ADHYATAN

TPM Newsletter

April 2024

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- India initiates its first anti-absorption review of antidumping duties.
- Benefit under the RoDTEP scheme extended to exports by Advance Authorisation holders, EOUs and SEZs.
- Imports by Advance Authorisation holders and EOUs, exempted from mandatory Quality Control Orders when used for manufacturing exported product.
- India signs Trade and Economic Partnership Agreement with EFTA countries.

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Key Highlights

Indian Updates

India signs a comprehensive Trade and Economic Partnership Agreement with the European Free Trade Association. (10 Mar)

On 10th March, India and the European Free Trade Association (EFTA) signed a comprehensive Trade and Economic Partnership Agreement. The EFTA comprises of four European countries, namely Switzerland, Iceland, Norway and Liechtenstein. The Agreement was concluded after 21 rounds of negotiations conducted over a span of sixteen years. The Agreement establishes a binding commitment towards promotion of target-oriented investments. Under the Agreement, India has offered tariff reduction or concession on 82.7% of its tariff lines, impacting 95.3% of EFTA exports to India, including gold. The EFTA has offered tariff reduction or concession on 92.2% of its tariff lines, which covers 99.6% of Indian exports. Switzerland, which is India's largest EFTA trading partner, has committed to grant dutyfree access to 98% of India's industrial exports, excluding certain agricultural items like dairy and vegetables. India has committed to a higher standard of Intellectual Property Rights, particularly with respect to trade with Switzerland. The Agreement also includes commitments in trade in services including a Mutual Recognition Agreements in Professional Services. The Agreement includes a specific chapter for Investment Promotion and Cooperation dedicated to increasing foreign direct investment, from investors in the EFTA, by US\$ 50 billion within ten years from the entry into force of the Agreement and an additional US\$50 billion in the succeeding five years. Further, the Agreement includes a commitment to facilitate generation of 1 million direct employment opportunities attributable to the foreign direct investments, in the next 15 years.

Global Updates

China initiates WTO dispute against USA concerning tax credits for electrical vehicles and renewable energy projects (28 Mar)

On 28th March 2024, China notified the WTO members of its request for initiating a dispute settlement process against USA. China has challenged

Key Highlights

certain tax credits offered by USA. Under the US Inflation Reduction Act, USA offered certain tax credits to promote the production of electric vehicles and renewable energy projects. China has claimed that such tax credits are contingent on the use of domestic goods over imported goods and thus, discriminate against goods of Chinese origin. Accordingly, China has claimed that tax credits offered by USA are in violation of provisions under the GATT 1994, the Agreement on Trade-Related Investment Measures and the Agreement on Subsidies and Countervailing Measures.

India and USA mutually resolve dispute concerning agricultural import measures (21 Mar)

On 21st March 2024, India and USA notified the WTO members that they had reached a mutually agreed solution with respect to the dispute India – Measures Concerning the Importation of Certain Agricultural Products (DS430). Accordingly, USA has withdrawn its request for authorization to suspend tariff concessions and other obligations with respect to India, which was filed in July 2016. Further, India has also withdrawn its request for establishment of a WTO Panel. Previously, in 2023, India and USA had also reached mutually agreed solutions with respect to six other WTO disputes.

India's first anti-absorption review – An expedited remedy to the industry

- Anti-absorption provisions were introduced vide the Union Budget 2021 to ensure effective implementation of trade remedial measures.
- Absorption has been defined as a situation when the export price declines without any commensurate change in the cost of production, among other situations.
- The anti-absorption provisions grant an expedited remedy and allow domestic industry to proceed with submission of only limited information.
- India has recently initiated its first anti-absorption review of anti-dumping duty on imports of PET Resins from China exported by Wankai New Material Co., Ltd.
- The review has been initiated based on the application filed by the domestic producers in India, namely, IVL Dhunseri Private Limited and Reliance Industries Limited.

The purpose of imposition of trade remedial measures is to prevent unfair trade practices by foreign exporters. Such measures are expected to result in an increase in the resale price of the imported product on the assumption that the duties imposed would be passed on to the customers in India. However, there may be a situation where, despite imposition of trade remedial measures, the price of the imported product does not increase and as a result, neutralizes the effect of the measures. To ensure the effective implementation of trade remedial measures, anti-absorption provisions have been introduced.

Introduction of anti-absorption provisions

Anti-absorption provisions were introduced in India vide the Union Budget 2021. Section 9(1B) and Section 9A(1B) were inserted in the Customs Tariff

Act, 1975 ("Act") to incorporate the provisions of anti-absorption concerning anti-subsidy and anti-dumping duties respectively.

The meaning of 'absorption' has been provided through Explanations to Sections 9(1B) and 9A(1B) of the Act. Absorption of anti-dumping duty has been defined as a situation when the export price of an article declines without any commensurate change in -

- a. cost of production of the article; or
- b. export price of the article to countries other than India; or
- c. resale price in India of the article imported from the exporting country or territory.

Absorption of anti-subsidy duty has been defined only as a situation where the export price of an article declines without any commensurate change in the resale price of the article imported from the exporting country or territory. However, in both cases, it is additionally provided that absorption of duties may also take place under such other circumstances as may be provided by the Rules.

Rules and procedure for anti-absorption review

In pursuance to the amendments made in the Act, amendments were also made in the Anti-dumping Duty Rules, 1995 and Countervailing Duty Rules, 1995. Vide Notification No. 84/2021-Customs (N.T.), dated 27th October 2021, Rules 29-31 were inserted in the Anti-dumping Rules and vide Notification No. 83/2021-Customs (N.T.), dated 27th October 2021, Rules 25-27 were inserted in the Countervailing Rules, to deal with absorption of duties.

Rule 29(1) of the Anti-dumping Rules defines 'absorption' of duties as the same three circumstances as provided under Explanation to Section 9A(1B) of the Act. Rule 30 deals with the initiation of an anti-absorption review and the prima facie requirements that must be satisfied by the Authority for initiating the review. Rule 31 provides for modification of form or basis of duty or the quantum of the duty or both, if the Authority concludes that imports of the subject goods have absorbed the anti-dumping duty imposed.

It must be noted that the Rules explicitly provide that the Authority must limit the investigation to re-determination of dumping and injury margin, since fair comparison between the normal value and export price, Australia made adjustments by comparing the four exported models with the export models of injury to the domestic industry and causal link were already established in the original investigation. Thus, the Authority is permitted to make only essential adjustments to the normal value and non-injurious price established in the initial investigation, suggesting a requirement for revision rather than fresh calculation. Therefore, the domestic industry is not required to give its own financial data for any injury determination.

Interestingly, under the anti-absorption provisions in India, absorption can only be considered when there is a reduction in the export price. However, it can be argued that the industry may face a situation where the export price has not increased commensurate to increase in the cost of production or the resale price of the imported product has not increased sufficiently after the imposition of duty — which ultimately leads to "a decline in export price". This would also result in the anti-dumping duty being ineffective, as the exporter or importer did not pass on the price increases to the consumer, as intended. As a result, the price in the market remains low, and does not allow the desired price increase in the market. Another challenge that may arise during an anti-absorption review is a situation where the export price decline is with respect to exports by an exporter which did not participate in the original investigation and was subject to residual duties. In such a case, the question that arises is whether such a practice can be considered as absorption of duties and whether a review can be initiated against such exporters?

