

October 2021



# ADHYATAN

*TPM Newsletter*

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The Month in Flashback	..... 3
Key Highlights	..... 4
Cover Story: India’s First Safeguard Investigation for Quantitative Restrictions – Isopropyl Alcohol	..... 6
Insight: RoDTEP Scheme – Guidelines Notified	..... 9
Trade Remedies Updates: Trade Remedial Actions in India	.....11
Trade Remedies Updates: Trade Remedial Actions against India	.....14
Trade Remedies Updates: Other Trade Remedial Actions	.....15
Other Trade Updates: Foreign Trade Policy	.....19
Other Trade Updates: Free Trade Agreement	..... 20
Other Trade Updates: BIS Updates	..... 21
From the WTO Panel	..... 22

### *Trade Remedial Actions in India*

Number of investigations initiated	.....	10
Number of findings issued	.....	17
Duties imposed or continued	.....	2
Duties recommended but not imposed	.....	0
Ongoing anti-dumping investigations	.....	39
Ongoing anti-subsidy investigations	.....	2
Ongoing safeguard investigations	.....	0

### *Other Trade Updates*

Number of non-tariff notifications by India	.....	5
Number of non-tariff notifications by others	.....	331

### **India**

#### **Initiation of limited mid-term review to re-determine the quantum of duty imposed on imports of Aluminium Alloy Road Wheels from China PR exported by Dicastal Group. (01 Sep)**

The Directorate General of Trade Remedies has initiated a mid-term review investigation based on an application filed by JJF Castings Limited, Maxion Wheels Limited and Steel Strips Wheel Limited. The investigation is a limited mid-term review in order to re-determine the dumping and injury margin for Dicastal Group. The petitioners have alleged that the producer is exporting the subject goods to Indian consumers at prices lower than that being reported to the Customs, due to compensatory arrangement between the producer and the consumers.

#### **Temporary revocation of anti-dumping duties on steel products continued (30 Sep)**

Earlier, in the Budget of 2021, the anti-dumping duty levied on imports of the following products had been temporarily revoked from 2<sup>nd</sup> February 2021 to 30<sup>th</sup> September 2021:

1. Flat rolled products of steel plated or coated with alloy of aluminium and zinc,
2. High-Speed Steel of Non-Cobalt Grade, and
3. Straight Length Bars and Rods of Alloy Steel.

The Ministry of Finance has vide Notification Nos. 55/2021-Customs (ADD), 56/2021-Customs (ADD) and 57/2021-Customs (ADD) dated 30<sup>th</sup> September 2021 extended the period of revocation upto 31<sup>st</sup> January 2022.

### **Gulf Cooperation Council**

#### **Administrative Court of Kuwait overturns non-imposition of anti-dumping duty on imports of Porcelain Tiles from China PR and India.**

The Administrative Court of Kuwait has overturned the administrative decision refraining from imposition of anti-dumping duty on imports of Porcelain Tiles from China PR and India. The Secretary General of the Gulf Cooperation Council (GCC) had directed the Ministry of Finance, Kuwait to impose anti-dumping duty on imports from China PR and India as the producers in the said countries were found to be dumping and such imports had caused injury to the domestic industry in GCC. The Ministry of Finance, however, refrained from imposition of anti-dumping duty. The Administrative Court has held that such a decision is not in the favor of the national industry in Kuwait and anti-dumping duty should be imposed.

### **United States of America**

#### **The Department of Commerce invited comments to continue to treat Russia as a non-market economy.**

The Department of Commerce (DOC) initiated anti-dumping investigation into imports of Urea Ammonium Nitrate Solutions from Russia. The DOC has treated Russia as a market economy since 2002. However, the petitioners have contended that Russia should be treated as a non-market economy and have provided enough evidence for the DOC to consider the same. The DOC has invited public comments with respect to whether to treat Russia as a market economy country. The comments can be filed for factors related to free conversion of Russian currency, free wage rates determination, permissibility of joint ventures or other investments by firms of other foreign countries, government ownership or control over the means of production, allocation of resources and price and output decisions of enterprises. Nine comments have been filed in this regard.

Safeguard measures can be invoked when the imports of a product increase, due to unforeseen developments, and cause injury to the domestic industry. The key ingredients required to invoke a safeguard measure are (a) there must be increased imports of a product, (b) the increase in imports must be a result of unforeseen developments, and as an effect of obligations incurred under the GATT, (c) the imports must have caused serious injury to the domestic industry, (d) injury to the domestic industry must be caused by the increased imports, (e) the domestic industry must undertake that it would take action to positively adjust to the increased imports, and (f) the measure should be in public interest. A safeguard measure can take the form of a duty, quantitative restrictions or tariff quota.

India initiated its first Safeguard (Quantitative Restrictions) Investigation on 4<sup>th</sup> November 2019 concerning imports of Isopropyl Alcohol (IPA), pursuant to an application by Deepak Fertilizers and Petrochemicals Corporation Limited, represented by TPM Consultants. The investigation involved participation of producers and exporters from a number of countries, associations of exporters, importers and users in India. After conducting a detailed investigation, the Directorate General of Trade Remedies (DGTR) on 30<sup>th</sup> September 2021 concluded that there is a need for invoking quantitative restrictions. With respect to the various essential ingredients of a safeguard investigation, the DGTR concluded as under.

