 %	26.4 %	3,500
Year 9	8.8 %	24.2 %	3,500
Year 10 and onwards	8.8 %	22.0 %	3,500

- (b) the tariff codes to which this TRQ applies are as follows:

HS Code		
87041010	87042200	87043100
87042100	87042300	87043200

*Minimum Import Price (MIP) for Other Alcohol*

7. For an originating good provided for in the items indicated with ‘110%, R10 to 75%, MIP 5’ or ‘110%, R10 to 75%, MIP 6’ under the Column “Staging Category” in Appendix 2A-a (Schedule of Tariff Commitments of India), tariff treatment shall be in accordance with this Section and subject to the terms and conditions set out below:

- (a) the applicable customs duty on Other Alcohol imports of originating goods of the United Kingdom described in subparagraph 7(e) that shall be permitted to enter India with concessions on customs duty in a particular year is specified below:

<b>MIP Category for Other Alcohol</b>	<b>Customs Duty for CIF value of Other Alcohol* for a litre and above: MIP - USD 5 per litre</b>	<b>Customs Duty for CIF value of Other Alcohol* for a 750 ml bottle: MIP - USD 6 per 750 mL bottle</b>
<b>Base rate of Customs Duty</b>	<b>150.0 %</b>	<b>150.0 %</b>
Year 1	110.0 %	110.0 %
Year 2	106.1 %	106.1 %
Year 3	102.2 %	102.2 %
Year 4	98.3 %	98.3 %
Year 5	94.4 %	94.4 %
Year 6	90.6 %	90.6 %
Year 7	86.7 %	86.7 %
Year 8	82.8 %	82.8 %
Year 9	78.9 %	78.9 %
Year 10 and onwards	75.0 %	75.0 %

- (b) the “CIF Value of Other Alcohol” listed in this part shall be indexed every 15 years following entry into force of the Agreement;
- (c) the indexation shall be based on India’s Wholesale Price Index (“WPI”) for Spirits, taking the year of entry into force of the Agreement (“Year 1”) as the base year;
- (d) at least six months in advance of the application of inflation indexation to the CIF rates in this paragraph, the Subcommittee on Trade in Goods shall review the inflation benchmark listed here and consider the suitability of any alternative benchmarks, and thereafter jointly agree on the appropriate inflation benchmark to be applied to the CIF values; and

- (e) the tariff codes of Other Alcohol tariff lines to which this applies are as follows:

<b>Tariff Line</b>	<b>Tariff Line Description</b>
22060000	Other Fermented Beverages (For Example, Cider, Perry, Mead, Sake); Mixtures Of Fermented Beverages And Non-Alcoholic Beverages, Not Elsewhere Specified Or Included
22071011	Concentrates Of Alcoholic Beverages
22071019	Other
22071090	Other
22082011	Brandy
22082019	Other
22082091	Brandy
22082099	Other
22083011	Bourbon Whiskey
22083091	Bourbon Whiskey
22084011	Rum
22084012	Other
22084091	Rum
22084092	Other
22085012	Geneva
22085092	Geneva
22086000	Vodka
22087011	Liqueurs
22087012	Cordials
22087091	Liqueurs
22087092	Cordials
22089011	Tequila
22089012	Indentured Ethyl Alcohol
22089019	Other
22089091	Tequila

Tariff Line	Tariff Line Description
22089092	Indentured Ethyl Alcohol
22089099	Other

## Section D: Schedule of Tariff Commitments of the United Kingdom

1. The following staging categories apply to the elimination or reduction of customs duties by the United Kingdom pursuant to Article 2.6 (Elimination of Customs Duties):
  - (a) a customs duty on an originating good provided for in the items in staging category 'A' shall be eliminated on the date of entry into force of this Agreement;
  - (b) 'TRQ' - an originating good provided for in the items in staging category 'TRQ' shall receive the tariff treatment indicated in paragraph 2 below; and
  - (c) items listed as U shall be excluded from any commitment or obligation to reduce or eliminate customs duty on a good under this Agreement and no preferential customs duty concessions shall be implemented by the United Kingdom on those goods under this Agreement.
2. (a) the aggregate quantity of originating goods of India described in subparagraph 2(b) that shall be permitted to enter the United Kingdom free of customs duty in a particular year is specified below:

<b>Electric/ Hybrid/ Hydrogen-Passenger Cars (HS 8703)</b>					
<b>Year</b>	<b>Under £20,000 CIF</b>	<b>£20,000 CIF to £40,000 CIF (inclusive)</b>	<b>Above £40,000 CIF and up to and including £80,000 CIF</b>	<b>Above £80,000 CIF</b>	<b>Total Quota</b>
6	6,800	6,800	4,000	U	17,600
7	10,200	10,200	6,000	U	26,400
8	13,600	13,600	8,000	U	35,200
9	17,000	17,000	10,000	U	44,000
10	20,400	20,400	12,000	U	52,800
11	23,800	23,800	14,000	U	61,600
12	26,350	26,350	15,500	U	68,200
13	28,900	28,900	17,000	U	74,800
14	31,450	31,450	18,500	U	81,400
15 and following years	34,000	34,000	20,000	U	88,000

- (b) the tariff codes to which this TRQ applies are as follows:

HS Code		
8703.40	8703.60	8703.80
8703.50	8703.70	8703.90

- (c) there will be no out-of-quota preferential customs duty in respect of the HS codes listed in paragraph (b); and
- (d) for greater certainty, the values listed in the TRQ are not subject to adjustment for inflation.