Initiation of first anti-absorption review in India

The Directorate General of Trade Remedies ("DGTR") has recently initiated India's first anti-absorption review concerning imports of Polyethylene Terephthalate from China. The anti-dumping duties were imposed on imports of Polyethylene Terephthalate by the Ministry of Finance vide Notification No. 18/2021-Customs (ADD), dated 27th March 2021, for a period of 5 years.

The application requesting initiation of anti-absorption review was filed by IVL Dhunseri Petrochem Industries Private Limited and Reliance Industries Limited, against exports by Wankai New Materials Co., Ltd. The applicants alleged that the export price of Wankai New Materials Co., Ltd. decreased post imposition of anti-dumping duty, without a commensurate change in the cost of production of the product. While the prices of raw materials have also

declined, the decline in export price was higher, thus showing that the exporter absorbed the anti-dumping duties. The application requesting initiation of review was filed two years after the imposition of anti-dumping duty. Rule 29(3) of the Anti-dumping Rules provides that an application requesting a review should normally be filed within two years from imposition of duty. However, Proviso to Rule 29(3) provides an exception to this and states that in specific cases, an application may be accepted at a later stage in view of special circumstances. In the present case, the applicants requested the Authority to make an exception as per the Proviso, based on the grounds that Wankai New Materials Co., Ltd expanded its capacity recently and has therefore, absorbed the duties to utilize the new capacities created.

Based on the information provided by the applicants, the DGTR initiated the review on 4th March 2024. The DGTR has considered that there is a decline in the export price of Wankai New Materials Co., Ltd without a commensurate decline in the cost of production in China, showing absorption of anti-dumping duties. The DGTR has also prima facie found that due to absorption of duties, there is a consequent increase in the dumping margin and injury margin with respect to exports by Wankai New Materials Co., Ltd. For the purpose of examining if the duties have been absorbed, the DGTR has noted that it will compare the prices in the absorption period to the prices in the period of investigation of the original investigation.

Conclusion

The introduction and implementation of the anti-absorption provisions is a much-needed change. Prior to the introduction of anti-absorption procedure, the Indian industry was forced to request a mid-term review or request a sunset review closer to expiration of duties. However, both the reviews provide for a detailed and lengthy investigation process. However, anti-absorption review provides the industry with a process to seek relief in an expedited manner. It should be noted that while there have been a number of instances where industries in the European Union and USA have taken recourse to anti-absorption reviews, such a review has been requested only for the first time in India. Thus, the utility of an anti-absorption is yet to be fully appreciated in India, particularly since such review is less time consuming and places a lesser burden on the industry.

- Kalpesh Gupta, Principal Consultant Ojasvi Nautiyal, Senior Associate

From the WTO Panel

Australia – Anti-dumping and Countervailing Duty Measures on Certain Products from China

WT/DS603/R

The present dispute arose with respect to the anti-dumping duties imposed by Australia on imports of Wind Towers, Deep Drawn Stainless Steel Sinks and Railway Wheels from China. China also challenged the anti-subsidy duty imposed by Australia on imports of Stainless-Steel Sinks.

On 13th January 2022, China requested the establishment of a Panel. On 28th April 2022, Australia and China notified the WTO of their agreement to resort to arbitration procedures under Article 25 of the Dispute Settlement Understanding for this dispute. Following the parties' agreement, the Panel was formed on 5th September 2022.

Arguments of the Parties

In the anti-dumping investigations for all three products and subsequent expiry reviews, Australia determined the dumping margin for China using a constructed normal value for the cooperative and non-cooperative Chinese producers. In order to do so, Australia rejected the cost of production based on records of the exporter(s) on the ground that such cost did not reflect competitive market costs and used a surrogate cost. Australia used prices prevailing in third countries as reported in certain publications to determine the cost of production in China as such prices were not affected by distortion in the Chinese market, in order to construct the normal value. China claimed that use of surrogate cost instead of the cost as reported in the books of the exporter(s) for construction of normal value was in violation of Article 2.2.1.1 of the Anti-dumping Agreement. Further, China also claimed that use of out of country prices without making adjustments to reflect cost of production in China is violative of Article 2.2 of the Anti-dumping Agreement.

With respect to the investigation concerning stainless sinks, for four models exported to Australia which did not have sufficient domestic sales made in the ordinary course of trade, Australia determined the normal value considering the next closest models based on physical characteristics. In order to make a

the next closest models used as surrogates. China argued that comparison of the exported goods with the export models of the surrogate goods is inconsistent with Article 2.4 of the Anti-dumping Agreement.

China also argued that initiation of anti-subsidy investigation into provision of goods at less than adequate remunerate for use in production of stainless-steel sinks was violative of the Agreement on Subsidies and Countervailing Measures as the alleged program was not specific and did not confer a benefit.

On the other hand, Australia argued that China largely failed to establish a prima facie case of violation of the Anti-dumping Agreement. Australia claimed that China mischaracterized and misunderstood the governing laws and relevant methodology regarding construction of normal values in the investigation. It was further argued that the Australian regulations provide that the records of the exporters may be used if they satisfy the competitive market costs test and provide discretion to the Authority in a situation where such test is not met. Finally, Australia argued that majority of claims made by China were with respect to measures, particularly the anti-subsidy measures, that had already expired and thus, no longer required to be examined by the Panel.

Decision of the Panel

With respect to construction of normal value, the Panel found that rejection of cost as reported in the books of exporter(s) based on the analysis that such cost did not reflect competitive market costs was inappropriate. The Panel observed that Article 2.2.1.1 did not impose a condition that the cost of the exporter(s) must be reflective of competitive market costs. On the contrary, the second condition of Article 2.2.1.1 states that the costs must reasonably reflect the cost associated with the production and sale of the subject goods. Therefore, rejection of cost of the exporter(s) without satisfying the conditions as provided in the Agreement was violative of Article 2.2.1.1.

The Panel also concluded that for construction of normal value, Australia failed to consider the cost of production in the country of origin, as required under Article 2.2. It was found that Australia did not make any adjustments to the prices prevailing in third country, which formed the basis of surrogate cost, in order to reflect circumstances prevailing in China. Therefore, use of out of country prices, without making adjustments in order to represent the cost of production in China, was inconsistent with Article 2.2 of the Agreement.

Further, the Panel found that for making fair comparison between normal value and export price, adjustments made by comparing the four exported models with the export models of the next closest models used as surrogates was a flawed approach. It was held that for making due allowance adjustments to ensure a fair comparison between normal value and export, differences affecting price comparability must exist in two markets, that is the exporting country and the importing country. By comparing export models with export models, Australia's methodology did not serve the purpose of accounting for differences affecting price comparability in the two markets. Thus, the Panel held that Australia acted in violation of Article 2.4.

Based on the above, the Panel held that the dumping margin determined for the Chinese exporter(s) was inflated, since it was based on normal value not constructed in consonance with the provisions of the Anti-dumping Agreement. Thus, the Panel directed Australia to bring its measures into conformity with its obligations under the GATT 1994 and the Anti-Dumping Agreement.

Finally, the Panel declined to give findings with respect to China's claims regarding the anti-subsidy measures and certain other claims regarding anti-dumping measures which had already expired before the Panel was established.

Foreign Trade Policy

Amendment in Handbook of Procedure and Standard Input Output Norms (07 Mar)

The Ministry of Commerce has suspended the Standard Input Output Norm and Ad Hoc norm for the input *Menthol*, with immediate effect. Until the Department reviews the norm, no Advance Authorisation and / or DFIA shall be issued for Menthol.