## (a) Increase in imports

In its application, the industry had shown that the imports of IPA had increased between April 2016 and June 2019. The DGTR noted that the increase in imports amounted to sudden, sharp, significant and recent increase in imports warranting initiation of the safeguard investigation.

Since a safeguard investigation is based on most recent data, the DGTR called for data for subsequent period as well. However, the Authority noted that the data for the period subsequent to December 2019 was impacted by Covid-19 and therefore, is abnormal in nature.

## (b) Existence of unforeseen developments and effect of obligations

As per the GATT, safeguard measures may be imposed only when the imports have increased as a result of unforeseen developments, and as an effect of obligations incurred under the GATT. In this regard, the Authority noted that the imports increased as a result of incompetitiveness of propylene-based IPA produced by the domestic

India has concluded its first safeguard investigation for imposition of quantitative restrictions.

The investigation concerned imports of Isopropyl Alcohol.

The application was filed by Deepak Fertilizers and Petrochemicals Corporation Limited, represented by TPM Consultants.

The DGTR noted that the imports had increased between April 2016 to December 2019. The period post December 2019 was considered impacted by Covid-19 and therefore, is abnormal in nature.

The imports increased due to unforeseen developments and as an effect of obligations.

industry, as compared to acetone-based IPA produced and sold by foreign producers.

The Authority noted that the demand for phenol increased, which led to increase in the capacity and production of phenol. Since acetone is generated as a co-product in production of phenol, the supply for acetone increased, without a commensurate increase in its demand. Further, it resulted in cost of production through acetone route. As a result, the prices of acetone declined steeply. Since the domestic industry was producing IPA only through propylene route, it was severely impacted. Therefore, the Authority concluded that the imports have increased as a result of unforeseen developments.

With regard to the requirement that the imports must have increased as an “effect of obligations incurred” under the GATT, the Authority noted that the product had attracted a base customs duty rate of 115%, while the bound rate for the product was 40%. At present, the rate of duty applicable on the product was 7.5%. Therefore, India had incurred obligations under the GATT, and accordingly, the increased imports was an effect of obligations incurred under the GATT.

(c) Imports must have caused serious injury to the domestic industry  
The information on record established that the imports had increased, while the market share of the domestic industry declined. The production, sales and capacity utilization of the domestic industry declined, due to which it was suffering from underutilized capacities. Further, the profitability of the domestic industry had deteriorated significantly, and it was incurring losses.

While the industry had earlier provided information till June 2019, the Authority considered more recent data. The Authority noted that the volume of imports continued to remain at increased levels, while the production and capacity utilization of the domestic industry remained low. The Authority also took note of the fact that while the performance of the domestic industry improved during 2020, it has declined again from July 2021 onwards.

(d) Causal link between increased imports and injury to the domestic industry

Before recommending safeguard measures, the Authority is required to satisfy itself that the injury to the domestic industry is caused by the subject imports, and not by any other factor. In this regard, the interested parties contended that the domestic industry had suffered injury due to its own imports. The Authority noted that if the imports made by the domestic industry are excluded, the imports rather show a higher increase. Further, the price at which the domestic industry

The imports increased due to increase in demand and production for phenol, which increased production of the co-product acetone.

The supply glut created for acetone resulted in decline in prices thereof, and as a consequence the price of acetone-based IPA.

However, since the domestic industry was making IPA through propylene route, the demand for imports increased.

The imports were causing injury to the domestic industry in the form of decline in production, sales, capacity utilization and profits.

Although the performance of the domestic industry increased during 2020, it declined again from July 2021 onwards.

had imported was higher than the price of other imports. Therefore, the injury to the domestic industry could not have been self-inflicted.

(e) Adjustment plan of the domestic industry

The domestic industry submitted that since acetone-based IPA has become more competitive vis-à-vis propylene-based IPA, it would set up an acetone-based plant for IPA in order to make themselves competitive vis-à-vis imports. The Authority accepted the submissions of the domestic industry.

(f) Public interest

The Authority noted that the imposition of measures was necessary to ensure viability of the domestic industry. Further, the measures would not impact the availability of sanitizers as the demand for sanitizers had declined and restrictions on trade thereof had been removed. Moreover, sanitizers were no longer classified as an essential commodity by the Government of India.

In view of the foregoing, the Authority concluded that IPA is being imported into India in such increased quantities, as to cause serious injury to the domestic industry and recommended quantitative restrictions as per following

- a. The DGTR has recommended imposition of quantitative restrictions on the imports of the subject goods for a period of two years.
- b. The quantitative restrictions have been recommended based on average import volumes from each country in three representative years, during the investigated period.
- c. The imports from developing countries, barring China PR, are excluded from the scope of recommended measures since the imports from the developing countries other than China PR do not exceed 3% individually and 9% collectively.
- d. The imports would be permitted through the EDI ports only to facilitate electronic/ real-time monitoring of Quota.
- e. The quota would be monitored on quarterly basis. The total imports allowed in any quarter shall not exceed the total of that quarter and the next quarter. Any unutilised quota for a quarter shall be added to next quarter. Further, any excessively utilised quota for a quarter shall be deducted from the quota for the next quarter.
- f. The DGTR has also recommended progressive liberalization of the Quantitative Restrictions in the next year to adequately facilitate positive adjustment

In order to adjust to the imports, the domestic industry would set up an acetone-based IPA plant to become competitive versus imports, after expiry of measures.

The imposition of duty was not against public interest, especially as demand for sanitizers had declined, and they were no longer an essential commodity.

The DGTR has recommended quantitative restrictions, based on the average volume of imports from each country over three representative years.

Imports would be permitted through EDI ports only, and the quota would be monitored on quarterly basis.



# RoDTEP Scheme – Guidelines Notified

Nishit Chaudhary, Associate

Remission of Duties or Taxes on Export Product (RoDTEP)<sup>1</sup> is a recent scheme introduced by the Government of India on 1<sup>st</sup> Jan 2021 as a replacement<sup>2</sup> of the previous Merchandise Exports from India Scheme (MEIS).

The scheme provides for rebate of Central, State and Local duties/taxes/ levies which are not refunded under any other duty remission schemes. The rebate would extend to any Central, State and Local taxes on the exported product, prior stage cumulative indirect taxes on the input goods and services used in the production of the products, and taxes in respect of distribution of the exported product.

The scheme has been launched to boost exports by making exports cost competitive and thereby providing a level playing field. A rebate would be granted to eligible exporters at a notified ad valorem rate, that is, a percentage of FOB value of exports, as per the 8 digit HS Code. However, in some cases, a fixed quantum of rebate per unit may also be prescribed. The process of claiming refund is as follows:

- a. The exporter shall make a claim for RoDTEP in the shipping bill.
- b. The claim shall be processed by Customs, once EGM is filed.
- c. Once processed, a scroll for the admissible amount would be generated at ICEGATE.
- d. In order to generate scrips, the exporter needs to create a log into its RoDTEP credit ledger account and select the relevant shipping bills.

As per the guidelines issued, the rebate would not be dependent on realization of export proceeds at the time of rebate. However, the rebate allowed is subject to realization of export proceeds within the time allowed under Foreign Exchange Management Act, 1999 (FEMA). If the export proceeds are not received within the time allowed, the rebate would be deemed to have never been allowed.

The scheme covers all sectors except Chemicals, Pharmaceuticals and Steel as of now. Further, following categories of exports/exporters shall not be eligible (subject to revision at any later stage) for rebate under RoDTEP Scheme:

1. Export of imported goods, that is, goods imported for export
2. Exports through transshipment
3. Export of products which are subject to minimum export price or export duty
4. Products which are restricted or prohibited under export policy
5. Deemed exports
6. Supplies of products by DTA units to SEZ/ FTWZ units

RoDTEP scheme has been replaced by the Government as a replacement for MEIS.

The scheme provides rebate of Central, State and local taxes on exported product, including in respect of inputs used, and in respect of distribution of the exported goods.

The rebate shall be allowed as a percentage of FOB value of exports. However, in some cases, a fixed quantum of rebate may be allowed.

The rebate must be claimed in the shipping bill, and scrips can be generated from ICEGATE.

The rebate is allowed subject to realization of export proceeds within the time allowed under FEMA.

1. Article on “RoDTEP as a substitute for MEIS”, Newsletter 2 of 2021  
<https://tpm.in/wp-content/uploads/2021/02/Adhyatan-TPM-Newsletter-Issue-2-of-2021.pdf>  
2. <https://pib.gov.in/newsite/PrintRelease.aspx?relid=200197>

5. Products manufactured in EHTP (Electronics Hardware Technology Park) and BTP (Bio-Technology Park)
6. Products manufactured partly or wholly in a customs warehouse
7. Products manufactured or exported in discharge of export obligation against an Advance Authorization or DFIA or Special Advance Authorization
8. Products manufactured or exported by a 100% EOU, or by a unit situated in FTZ/ EPZ/ SEZ
9. Products manufactured or exported availing the benefit of the Notification No. 32/1997<sup>3</sup> – Customs dated 1<sup>st</sup> April 1997
10. Exports from non-EDI ports
11. Goods which have been taken into use after manufacture

There has been some speculation about whether RoDTEP is really a substitute of MEIS. While the idea behind introducing RoDTEP was to have a WTO compliant export incentive scheme in place of MEIS, there are certain visible differences between the two.

Basis	RoDTEP	MEIS
Objective	Boosts exports	Boosts exports
Type	Duty remission via refunds	Incentive scheme
WTO compliance	Intended to be WTO compliant	Found to be inconsistent with WTO Agreement
How it works	Refund of input taxes to avoid exporting taxes out of the country	No defined criteria for providing incentives
Form	Electronic	Physical transferable scrips

The differences between the two shows that while MEIS was an incentive, RoDTEP is remission of taxes and duties, and accordingly, the two are incomparable. Exporters have expressed that the MEIS scheme entailed more benefits and incentives, as MEIS also compensated the exporters for infrastructural bottlenecks, but RoDTEP only compensates for input costs and taxes. Also, the rates notified under RoDTEP are less than the expectations of the exporters. The MEIS also covered almost all sectors of the industry as compared to the RoDTEP scheme.

However, the RoDTEP scheme is still in its nascent stage in terms of its actual impact on exports and therefore, there is a need to wait and observe how the scheme achieves its intended purpose.