Provision for import of inputs subject to mandatory Quality Control Orders notified (07 Mar)

The Ministry of Commerce has enabled provisions for exempting inputs imported by Advance Authorisation holders and EOUs, from mandatory Quality Control Orders. Accordingly, it has notified Appendix 2Y with the list of Ministries / Departments whose notifications on mandatory QCOs, are exempted by the DGFT with immediate effect for goods to be utilised/consumed in manufacture of export products. The Appendix is available at the link herein.

Extension of RoDTEP for exports made under Advance Authorisation, Export Oriented Units and Special Economic Zones (08 Mar)

The Ministry of Commerce has notified Appendix 4RE and extended the benefit under the RoDTEP scheme for export of products manufactured by Advance Authorisation holder (except for deemed exports), Export Oriented Units (EOU) and Special Economic Zones (SEZ) from 11th March 2024 till 30th September 2024. Further, the RoDTEP implementation for export of products manufactured by SEZ units will happen once the IT integration of SEZ units with the Customs Automated System (ICEGATE) takes place. The Appendix 4RE is available at the link herein.

Procedure for import allocation for import of Petroleum Coke notified (11 Mar)

The Ministry of Commerce has notified the procedure for allocation of quantities for imports of Calcined Petroleum Coke for use in aluminium industry and imports of Raw Petroleum Coke for CPC manufacturing industry for the year 2024-25. Further, the permissible import quantity has also been revised accordingly. For further information, kindly refer to the <u>link</u> herein.

Amendment in Handbook of Procedure with regard to fixation of Norms (14 Mar)

The Ministry of Commerce has amended the Handbook of Procedure 2023 in order to streamline and automate the process of fixation of Norms and Notification of new SIONs under Advance Authorisation Scheme, for ease of doing business and trade facilitation. The Ad-hoc Input Output Norms will now be decided by the Norms Committee in a rule-based IT environment.

Changes in origin declaration under UK Developing Countries Trading Scheme (18 Mar)

The United Kingdom (UK) has replaced its existing origin declaration process under Generalized Scheme of Preferences (GSP) with the UK Developing Countries Trading Scheme (DCTS) effective from 19th June 2023. Starting from 1st January 2024, Indian Exporters are required to adhere to the new rules under DCTS to avail concessions on their exports to the UK. For further information, kindly refer to the <u>link</u> herein.

Amendments under Interest Equalization Scheme (20 Mar)

With regard to the extension of the Interest Equalization Scheme up to 30th June 2024, the Ministry of Commerce has notified a cap of Rs. 2.50 crores per Interest Equalization Certificate till 30th June 2024 for the quarter starting 1st April 2024.

Trade Agreements

Indian Updates

India and European Union conclude seventh round of negotiations for the free trade agreement

India and the EU concluded the seventh round of trade negotiations which focused on trade in goods, services, market access, investment protection agreement and geographical indications. India has reportedly pushed for elimination of non-tariff barriers, particularly in the pharma, engineering, electrical and agriculture sectors. Items. These negotiations have taken place in the backdrop of multiple environment and labour regulations brought by EU such as Carbon Border Adjustment Mechanism and Deforestation-free Regulation which threaten to obstruct Indian exports.

India and Peru set to hold seventh round of FTA talks in upcoming months

India and Peru have concluded the sixth round of talks for the bilateral free trade agreement and are expected to hold the next round of negotiations in April. Peru is expected to seek higher market access for its gold and some agricultural items such as avocados, fresh grapes and blueberries. India is expected to seek greater market access of its traditional exports such as motor vehicles, cotton yarn and pharmaceuticals.

Global Updates

Bangladesh and Japan initiate talks on a trade deal

Bangladesh has initiated talks with Japan to sign an Economic Partnership Agreement. The agreement is aimed to retain the duty benefit for Bangladesh after its scheduled graduation to a developing nation in 2026.

Free trade agreement between the European Union and New Zealand expected to take effect in May

The free trade agreement between New Zealand and EU is expected to take effect from 1st May 2024, after the agreement was ratified by the New Zealand Parliament. New Zealand expects the deal to benefit its beef and lamb exports and elimination of tariffs on exports of iconic kiwi fruit. The EU expects removal of on its exports of clothing, chemicals, pharmaceuticals and cars.

The Eurasian Economic Union and Indonesia held fourth round of negotiations on free trade agreement

The Eurasian Economic Union and Indonesia held fourth round of negotiations for a free trade agreement between 18th to 20th March. The EaEU comprises of Armenia, Belarus, Russia, Kazakhstan, and Kyrgyzstan. The agreement is aimed at encouraging the diversification of Indonesia's export markets which granting larger market access to EaEU nations. The next round of negotiations is planned to take place in July 2024.

China and Honduras hold the fourth round of negotiations for the trade agreement

China and Honduras held the fourth round of negotiations for the China-Honduras Free Trade Agreement. The two sides have reportedly made progress in the fields of trade in goods, trade in services, investment and rules of origin.

U.S. state Texas signs a "Statement of Mutual Cooperation" with the UK

The U.S. State of Texas has signed a Statement of Mutual Cooperation with the UK, aimed at facilitating businesses and enabling them to thrive in market of the other. The Statement prioritizes collaboration in new and emerging innovative energy solutions, chemicals production, supply chains & critical minerals, advanced technologies and aerospace. Texas is the leading U.S. State for exports to the UK. It aims to generate employment opportunities through its collaboration under the Statement.

Non-Tariff Measures

Indian Updates

Quality Control Order for Resin Treated Compressed Wood Laminates (05 Mar)

The Ministry of Commerce and Industry (Department of Promotion of Industry and Internal Trade) has issued a Resin Treated Compressed Wood Laminates (Quality Control) Order. The Order shall come into force on 14th January 2025. However, for small enterprises, it shall come into force on 14th April 2025 and for micro-enterprises, it shall come into force on 14th July 2025.

Amendment in Quality Control Orders for Beta Picoline, Sodium Tripolyphosphate and Pyridine. (06 Mar)

The Ministry of Chemicals and Fertilizers (Department of Chemicals and Petrochemicals) has amended the following Quality Control Orders.

- Beta Picoline (Quality Control) Order, 2020.
- Sodium Tripolyphosphate (Quality Control) Order, 2020.
- Pyridine (Quality Control) Order, 2020.

The new effective date of implementation for all three orders is 13th March 2025.

Amendment in Quality Control Orders for Ethylene Dichloride, Polycarbonate, Vinyl Chloride Monomer, p-Xylene, and Polyurethanes. (07 Mar)

The Ministry of Chemicals and Fertilizers (Department of Chemicals and Petrochemicals) has amended the following Quality Control Orders.

- Ethylene Dichloride (Quality Control) Order, 2021
- Polycarbonate (Quality Control) Order, 2021
- Vinyl Chloride Monomer (Quality Control) Order, 2021
- p-Xylene (Quality Control) Order, 2021
- Polyurethanes (Quality Control) Order, 2021

The new effective date of implementation of the Quality Control Orders for all chemicals is 12th September 2024, except for p-Xylene and Polyurethanes wherein the new effective date of implementation is 19th September 2024.

Quality Control Order for certain products (06 Mar)

The Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) has issued the following Quality Control Orders.

- Insulated Flask, Bottles and Containers for Domestic Use (Quality Control) Order, 2024 (in supersession of the Insulated Flask, Bottles and Containers for Domestic Use (Quality Control) Order, 2023).
- Potable Water Bottles (Quality Control) Order, 2024 (in supersession of the Potable Water Bottles (Quality Control) Order, 2023).

The Orders shall come into force on expiry of 3 months from the date of publication in the Official Gazette of India. For micro-enterprises, it shall come into force on the expiry of 9 months from the date of publication, and for small enterprises, it shall come into force on the expiry of 6 months from the date of publication.