RoDTEP scheme is not applicable to Chemicals, Pharmaceuticals and Steel sectors. Further, certain exports shall be excluded from the scope of the scheme, such as exports of imported goods, deemed exports, sales from DTAs to SEZ, goods exported in discharge of obligations under other FTP benefits, goods exported by 100% EOU or SEZ unit, goods manufactured wholly or partially in warehouse, etc.

While RoDTEP is intended to be a replacement for MEIS, there are key differences between the two.

RoDTEP is intended to be WTO compliant, as against the MEIS scheme, which was found inconsistent with the WTO Agreement.

3. <https://www.cbic.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-1999/cs-tarr1999/cs32-97>

## Trade Remedial Actions in India

### **Initiation of investigation**

- Mid-term review into imports of Aluminium Alloy Road Wheels from China PR. (01 Sep)
- Sunset review investigation into imports of Opal Glassware from China PR and UAE. (09 Sep)
- Sunset review investigation into imports of Amoxicillin from China PR. (10 Sep)
- Anti-dumping investigation into imports of Stainless-Steel Tubes and Pipes from China PR. (10 Sep)
- Sunset review investigation into imports of Hydrogen Peroxide from Bangladesh and Thailand. (13 Sep)
- Sunset review investigation into imports of Polytetrafluoroethylene (PTFE) from China PR. (16 Sep)
- Sunset review investigation into imports of Aluminium Foil 5.5 micron to 80 micron from China PR. (16 Sep)
- Anti-dumping investigation into imports of Ofloxacin and its intermediates from China PR. (17 Sep)
- Anti-dumping investigation into imports of Semi-Finished Ophthalmic Lenses from China PR. (30 Sep)
- Anti-dumping investigation into imports of Glycine from China PR. (30 Sep)

### **Measures recommended**

- Imposition of anti-dumping duty on imports of Vitamin C from China PR. (03 Sep)
- Extension of anti-dumping duty levied on imports of Measuring Tapes from China PR to imports of Measuring Tapes from Cambodia and Singapore, pursuant to an anti-circumvention investigation. (03 Sep)
- Imposition of anti-dumping duty on imports of Certain Flat Rolled Products of Aluminium from China PR. (07 Sep)
- Continuation of anti-dumping duty on imports of Cold-Rolled / Cold Reduced Flat Steel Products of Iron or Non-Alloy Steel, or other Alloy Steel from China PR, Japan, Korea RP and Ukraine. (14 Sep)
- Continuation of anti-dumping duty on imports of Hot-Rolled Flat Products of Alloy or Non-Alloy Steel from China PR, Japan, Korea RP, Russia, Brazil and Indonesia. (14 Sep)
- Imposition of anti-dumping duty on imports of Sodium Hydrosulphite from China PR and Korea RP. (14 Sep)
- Extension of anti-dumping duty imposed on imports of Axle for Trailers from China PR to Axle for Trailers in Completely Knock Down / Semi-Knock Down Conditions, pursuant to an anti-circumvention investigation. (14 Sep)

### **Measures recommended (Cont.)**

- Imposition of anti-dumping duty on imports of Untreated Fumed Silica from China PR and Korea RP. (20 Sep)
- Imposition of anti-dumping duty on imports of Ceftriaxone Sodium Sterile from China PR. (23 Sep)
- Imposition of anti-dumping duty on imports of Silicone Sealants from China PR. (23 Sep)
- Imposition of anti-dumping duty on imports of Hydrofluorocarbon (HFC) Components R-32 from China PR. (23 Sep)
- Imposition of anti-dumping duty on imports of Peroxosulphates (Persulphates) from China PR and USA. (24 Sep)
- Imposition of anti-dumping duty on imports of Hydrofluorocarbon (HFC) Blends from China PR. (27 Sep)
- Imposition of anti-dumping duty on imports of Caprolactam from European Union, Korea RP, Russia and Thailand. (27 Sep)
- Imposition of anti-dumping duty on imports of Calcined Gypsum Powder from Iran, Oman, Saudi Arabia and UAE. (27 Sep)
- Imposition of anti-dumping duty on imports of Decor Paper from China PR. (28 Sep)
- Imposition of safeguard measures on imports of Isopropyl Alcohol. (30 Sep)

### **Termination of investigation**

- Mid term review investigation on imports of Aluminium and Zinc Coated Flat Products from China PR, Korea RP and Vietnam. (06 Sep)
- Sunset review investigation on imports of Plain Medium Density Fiberboard having thickness 6 mm and above from Vietnam. (13 Sep)
- Anti-dumping investigation on imports of Elastomeric Filament Yarn from Singapore. (28 Sep)

### **Cessation of duties**

- Anti-dumping duty on imports of Tyre Curing Presses also known as Tyre Vulcanisers or Rubber Processing Machineries for Tyres from China PR. (22 Sep)