Quality Control Order for Air Cooler and Air Filters (07 Mar)

The Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) has issued an Air Cooler and Air Filters (Quality Control) Order, 2024. The Order shall come into force on expiry of 6 months from the date of its publication in the Official Gazette of India. For microenterprises, it shall come into force on the expiry of 12 months from the date of publication, and for small enterprises, it shall come into force on the expiry of 9 months from the date of publication.

Quality Control Order for Gypsum-based Building Materials (08 Mar)

The Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) has issued a Gypsum-based Building Materials (Quality Control) Order, 2024. The Order shall come into force on expiry of 6 months from the date of its publication in the Official Gazette of India.

Amendment in Quality Control Orders for certain chemicals (08 Mar)

The Ministry of Chemicals and Fertilizers (Department of Chemicals and Petrochemicals) has amended the following Quality Control Orders.

- Lauric Acid (Quality Control) Order, 2022
- Acid Oil (Quality Control) Order, 2022
- Palm Fatty Acids (Quality Control) Order, 2022

- Rice Bran Fatty Acids (Quality Control) Order, 2022
- Coconut Fatty Acids (Quality Control) Order, 2022
- Hydrogenated Rice Bran Fatty Acids (Quality Control) Order, 2022
- Potable Water Bottles (Quality Control) Order, 2024 (in supersession of the Potable Water Bottles (Quality Control) Order, 2023).

The new effective date for implementation of all Orders is 24th October 2024.

Quality Control Order for Water Meters and Accessories (08 Mar)

The Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) has issued Water meters and Accessories (Quality Control) Order. This Order may be called the Water Meters and Accessories (Quality Control) Order, 2024. The Order shall come into force on expiry of 6 months from the date of its publication in the Official Gazette of India. However, for micro-enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), it shall come into force on the expiry of 12 months from the date of publication, and for small enterprises as defined under the MSME Development Act, 2006 (27 of 2006), it shall come into force on the expiry of 9 months from the date of publication.

Quality Control Order for Asbestos or Fibre Cement-based Products (08 Mar)

The Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) has issued an Asbestos or Fibre Cement-based Products (Quality Control) Order. This Order may be called the Asbestos or Fibre Cement-based Products (Quality Control) Order, 2024. The Order shall come into force on expiry of 6 months from the date of its publication in the Official Gazette of India.

Quality Control Order for Certain Products (08 Mar)

The Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) has issued the following Quality Control Orders.

- Electrical Appliance Fans (Quality Control) Order, 2024.
- Electrical Appliance for Domestic Clothes Washing (Quality Control) Order, 2023.
- Electrical Appliances for Kitchen (Quality Control) Order, 2023.

• Electrical Appliance for Commercial Dispensing and Vending (Quality Control) Order, 2023.

The Orders shall come into force on expiry of 6 months from the date of publication in the Official Gazette of India. For micro-enterprises, the Orders shall come into force on the expiry of 12 months from the date of publication, and for small enterprises, the Orders shall come into force on the expiry of 9 months from the date of publication.

Quality Control Order for certain products (13 Mar)

The Ministry of Commerce and Industry (Department of Promotion of Industry and Internal Trade) has issued the following Quality Control Orders.

- V-Belt (Quality Control) Order, 2024
- Electrical Appliances for domestic water heating (Quality Control) Order, 2023

The Orders shall come into force on expiry of 6 months from the date of publication in the Official Gazette of India. For micro-enterprises, the Orders shall come into force on the expiry of 12 months from the date of publication, and for small enterprises, the Orders shall come into force on the expiry of 9 months from the date of publication.

Quality Control Order for Wood-Based Boards Order (13 Mar)

The Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) has issued the Wood Based Boards (Quality Control) Order, 2024. This Order is issued in supersession of the Wood Based Boards (Quality Control) Order, 2024. The Order shall come into force on 11th February 2025. For small enterprises, it shall come into force on 11th May 2025 and for micro-enterprises, it shall come into force on 11th August 2025.

Quality Control Order for Plywood and Wooden flush door shutters. (15 Mar)

The Ministry of Commerce and Industry (Department of Promotion of Industry and Internal Trade) has issued Plywood and Wooden Flush Door Shutters (Quality Control) Order, 2024. The Order shall come into force on 28th February 2025. For micro-enterprises, it shall come into force on 28th August 2025 and for small enterprises, it shall come into force on 28th May 2025.

Quality Control Order for Cookware, Utensils and Cans for foods and beverages. (15 Mar)

The Ministry of Commerce and Industry (Department of Promotion of Industry and Internal Trade) has issued Cookware, Utensils and Cans for Foods and Beverages (Quality Control) Order 2024. The Order shall come into force on 01st September 2024. For micro-enterprises, it shall come into force on 01st March 2025, and for small enterprises, it shall come into force on 01st December 2024.

Quality Control Order for Footwear made from Leather and other Materials (16 Mar)

The Ministry of Commerce and Industry (Department of Promotion of Industry and Internal Trade) has issued Footwear Made from Leather and Other Materials (Quality Control) Order, 2024. It shall come into force with effect from 01st August 2024.

Quality Control Order for Footwear made from all rubber and all polymeric material and its components Order (16 Mar)

The Ministry of Commerce and Industry (Department of Promotion of Industry and Internal Trade) has issued Footwear Made from All Rubber and All Polymeric Material and its Components (Quality Control) Order, 2024. This Order is issued in supersession of Footwear made from all rubber and all Polymeric material and its components (Quality Control) Order, 2022. The Order shall come into force on 01st August 2024. The Order provides a caveat that for import of such footwear soles, the importer must provide a self-declaration certified by the Council for Leather Exports in the following manner -

- (a) A self-declaration stating that the imported footwear soles are intended for the production or assembly of footwear for exports and not for sale in the Indian domestic market.
- (b) A self-declaration from the Importer on letterhead mentioning the Invoice number and other relevant details of the import consignment and mentioning that the imported items shall not be put to any other use or sold in the domestic market except in the manufacture of footwear for the purpose of exports and the company will maintain its internal records for any future verification or audit by concerned authorities.

- (c) A certification by the Council for Leather Exports stating that the importer is a manufacturer exporter registered with them by quoting.
- Registration-cum-Membership Certificate number and date of issue.
- Udyam Registration Certificate Number and date.
- Bill of Entry for home consumption number and date which is filed in the Indian Customs Electronic Data Interchange system.
- (d) For the footwear soles to be cleared through customs smoothly, importers must send the aforementioned documents to the Indian Customs Electronic Data Interchange system along with any other pertinent paperwork.

Amendment in Quality Control Orders for Ethylene Vinyl Acetate Copolymers, Acrylonitrile, Styrene Vinyl Benzene and Maleic Anhydride. (18 Mar)

The Ministry of Chemicals and Fertilizers (Department of Chemicals and Petrochemicals) has amended the following Quality Control Orders.

- Ethylene Vinyl Acetate Copolymers (Quality Control) Order, 2022
- Acrylonitrile (Quality Control) Order, 2022
- Styrene (Vinyl Benzene) (Quality Control) Order, 2022
- Maleic Anhydride (Quality Control) Order, 2022

The new effective date for implementation for all Orders is 24th October 2024, except for Order concerning Ethylene Vinyl Acetate Copolymers wherein the new effective date of implementation is 03rd October 2024.