### **Customs Notification issued Imposing / Extending Duty**

- Imposition of anti-dumping duty on imports of Aluminium Foil from China PR, Malaysia, Thailand and Indonesia. (16 Sep)
- Imposition of anti-subsidy duty on imports of Wire in Coil Form / Wire Rod in Coil form having diameter ranging from 9 mm to 13 mm. (24 Sep)
- Extension of temporary revocation of anti-dumping duty on imports of Colour Coated / Pre-Painted Flat Products of Alloy or Non-Alloy Steel from China PR and European Union till 31<sup>st</sup> March 2022. (29 Sep)
- Extension of temporary revocation of anti-dumping duty on imports of Straight Length Bars and Rods of Alloy Steel from China PR till 31<sup>st</sup> January 2022. (30 Sep)
- Extension of temporary revocation of anti-dumping duty on imports of Flat Rolled Products of Steel, Plated or Coated with alloy of Aluminium and Zinc from China PR, Korea RP and Vietnam till 31<sup>st</sup> January 2022. (30 Sep)
- Extension of anti-dumping duty on imports of Vitrified / Porcelain Tiles from China PR till 28<sup>th</sup> February 2022. (30 Sep)
- Extension of anti-subsidy duty on imports of Certain Hot Rolled and Cold Rolled Stainless Steel Flat Products from China PR till 31<sup>st</sup> January 2022. (30 Sep)

### Trade Remedial Actions against India

#### **Argentina**

##### **Termination of anti-dumping investigation into imports of Ball Bearings and Radial Single Row of Balls from India. (29 Sep)**

The National Commission on Foreign Trade has terminated the investigation into imports of Ball Bearings, Radial, Single Row of Balls. The Commission determined that no injury was caused to the domestic industry due to the allegedly dumped imports.

#### **Brazil**

##### **Preliminary affirmative determination issued in the anti-dumping investigation into imports of Polyester Textured Filament Yarn from China PR and India. (30 Sep)**

The investigation was initiated on the request of the Brazilian Association of Artificial and Synthetic Fiber Products (Abrafas). In the preliminary findings, SDCOM provisionally concluded that the exporters were dumping the goods in Brazil, and such imports were causing injury to the domestic industry. However, the Authority has not recommended application of provisional duty.

#### **Taiwan**

##### **Imposition of anti-dumping duty on imports of Ceramic Tiles from India, Vietnam, Indonesia and Malaysia. (27 Sep)**

Ministry of Finance, Taiwan has imposed anti-dumping measures on imports of Ceramic Tiles from India, Vietnam, Indonesia and Malaysia. Out of the four sampled producers from India, three producers were awarded zero margins. However, the duty for the fourth producer, and all other producers from India has been fixed at 20.07%. The duties will be effective from 4<sup>th</sup> October 2021 up till 3<sup>rd</sup> October 2026.

#### **Vietnam**

##### **Preliminary affirmative determination issued in anti-dumping investigation into imports of Polyester Long Fibre Products (Filament Yarn) from China PR, India and Malaysia. (9 Sep)**

Ministry of Industry and Trade has preliminarily determined that Polyester Long Fibre Products (Filament Yarn) imported from China PR, India and Malaysia is being dumped in Vietnam. The Ministry has proceeded with the investigation and duties shall be imposed based on a final affirmative determination.

### **United States of America**

#### **DOC issued affirmative preliminary determination in the anti-subsidy investigation into imports of Organic Soybean Meal from India. (03 Sep)**

DOC has preliminarily determined that countervailable subsidies are being provided to producers of Organic Soybean Meal in India. Accordingly, individual subsidy rates, as high as 267% have been determined for exporters. The USITC is yet to make its determination.

#### **DOC issued revised dumping margins in the anti-dumping investigation into imports from Frozen Warmwater Shrimp from India. (20 Sep)**

US DOC has re-determined the dumping margins for five exporters from India pursuant to the decision of US Court of International Trade in Calcutta Seafoods Private Limited & Ors. vs United States. The original determination in the administrative review was challenged before the Court by the exporters, which concluded that application of adverse facts available for determining margins was not appropriate.

#### **DOC issued revised dumping margins in the anti-dumping investigation into imports from Stainless Steel Flanges from India. (20 Sep)**

US DOC has re-determined the dumping margins for an exporter from India pursuant to the decision of US Court of International Trade in Echjay Forgings Private Limited vs. United States. The original determination was challenged before the Court by the exporter, which concluded that application of adverse facts available for determining margins was not appropriate in light of participation by the exporter.

### ***Other Trade Remedial Actions***

#### **Argentina**

- Imposition of anti-dumping duty on imports of Electric Ironing Presses from China PR. (02 Sep)
- Imposition of anti-dumping duty on imports of Spreaders and Tricetas from China PR. (06 Sep)
- Imposition of anti-dumping duty on imports of Electric Plates, excluding plates that are connected by pipes to an external generator, from China PR. (09 Sep)
- Continuation of anti-dumping duty on imports of Water Pumps from China PR. (24 Sep)
- Imposition of anti-dumping duty on imports of Toluene Diisocyanate from USA. (29 Sep)

### **Australia**

- Continuation of anti-dumping measures on imports of Grinding Balls from China PR. (8 Sep)
- Initiation of continuation inquiry of anti-dumping duty imposed on imports of Aluminium Extrusions from Vietnam. (15 Sep)
- Initiation of continuation inquiry of anti-dumping measures imposed on imports of Hollow Structural Sections from China PR, Korea RP, Malaysia and Taiwan. (22 Sep)
- Preliminary affirmative determination issued in the anti-dumping and anti-subsidy investigation into imports of Aluminium Zinc Coated Steel from Korea RP, Taiwan and Vietnam. (22 Sep)
- Preliminary affirmative determination issued in the anti-dumping investigation into imports of Concrete Underlay Film from Malaysia. (27 Sep)
- Final affirmative determination issued in the anti-subsidy investigation into imports of Precision Pipe and Tube Steel from Vietnam, and anti-dumping investigation into imports from China PR, Korea RP, Taiwan and Vietnam. (27 Sep)