Amendment in Quality Control Order for Aluminium and Aluminium Alloy Products (23 Mar)

The Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) has amended the Aluminium and Aluminium Alloy Products (Quality Control) Order, 2023. The Order may be called Aluminium and Aluminium Alloy Products (Quality Control) Amendment Order, 2024. The Order shall come into force on 26th September 2024.

Amendment in Quality Control Order for Agro Textiles (28 Mar)

The Ministry of Textiles has amended the Agro Textile (Quality Control) Order, 2023. The new order may be called Agro Textile (Quality Control) Amendment Order, 2024. The new effective date of implementation is 01st July 2024.

Global Updates

China

National standard of the People's Republic of China for Cold rolled ribbed steel bars (25 Mar)

The State Administration for Market Regulation (Standardization Administration of the PRC), China has issued national standards for Cold rolled ribbed steel bars. The document specifies the terms and definitions, classification, grade, size, shape, weight and allowable deviation, technical requirements, test methods, inspection rules, packaging, marking, and quality certificates of cold rolled ribbed steel bars. The objective of this measure is the protection of human health.

National standard of the People's Republic of China for Steel wire ropes for mine hoisting. (25 Mar)

The State Administration for Market Regulation (Standardization Administration of the PRC), China has issued national standards for steel wire ropes for mine hoisting. The document specifies the classification and designation, ordering information, material, technical requirements, inspection and test methods, qualification judgment, acceptance and arbitration, packaging, marking and quality certificate, safety, and use and maintenance for steel wire ropes for mine hoisting. The objective of this measure is the protection of human health.

National standard of the People's Republic of China for Steel for reinforcement of concrete — Hot rolled plain and ribbed bars. (25 Mar)

The State Administration for Market Regulation (Standardization Administration of the PRC), China has issued national standards for Steel for the reinforcement of concrete - Hot rolled plain and ribbed bars. The document specifies the terms and definitions, grade, size, shape, weight and allowable deviation, technical requirements, test methods, inspection rules, packaging, marking, and quality certificates of hot rolled plain and ribbed bars for the reinforcement of concrete. The objective of this measure is the protection of human health.

USA

Improvements for Heavy-Duty Engine and Vehicle Fuel Efficiency Test Procedure and Other Technical Amendments (18 Mar)

The National Highway Traffic Safety Administration is finalizing minor technical amendments to the test procedures for heavy-duty engines and vehicles to improve accuracy and reduce testing burden. These amendments will affect the certification procedures for fuel efficiency standards and related requirements. These amendments will increase compliance flexibility, harmonize with other requirements, add clarity, correct errors, and streamline the regulations.

Updates from the BIS

Amendment of Standards (09 Mar)

The Bureau of Indian Standards has notified amendment of certain Standards including the following, with effect from 28th February 2024. However, the previous unamended Standards will remain in force concurrently till 27th May 2024. For a full list of products, please refer to the attached <u>link</u>.

- IS 229: 2021 Ethyl Acetate Specification (Fourth Revision)
- IS 2631: 2020 Iso Propyl Alcohol Specification (Second Revision)
- **IS 8887**: **2018** Bitumen Emulsion for Roads (Cationic Type) Specification (Third Revision)
- IS 16112: 2013 Beta Picoline Specification
- IS 16113: 2013 Gamma Picoline Specification

Amendment of Standards (19 Mar)

The Bureau of Indian Standards has notified amendment of IS 17526: 2021 Domestic Stainless Steel Vacuum Flask/Bottle — Specification from 8th March 2024. However, the previous unamended Standard will remain in force concurrently till 7th March 2025.

Substitution of Standards (20 Mar)

The Bureau of Indian Standards has notified substitution of the following Standards with effect from 14th March 2024. However, the previous unamended Standards will remain in force concurrently till 14th June 2024.

No., Year and Title of the Indian	No., Year and Title of the Indian
Standard established	Standard withdrawn
IS 9406: 2024 Calcium Silicate for	IS 9406: 1980 Specification for
Rubber Industry — Specification	Calcium Silicate for Rubber Industry
(First Revision)	
IS 10377 : 2024 para- Phenylenediamine — Specification	IS 10377: 1982 Specification for para Phenylenediamine
(First Revision)	

Substitution of Standards (20 Mar)

The Bureau of Indian Standards has notified substitution of certain Standards, including the following, with effect from 14th March 2024. However, the previous unamended Standards will remain in force concurrently till 14th April 2024. For a full list of products, please refer to the attached link.

No., Year and Title of the Indian	No., Year and Title of the Indian
Standard established	Standard withdrawn
IS 236 : 2024 Textiles — Cotton	IS 236 : 1968 Methods for
Fibres — Evaluation of Maturity —	Determination of Cotton Fibre
Microscopic Method (Second	Maturity by Sodium Hydroxide
Revision)	Swelling Method) (First Revision)
IS 4910 (Part 11) : 2024 Tyre Yarns,	IS 4910 (Part 11): 1989 Methods of
Cords and Tyre Cord Fabrics Made	Test for Tyre Yarns, Cords and Tyre
from Man-Made Fibres — Methods	Cord Warpsheets Made from Man
of Test Part 11 Commercial Mass	Made Fibres Part 11 Commercial
(Second Revision)	Mass (First Revision)
IS 17473 : 2024 ISO 24338 : 2022	IS 17473 : 2020 ISO 24338 : 2014
Laminate Floor Coverings —	Laminate Floor Coverings —
Determination of Abrasion	Determination of Abrasion
Resistance (First Revision)	Resistance

Substitution of Standards (20 Mar)

The Bureau of Indian Standards has notified substitution of certain Standards, including IS 8198 (Part 7): 2024 Steel Cylinders for Compressed Gases — Code of Practice Part 7 Ammonia Gas (Second Revision) with effect from 14th March 2024. However, the previous unamended Standard, IS 8198 (Part 7): 1988 Code of Practice for Steel Cylinders for Compressed Gases Part 7 Ammonia Gas (First Revision), will remain in force concurrently till 14th April 2024. For a full list of products, please refer to the attached link.

Substitution of Standards (21 Mar)

The Bureau of Indian Standards has notified substitution of certain Standards, including **IS 9360 : 2024** Carbofuran Granules, Encapsulated — Specification (First Revision) with effect from 15th March 2024. However, the previous unamended Standard, **IS 9360 : 1980** Specification for Carbofuran Granules, Encapsulated, will remain in force concurrently till 15th September 2024. For a full list of products, please refer to the attached <u>link</u>.

Substitution of Standards (21 Mar)

The Bureau of Indian Standards has notified substitution of the following Standards with effect from 15th March 2024. However, the previous unamended Standards will remain in force concurrently till 15th June 2024.

No., Year and Title of the Indian	No., Year and Title of the Indian
Standard established	Standard withdrawn
IS 3898: 2024 Zineb, Technical — Specification (Second Revision)	IS 3898: 1981 Specification for Zineb, Technical (First Revision)
IS 12502 : 2024 Glyphosate, Technical — Specification (First Revision)	IS 12502 : 1988 Specification for Glyphosate, Technical

Substitution of Standards (28 Mar)

The Bureau of Indian Standards has notified substitution of certain Standards, including the following, with effect from 26th March 2024. However, the previous unamended Standards will remain in force concurrently till 26th April 2024. For a full list of products, please refer to the attached link.