### **Brazil**

- Continuation of anti-dumping measures on imports of Polyvinyl Chloride Resins from China PR. (24 Sep)
- Continuation of anti-dumping measures on imports of Metallic Magnesium in raw forms from China PR. (24 Sep)
- Initiation of sunset review investigation of anti-dumping measures on imports of Polyvinyl Chloride from Mexico and USA. (27 Sep)

### **Canada**

- CBSA issued preliminary determination in anti-dumping investigation into imports of Oil Country Tubular Goods from Mexico. (28 Sep)
- Initiation of expiry review of anti-dumping duty into imports of Welded Large Diameter Carbon and Alloy Steel Line Pipe from China PR and Japan. (28 Sep)

### **Eurasian Economic Union**

- Continuation of anti-dumping measures on imports of Seamless Pipes and Tubes of Stainless Steel from Ukraine. (09 Sep)
- Imposition of anti-dumping measures on imports of Graphite Electrodes from China PR. (24 Sep)

### **Indonesia**

- Affirmative determination in anti-dumping investigation into imports of Hot-Rolled Coil of Other Alloy (HRC alloy) from China PR. (03 Sep)



### **European Union**

- Continuation of anti-dumping measures on imports of Certain Pre and Post-stressing Wires and Wire strands of Non-Alloy Steel from China PR. (02 Sep)
- Extension of anti-dumping measures on imports of Certain Aluminium Foil and Certain Aluminium Foil in Rolls from China PR to consignments from Thailand. (15 Sep)
- Continuation of anti-dumping measures on imports of Stainless Steel Cold-Rolled Flat Products from China PR and Taiwan. (16 Sep)
- Initiation of anti-dumping investigation into imports of Electrolytic Chromium Coated Steel (ECCS) products from China PR and Brazil. (24 Sep)

### **Korea RP**

- Affirmative determination in anti-dumping investigation into imports of Stainless Flat-Rolled Products from China PR, Indonesia and Taiwan. (23 Sep)

### **Peru**

- Imposition of provisional anti-dumping measures on imports of Plain Weave Fabrics from China PR. (23 Sep)

### **Thailand**

- Termination of safeguard investigation into imports of Aluminium Foil. (04 Sep)
- Imposition of anti-dumping measures on Hot-Dip Galvanized Steel Products from China PR. (07 Sep)
- Initiation of review investigation into imports of Stainless Steel Pipes and Tubes from China PR, Korea RP, Taiwan and Vietnam. (16 Sep)

### **Ukraine**

- Continuation of anti-dumping duty on imports of general-purpose Incandescent Lamps from Kyrgyz Republic. (01 Sep)
- Initiation of anti-dumping investigation into imports of Steel Seamless Cold-Drawn and Cold-Rolled Pipes from China PR. (01 Sep)
- Initiation of anti-dumping investigation into imports of Aluminium Ladders from Belarus, China PR, Poland and Slovakia. (01 Sep)
- Initiation of anti-dumping investigation into imports of Cement from Turkey. (05 Sep)
- Imposition of safeguard measures on imports of Wires. (14 Sep)

### **United Kingdom**

- Initiation of reconsideration of original decision regarding imposition of safeguard measures on Certain Steel Products, pursuant to a transition review. (07 Sep)

### **United States of America**

- Initiation of sunset review of anti-dumping measures on imports of Hot Rolled Steel Products from Australia, Brazil, Japan, Netherlands, Korea RP, Turkey and United Kingdom, and anti-subsidy measures on imports from Brazil and Korea RP. (01 Sep)
- Initiation of sunset review of anti-dumping measures on imports of Hot Rolled Carbon Steel Products from Russia. (01 Sep)
- Imposition of anti-dumping duty on imports of Methionine from Japan and Spain. (14 Sep)
- Continuation of anti-dumping and anti-subsidy duty on imports of Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipes from China PR. (14 Sep)
- DOC issued affirmative final determination in the expiry review of anti-dumping duty on imports of Magnesium Metal from China PR. (16 Sep)
- DOC issued affirmative final determination in the expiry review of anti-dumping duty on imports of Tissue Paper Products from China PR. (21 Sep)
- DOC issued affirmative final determination in the anti-subsidy investigation into imports of Aluminium Foil from Oman and Turkey, and anti-dumping investigation into imports from Armenia, Brazil, Oman, Russia and Turkey. (23 Sep)
- DOC issued affirmative final determination in the expedited review of anti-subsidy measures on imports of Corrosion-Resistant Steel Products from Italy. (28 Sep)
- DOC issued affirmative preliminary determination in the anti-dumping investigation into imports of Mobile Access Equipment and Subassemblies thereof from China PR. (30 Sep)
- DOC issued affirmative final determination in the anti-dumping investigation into imports of Thermal Paper from Germany, Japan, Korea RP and Spain. (30 Sep)