No., Year and Title of the Indian	No., Year and Title of the Indian
Standard established	Standard withdrawn
IS 1354 : 2024 Coke — Methods of	IS 1354 : 1992 Methods of Test for
Test — Special Tests (Third	Coke — Special Tests (Second
Revision)	Revision)
IS 1448 (Part 131): 2024 Petroleum	IS 1448 [P: 131]: 1988 Methods of
and its Products — Methods of Test	Test for Petroleum and its Products
Part 131 Determination of Silicon in	[P: 131] Determination of Silicon in
Petroleum Coke (First Revision)	Petroleum Coke

Substitution of Standards (28 March)

The Bureau of Indian Standards has notified substitution of certain Standards, including the following, with effect from 20th March 2024. However, the previous unamended Standards will remain in force concurrently till 20th April 2024. For a full list of products, please refer to the attached <u>link</u>.

No., Year and Title of the Indian	No., Year and Title of the Indian
Standard established	Standard withdrawn
IS 1350 (Part 4/Sec 1): 2024 Coal	IS 1350 (Part IV/Sec 1) : 1974
and Coke — Methods of Test Part 4	Methods of Test for Coal and Coke
Ultimate Analysis Section 1	Part IV Ultimate Analysis Section 1
Determination of Carbon and	Determination of Carbon and
Hydrogen (Second Revision)	Hydrogen (First Revision)
IS 4910 (Part 12) : 2024 Tyre Yarns,	IS 4910 (Part XII): 1981 Methods
Cords and Tyre Cord Fabrics Made	of Test for Tyre Yarns, Cords and
from Man-Made Fibres — Methods	Tyre Cord Fabrics Made from Man-
of Test	Made Fibres
IS 9945 : 2024 Fishing Nets —	IS 9945 : 1999 Fishing Nets —
Method for Determination of Taper	Method for Determination of Taper
Ratio and Cutting Rate (Second	Ratio and Cutting Rate (First
Revision)	Revision)

Trade Remedial Actions

Chapter 28 – Inorganic chemicals

Initiation of anti-dumping investigation into imports of Insoluble Sulphur from China and Japan. (27 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Insoluble Sulphur from China and Japan, pursuant to an application filed by Oriental Carbon & Chemicals Limited. The DGTR has noted that there is prima facie evidence of dumping and injury as the subject imports have increased in India and are the price of such imports is preventing the domestic industry from increasing its price to recover the full cost and achieve reasonable return on investment. The subject imports had an adverse impact on the profitability of the domestic industry.

Initiation of anti-dumping investigation into imports of Titanium Dioxide from China. (28 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Titanium Dioxide from China, pursuant to an application filed by Kerala Minerals and Metals Limited, Travancore Titanium Products Limited and VV Titanium Pigments Private Limited. The DGTR noted that there is prima facie evidence of dumping and injury to the domestic industry, due to increase in volume of subject imports which are undercutting the prices of the domestic industry. The performance of the domestic industry has been adversely impacted with respect to sales, profitability, return on investment, accumulation of inventories and capacity utilization.

Chapter 29 – Organic chemicals

Imposition of anti-dumping duty on imports of Para-Tertiary Butyl Phenol from South Korea, Singapore and USA. (14 Mar)

The Central Government on 14th March 2024 imposed anti-dumping duty on imports of Para-Tertiary Butyl Phenol from South Korea, Singapore and USA. The imposition of anti-dumping duty was recommended by DGTR vide Final Findings F. No. 6/14/2022-DGTR dated 20th December 2023. The anti-dumping duty imposed is in the range of USD 208 per MT– USD 881 per MT.

Initiation of sunset review of anti-subsidy duty on imports of Saccharin from China. (26 Mar)

The DGTR has initiated a sunset review of anti-subsidy duty imposed on imports of Saccharin from China, pursuant to an application filed by Swati Petro Products Limited and Blue Jet Healthcare Limited. The DGTR has noted that there is prima facie evidence of likelihood of continuation of subsidisation and consequent injury to the domestic industry in case of cessation of duties as the imports have remained high even after imposition of duties, subsidisation has continued, and further new capacities have been added in the subject country.

Initiation of anti-dumping investigation into imports of Acetonitrile from China, Russia and Taiwan. (26 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Acetonitrile from China, Russia and Taiwan. The application for initiation was filed by Alkyl Amines Chemicals Limited and supported by Balaji Amines Limited and Jindal Speciality Chemicals. The DGTR has noted that there is prima facie evidence of dumping and injury as the subject imports have increased and are undercutting the prices of the domestic industry which is preventing the domestic industry from achieving a reasonable return on investment. The domestic industry has also suffered losses during the period of investigation.

Initiation of anti-dumping investigation into imports of Saccharin from China. (26 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Saccharin from China pursuant to an application filed by Swati Petro Products Limited and Blue Jet Healthcare Limited. The DGTR has noted that there is prima facie evidence of dumping and injury as the subject imports have increased in India due to which the capacity utilization of the domestic industry has declined. The subject imports have adversely impacted the profitability parameters of the domestic industry. The domestic industry has recorded a negative return on investment during the period of investigation.

Initiation of anti-dumping investigation into imports of Vitamin-A Palmitate from China, EU and Switzerland. (28 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Vitamin-A Palmitate from China, EU and Switzerland pursuant to application

filed by Piramal Pharma Limited. The DGTR has noted that there is prima facie evidence of dumping and injury as the subject imports have increased in India and are undercutting the prices of the domestic industry. The volume and price parameters of the domestic industry have been adversely impacted due to subject imports.

Initiation of anti-dumping investigation into imports of Potassium Tertiary Butoxide (KTB) from China and USA; and imports of Sodium Tertiary Butoxide (STB) from China. (28 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Potassium Tertiary Butoxide (KTB) from China and USA; and imports of Sodium Tertiary Butoxide (STB) from China, pursuant to an application filed by Suparna Chemicals Limited. The DGTR noted that there is prima facie evidence of dumping and injury to the domestic industry, due to the significant increase in the volume of the imports which are undercutting the prices of the domestic industry. The imports have adversely impacted the volume and price parameters of the domestic industry.

Initiation of anti-dumping investigation into imports of Pretilachlor in any of its form & its intermediate – 2,6- Diethyl-n-(2-propoxy ethyl) Aniline (PEDA) from China. (29 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Pretilachlor in any of its form & its intermediate –2,6- Diethyl-n-(2-propoxy ethyl) Aniline (PEDA) from China, pursuant to an application filed by India Pesticides Limited. The DGTR noted that there is prima facie evidence of dumping and injury to the domestic industry, due to the increase in volume of dumped imports which are undercutting the prices of the domestic industry and have adversely impacted the profitability, sales, return on investment, and capacity utilisation of the domestic industry.

<u>Chapter 32 – Tanning or dyeing extracts; tannins and their derivatives;</u> <u>dyes, pigments and other colouring matter; paints and varnishes; putty</u> and others

Initiation of anti-subsidy investigation into imports of Effect Pearlescent Pigments or Mica Pearlescent Pigments from China. (29 Mar)

The DGTR has initiated an anti-subsidy investigation into imports of Effect Pearlescent Pigments or Mica Pearlescent Pigments excluding effect pigments for automotive applications, originating in or exported from China, pursuant to an application filed by Sudarshan Chemical Industries Limited. The DGTR noted that there is prima facie evidence of subsidisation and injury to the domestic industry as the subject imports in relation to Indian production, demand and total imports are high even though the domestic industry has capacity to cater to the total demand in the Indian market. The imports are undercutting the prices of the domestic industry and the domestic industry has incurred financial losses and negative return on capital employed.

Initiation of anti-dumping investigation into imports of Azo Pigment from China. (29 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Azo Pigment from China, pursuant to an application filed by Sudarshan Chemical Limited. The DGTR noted that there is prima facie evidence of dumping and injury to the domestic industry, due to increase in volume of imports although there is no demand-supply gap in India. The domestic industry has been forced to reduce prices to maintain market share which has led to decline in profits, cash profits, PBIT, and return on investments.