### **Vietnam**

- Initiation of anti-dumping investigation into imports of Table and Chair products from China PR and Malaysia. (07 Sep)
- Initiation of anti-circumvention investigation of anti-dumping and anti-subsidy duty imposed on imports of Cane Sugar Products from Thailand being imported from certain ASEAN countries. (22 Sep)
- Initiation of sunset review of anti-dumping duty imposed on imports of Plastic Products from China PR, Malaysia, United Kingdom and Thailand. (27 Sep)
- Continuation of anti-dumping duty on imports of MSG Products from China PR and Indonesia. (30 Sep)

### Foreign Trade Policy

#### **Relief in Export Obligation under EPCG authorizations (10 Sep)**

The DGFT has issued a policy circular notifying that as per the provisions of para 5.19 of the Handbook of Procedures, relief may be provided to exporters of those sectors whose total exports in that sector or product group have declined by more than 5% as compared to the previous year. The relief is allowed in the form of proportionate reduction in export obligation under EPCG authorizations, having regard to the reduction in exports of that sector / product group, as against the previous year. The DGFT has listed sectors / product groups, where there was a decline in exports in 2019-20 as compared to 2018-19, and in 2020-21 as compared to 2019-20. The Regional Officers have been asked to re-fix the annual average export obligation for EPCG authorizations for the years 2019-20 and 2020-21.

#### **Amendment in FTP 2015-20 regarding Scrip (16 Sep)**

The last date for submitting application for scrip-based claims has been revised to 31<sup>st</sup> December 2021 for the following:

- a. MEIS – for exports made during 1<sup>st</sup> July 2018 to 31<sup>st</sup> December 2020. A late cut fee of 10% shall apply for exports made during 1<sup>st</sup> July 2018 to 31<sup>st</sup> March 2019
- b. SEIS – for exports made during 2018-19 and 2019-20. A late cut fee of 5% shall apply for exports made during 2018-19
- c. Additional 2% ad hoc incentive
- d. ROSCTL – for exports made during 7<sup>th</sup> March 2019 to 31<sup>st</sup> December 2020, and
- e. ROSL – for exports made upto 6<sup>th</sup> March 2019

Beyond 31<sup>st</sup> December 2021, no further applications shall be allowed, even with late cut fee.

#### **De-activation of IECs not updated on DGFT (20 Sep)**

The DGFT had earlier issued trade notices, mandating all IEC holders to ensure that the details in their IEC is updated electronically every year during April to June period. The DGFT shall now de-activate IECs which have not yet been updated, in a phased manner. All IECs which have not been updated after 1<sup>st</sup> January 2005 shall be de-activated with effect from 6<sup>th</sup> October 2021. However, if, pursuant to de-activation, the IEC holder updates their IEC online, the IEC would be re-activated without any manual intervention or physical visit to DGFT.

#### **Extension of Foreign Trade Policy and Handbook of Procedures (28 Sep)**

The provisions of Foreign Trade Policy 2015-2020 and Handbook of Procedures have been extended upto 31<sup>st</sup> March 2022.

### **SEIS benefit for services exported during 2019-20 (23 Sep)**

DGFT has notified a list of eligible services and rates under SEIS for services rendered in the FY 2019-20. A limit of total entitlement under SEIS has been imposed for services exported in the period from 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020, and capped at Rs. 5 crores per IEC. The facility to claim benefits under SEIS on payments in Indian Rupees shall not be available for services rendered in 2019-20. The deadline for submission of SEIS applications for 2019-20 shall be 31<sup>st</sup> December 2021 and the applications would not be accepted after this date.

### **Extension in period for fulfilment of export obligation for specified Advance Authorizations and EPCG Authorizations (23 Sep)**

In case of advance authorizations and EPCG authorizations, where the original or extended export obligation period was expiring during the period between 1<sup>st</sup> August 2020 and 31<sup>st</sup> July 2021, the export obligation period has been extended till 31<sup>st</sup> December 2021. The extension shall be allowed without any composition fees, but entails an additional export obligation of 5% in value terms. However, when the authorization holder has already obtained extension of export obligation period, after payment of composition fee, such fee shall not be refunded.

## ***Free Trade Agreement***

### **India and UAE engage in negotiation of free trade agreement**

India and UAE are currently engaged in negotiations for free trade agreement (FTA), which is expected to boost trade by reduction or elimination of customs duties on traded goods such as leather.

### **India and United Kingdom working towards inclusion of services in FTA negotiations**

United Kingdom and India have mentioned plans to consider inclusion of services in the free trade agreement (FTA).

### **India and Australia begin negotiation for a free trade agreement**

Group heads in India and Australia have had meetings through virtual mode to begin negotiations regarding an early harvest free trade package.

### **India and United Kingdom expected to start negotiations in November**

India and United Kingdom are aiming to begin negotiations on a free trade agreement on 1<sup>st</sup> November.

### **Progress on resumption of India-European Union FTA**

The External Affairs Minister has stated that progress has been made on the resumption of negotiations on India-European Union free trade agreement. The formal talks are expected to start this month.

### **India eyeing a mini trade deal with Canada**

Pursuant to Mr. Justin Trudeau being re-elected as the Prime Minister, India is hoping to sign a mini trade deal with Canada. The discussions were held in July, but were put on hold pending elections.