<u>Chapter 38 – Miscellaneous Chemical Products</u>

Initiation of anti-dumping investigation into imports of Linear Alkyl Benzene from Iran and Qatar. (29 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Linear Alkyl Benzene from Iran and Qatar, pursuant to an application filed by Tamil Nadu Petroproducts Limited and Nirma Limited. The DGTR noted that there is prima facie evidence of dumping and injury to the domestic industry, due to increase in volume of imports which are undercutting the prices of the domestic industry. The performance of the domestic industry has been adversely impacted with regard to both volume and price parameters.

<u>Chapter 39 – Plastics and articles thereof</u>

Initiation of anti-absorption investigation of anti-dumping duty imposed on imports of Polyethylene Terephthalate (PET) Resin from China exported by Wankai. (04 Mar)

The DGTR has initiated India's first anti-absorption investigation into imports of PET Resins from China, pursuant to an application filed by IVL Dhunseri Petrochem Industries Limited and Reliance Industries Limited. The applicants

have alleged that the export price of imports from Wankai decreased post imposition of anti-dumping duty, without commensurate change in the cost of production. Such decline in export price is much more than the decline in raw material cost and overall cost of production.

Imposition of anti-dumping duty on imports of Self-Adhesive Vinyl from China. (14 Mar)

The Central Government on 14th March 2024 imposed anti-dumping duty on imports of Self-Adhesive Vinyl from China. The imposition of anti-dumping duty was recommended by the DGTR vide Final Findings F. No. 6/13/2022-DGTR dated 28th December 2023. The anti-dumping duty imposed is in the range of USD 4 per MT– USD 1865 per MT. However, a few exporters have been exempted from the anti-dumping duty.

Continuation of anti-dumping duty on imports of Ethylene Vinyl Acetate Sheet for Solar Module from China. (14 Mar)

The Central Government on 14th March 2024 continued anti-dumping duty on imports of Ethylene Vinyl Acetate Sheet for Solar Module from China for a further period of 5 years. The continuation of anti-dumping duty was recommended by the DGTR vide Final Findings F. No. 7/12/2023-DGTR dated 28th December 2023. The anti-dumping duty is in the range of USD 590 per MT– USD 897 per MT.

Initiation of anti-dumping investigation into imports of PVC Suspension Resins from China, Indonesia, Japan, South Korea, Taiwan, Thailand and the USA. (26 Mar)

The DGTR has initiated an anti-dumping investigation into imports of PVC Suspension Resins from China, Indonesia, Japan, South Korea, Taiwan, Thailand and the USA. The application for initiation was made by Chemplast Cuddalore Vinyls Limited, DCM Shriram Limited and DCW Limited. The DGTR has noted that there is prima facie evidence of dumping and injury as the volume of subject imports has increased and is undercutting the prices of the domestic industry, due to which the profitability of the domestic industry has deteriorated. The domestic industry has incurred losses during the period of investigation.

Chapter 40 – Rubber and articles thereof

Extension of anti-subsidy duty on imports of New/Unused Pneumatic Radial Tyres with or without tubes and/or flap of rubber from China. (11 Mar)

The Central Government on 11th March 2024 extended the anti-subsidy duty on imports of New/Unused Pneumatic Radial Tyres from China till 23rd July 2024. The extension has been granted pursuant to request by DGTR in order to conclude the ongoing sunset review investigation initiated vide Notification No. 7/30/2023-DGTR dated 29th December 2023.

<u>Chapter 48 – Paper and paperboard; articles of paper pulp, of paper or of paperboard</u>

Initiation of mid-term review of anti-dumping duty on imports of Decor Paper from China. (28 Mar)

The DGTR has initiated a mid-term review investigation of anti-dumping duty on imports of Decor Paper from China, pursuant to an application filed by Hangzhou Huawang New Material Technology Co. Ltd, Fakirsons Papchem Private Limited and Indian Laminates Manufactures Association ("ILMA") along with its members, Century Plyboards (India) Limited, Merino Industries Limited, JKS Décor Private Limited and Thansau Decors Private Limited. The applicants have requested re-determination of margins since there has been a change in the basic raw material and input cost as well as volume and value of exports made to India. Further, ILMA has alleged that the scope of product under consideration should be changed and the expression "Printed Ready to-use Decor Paper" should be changed to "Printed Decor Paper".

Chapter 76 – Aluminium and articles thereof

Initiation of anti-dumping investigation on imports of Aluminium foil from China. (21 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Aluminium foil from China pursuant to an application filed by Hindalco Industries Limited, Shyam Sel & Power Limited, Shree Venkateshwara Electrocast Private Limited, Ravi Raj Foils Limited, GLS Foils Product Private Limited and LSKB Aluminium Foils Private Limited. The DGTR has noted that there is prima facie evidence of dumping and injury as the volume of imports from China has increased and the subject imports are depressing

the prices of the domestic industry, due to which the domestic industry is unable to increase its prices to recover full cost and achieve a reasonable return on investment. The cash profits, PBIT and return on investment of the domestic industry were negative during the period of investigation.

Initiation of mid-term review of anti-dumping duty imposed on the imports of Aluminium Foil below 80 microns from Thailand. (29 Mar)

The DGTR has initiated a mid-term review of anti-dumping duty on imports of Aluminium Foil below 80 microns from Thailand pursuant to an application filed by Hindalco Industries Limited, Shyam Sel & Power Limited, Shree Venkateshwara Electrocast Private Limited, Ravi Raj Foils Limited, GLS Foils Product Private Limited and LSKB Aluminium Foils Private Limited. The applicants have claimed that there is a need for re-evaluation of dumping margin and injury margin due to shift in the product profile exported to India, increase in cost of raw materials which is not commensurate to increase in export price, increase in the dumping margin caused by the change in normal value with disproportionate change in the export price and increase in the injury margin caused by the change in non-injurious price and landed value.

<u>Chapter 84– Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof</u>

Initiation of anti-dumping investigation into imports of Plastic Processing Machines from China and Taiwan. (29 Mar)

The DGTR has initiated an anti-dumping investigation into imports of Plastic Processing Machines from China and Taiwan, pursuant to an application filed by Plastics Machinery Manufacturers Association. The data has been provided by Electronica Plastic Machines Limited, Milacron India Private Limited, Shibaura Machine India Private Limited and Windsor Machines Limited. The DGTR noted that there is prima facie evidence of dumping and injury to the domestic industry, due to increase in the volume of the imports, significant price undercutting and decline in market share of the domestic industry. The imports have prevented the domestic industry from increasing its prices and recover full cost and earn a reasonable return on investment.

<u>Chapter 85 - Electrical machinery and equipment and parts thereof;</u> <u>sound recorders and reproducers, television image and sound recorders</u> and reproducers, and parts and accessories of such articles

Imposition of anti-dumping duty on imports of Printed Circuit Boards from China and Hong Kong. (14 Mar)

The Central Government on 14th March 2024 imposed anti-dumping duty on imports of Printed Circuit Boards from China and Hong Kong. The imposition of anti-dumping duty was recommended by the DGTR vide Final Findings No. 6/16/2022-DGTR dated 29th December 2023. The anti-dumping duty imposed as a percentage of the CIF value of the subject goods is in the range of 8.23%–75.72%.