## ***Bureau of Indian Standards***

### **Establishment of Standards (26 Aug)**

The following standards have been established on 26<sup>th</sup> August 2021. However, the earlier standards shall continue, without amendment, till 25<sup>th</sup> September.

- Zinc Oxide (IS 35 : 2021)

### **Drug (Prices Control) Order (15 Sep)**

The price for Vitamin D3 (Cholecalciferol) orally disintegrating strips has been fixed at Rs 30.39 (excluding goods and service tax) per strip. The manufacturers and the marketing company of the drug are:

- Zim Laboratories Limited
- Cadila Pharmaceuticals Limited

### **Establishment of Standards (17 Sep)**

The following standards have been established on 14<sup>th</sup> September 2021. However, the earlier standards shall continue, without amendment, till 15<sup>th</sup> October 2021.

- Carbon Black (IS 40 : 2021)

## ***United States – Safeguard Measures on Imports of Crystalline Silicon Photovoltaic Products***

***WT/DS562/R***

The present dispute arose pursuant to China PR challenging the safeguard measure imposed by United States against imports of Certain Crystalline Silicon Photovoltaic Cells, whether or not partially or fully assembled into other products (including, but not limited to, modules, laminates, panels, and building-integrated materials) (CSPV products) on 23<sup>rd</sup> January 2018. The safeguard measure took form of (a) a 2.5GW tariff-rate quota on imports of solar cells not partially or fully assembled into other products for a period of four years and (b) *ad valorem* duties on imports of modules for a period of four years. Inter alia, China PR challenged the measures on the grounds that USA did not establish that the increase in imports as the result of “unforeseen developments” and of the “effect of obligations incurred” under the GATT and therefore, did not fulfil the requirements of the GATT.

USA had concluded that the imports increased due to unforeseen developments, based on the following developments.

- a. China PR implemented a series of industrial policies, five-year plans, and other government support programs favouring CSPV products.
- b. Such programs increased the capacity to manufacture CSPV products, substantially in excess of the internal consumption.
- c. Such increased capacities were directed to export markets, including USA.
- d. The anti-dumping and anti-subsidy duties imposed by USA against China PR and Taiwan were rendered ineffective as (i) initially Chinese and Taiwanese producers started exporting products not covered within the scope of duty, and (ii) Chinese entities set up entities in other countries, and the imports from these countries into USA increased.

Further, USA concluded that the imports of CSPV have been free of duty since 1987, and that the USA has incurred obligations under the GATT, the benefits of which were extended to China PR.

China PR argued that (a) the developments relied upon by USA did not constitute unforeseen developments, (b) there was no nexus between the increased imports and the unforeseen developments, and (c) USA did not show that the imports increased as a result of an effect of obligations incurred under the GATT.

The Panel found merit in the arguments of USA. The Panel noted that even if it was generally foreseeable that anti-dumping and anti-subsidy duty orders might lead to trade diversion, the

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rapid changes in the global supply chains and manufacturing processes that immediately followed the imposition of duties by USA on CSPV products, combined with the significant increase in global capacity of CSPV products production, could not have been foreseen.

With regard to the second contention of China PR, the Panel noted that the “unforeseen developments” found by USA consisted of a series of events. Accordingly, it was not necessary to directly connect each specific development to the increase in imports. USA was only required to examine whether there was sufficient evidence to find that the “unforeseen developments”, overall, resulted in increased imports. In this case, the Panel found that the evidence showed that the increase in imports was as a result of the “unforeseen developments”.

The Panel further noted that USA had shown that the imports increased as an effect of obligations incurred under the GATT. This was despite the fact that though the imports were duty free since 1987, that is, before USA incurred obligations under the GATT.

In view of the foregoing, the Panel did not find any infirmity in the conclusions of USA that the imports of CSPV products increased as a result of unforeseen developments and of the effect of obligations incurred under the GATT.

## About Us

*TPM was founded in 1999 at a time when the practice of trade remedies in India was in its infancy and there were only a handful of firms in the field. While other firms added these services to their existing portfolios, TPM dealt exclusively in cases in the domain of trade remedies.*

*TPM began its journey with a staff of merely 2 professionals. Today, it has a team of more than 40 professionals including Cost Accountants, Chartered Accountants, Company Secretaries, Lawyers, Engineers and MBAs.*

*From the beginning, TPM was focused on providing consultancy in the field of trade remedies. TPM helps domestic producers suffering due to cheap and unfair imports into India to avail the necessary protection under the umbrella of the WTO Agreements. TPM has also assisted the domestic producers in other countries to avail similar measures in their respective countries. Besides assisting domestic producers in India and other countries, TPM also assists exporters and importers facing trade remedial investigations in India or other countries. TPM has assisted Indian exporters facing investigations in a number of jurisdictions such as Argentina, Brazil, Canada, Egypt, European Union, GCC, Indonesia, Korea RP, Turkey and USA.*

*TPM has an enviable experience in the field, of more than 700 cases. Its unique experience in the field sets it apart from other firms. While the firm is primarily dedicated to trade remedies, it also provides services in the field of trade policy, non-tariff barriers, competition law, trade compliance, indirect taxation, trade monitoring and analysis. It also represents industries before the Government in matters involving customs policy.*

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