Chapter 87- Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof

Continuation of anti-dumping duty on imports of Cast Aluminium Alloy Wheels or Alloy Road Wheels from China. (15 Mar)

The Central Government on 15th March 2024 continued the imposition of antidumping duty on imports of Cast Aluminium Alloy Wheels or Alloy Road Wheels from China for a further period of 5 years. The continuation of antidumping duty was recommended by the DGTR vide Final Findings F. No. 7/13/2023-DGTR dated the 6th January 2024. The anti-dumping duty imposed is in the range of USD 0.52 per KG – USD 1.71 per KG.

Global Updates

<u>Chapter 03 – Fish and crustaceans, molluscs and other aquatic</u> invertebrates

Trade remedial actions against India

<u>USA</u>

Preliminary determination issued by the USDOC in the administrative review of anti-dumping duty on imports of certain Frozen Warmwater Shrimp from India. (05 Mar)

The USDOC preliminarily determined that the subject goods imported from India were being dumped in the U.S. market during the period of review, that is 1st February 2022 to 31st January 2023. It determined a dumping margin of

2.49% for NK Marine Exports LLP and 33 non-selected companies. It also determined that exports by RSA Marines and Royal Oceans were not being dumped into the U.S. market during such period. Further, the review was terminated with respect to 164 Indian companies that did not export to the U.S. during the period of review.

Chapter 19 – Preparation of cereals, flours, starch or milk

USA

• Initiation of sunset review of anti-dumping and anti-subsidy duties on imports of Pasta from Italy and Türkiye. (01 Mar)

Chapter 22 – Beverages, spirits and vinegar

China

• Imposition of anti-dumping duty on imports of Wine from Australia. (28 Mar)

Chapter 28 – Inorganic chemicals

EU

• Imposition of anti-dumping duty on imports of Electrolytic Manganese Dioxides from China. (14 Mar)

Chapter 29 – Organic Chemicals

Trade remedial actions against India

$\underline{\text{USA}}$

Initiation of anti-dumping investigation into imports of Melamine from Germany, India, Japan, the Netherlands, Qatar and Trinidad & Tobago, and anti-subsidy investigation into imports from Germany, India, Qatar and Trinidad & Tobago. (11 Mar)

The USDOC has initiated anti-dumping and anti-subsidy investigations into imports from India, among other countries. The application requesting initiation of investigation was filed by Cornerstone Chemical Company, a U.S. producer. The investigation has been initiated with respect to exports by Gujarat State Fertilizer and Chemicals Limited, the sole producer of Melamine in India.

Other trade remedial actions

China

• Initiation of expiry review of anti-dumping duty on imports of Resorcinol from Japan. (22 Mar)

USA

 Continuation of anti-dumping and anti-subsidy duties on imports of Sodium Gluconate, Gluconic Acid and derivative products from China. (28 Mar)

<u>Chapter 32 – Tanning or dyeing extracts; tannins and their derivatives;</u> <u>dyes, pigments and other colouring matter; paints and varnishes; putty</u> <u>and others</u>

Trade remedial actions against India

USA

Final negative determination issued by the USDOC in the new shipper review concerning anti-dumping duty on imports of Carbazole Violet Pigment 23 from India. (27 Mar)

The USDOC has determined that Sudarshan Chemical Industries Limited, a new exporter of the goods, was not dumping the goods in the U.S. market during the period of review, that is 1st December 2021 to 30th November 2022. Accordingly, a dumping margin of 0% was determined for the exporter.

<u>Chapter 37 – Photographic or cinematographic goods</u>

China

Continuation of anti-dumping duty on imports of Photo Paper from EU,
 Japan and USA. (22 Mar)

USA

• Preliminary affirmative determination issued by the USDOC in the antisubsidy investigation into imports of Aluminum Lithographic Printing Plates from China. (01 Mar)

Chapter 38 – Miscellaneous Chemical Products

USA

• Preliminary affirmative determination issued by the USDOC in the anticircumvention investigation concerning anti-dumping duty on imports of Hydrofluorocarbon Blends from China, when completed and exported from Türkiye and further processed in U.S. (07 Mar)

Chapter 40 – Rubber and articles thereof

<u>USA</u>

• Revocation of anti-dumping duty on imports of Rubber Bands from China and Thailand, and anti-subsidy duty on imports from China. (21 Mar)

<u>Chapter 48 – Paper and paperboard; articles of paper pulp, of paper or of paperboard</u>

USA

• Final affirmative determination issued by the USDOC in the anti-dumping investigation into imports of certain Paper Shopping Bags from Türkiye. (18 Mar)

<u>Chapter 54 – Man-made filaments; strip and the like of man-made textile</u> materials.

Trade remedial actions against India

Mexico

Initiation of administrative review of anti-dumping duty on imports of Polyester Textured Yarn from China and India. (19 Mar)

The Ministry of Economy has initiated an administrative review to determine whether there is a need to renew, increase or completely withdraw the anti-dumping duty currently in force. The request was filed by two Mexican producers, namely Akra Polyester, S.A de C.V and Antextextil, S.A. de C.V. Anti-dumping duty at the rate of \$0.532 per kilogram will remain in force during the pendency of review.

USA

Initiation of administrative review of anti-dumping duty on imports of Polyester Textured Yarn from India. (05 Mar)

The USDOC initiated an administrative review of the anti-dumping duty on subject goods from India. The review was initiated based on a request by the Indian exporter, AYM Syntex Limited and is limited to such exporter. The period of review covers the period 1st January 2023 to 31st December 2023.

Chapter 55 – Man-made staple fibres

Trade remedial actions against India

Brazil

Initiation of anti-dumping investigation into imports of Polyester Staple Fiber from China, India, Malaysia, Thailand and Vietnam. (21 Mar)

Brazil has initiated an anti-dumping investigation into imports of Polyester Staple Fibers from China, India, Malaysia, Thailand and Vietnam. The investigation has been initiated on a request made by the Brazilian Association of Producers of Artificial and Synthetic Fibers on behalf of the Brazilian domestic industry. The Department has determined the period of investigation covering from July 2022 to June 2023. The dumping duty alleged for imports from India is at the rate of 15.9%.

Other trade remedial actions

<u>USA</u>

• Initiation of safeguard investigation into imports of Fine Denier Polyester Staple Fiber. (11 Mar)

<u>Chapter 56 – Wadding, felt and nonwovens; special yarns; twine, cordage,</u> ropes and cables and articles thereof

Colombia

• Initiation of anti-dumping investigation into imports of Non-Woven Fabrics from China. (12 Mar)

Chapter 72 – Iron and steel

Trade remedial actions against India

<u>Mexico</u>

Continuation of anti-dumping duty on imports of Seamless Carbon Steel Pipes from India, South Korea, Spain and Ukraine. (14 Mar)

The Ministry of Economy has determined that revocation of anti-dumping duties on imports of subject goods is likely to result in continuation or recurrence of dumping and injury to the industry in Mexico. The duties at the rate of US\$ 0.2067 per kilogram have been continued. The duties were first imposed in 2018.

USA

Preliminary affirmative determination issued by the USDOC in the administrative review of anti-dumping duty on imports of Stainless-steel Bars from India. (05 Mar)

The USDOC preliminarily determined that the subject goods imported from India were being dumped in the U.S. market during the period of review, that is 1st February 2022 to 31st January 2023. It determined a dumping margin of 0.61% for Laxcon Steels Limited and its related parties, 0.55% for Aamor Inox Limited and 0.57% for other non-selected companies.

Continuation of anti-dumping duty on imports of Stainless-steel Bars from India. (12 Mar)

The USDOC has issued orders for continuation of anti-dumping duty on imports of subject goods from India, for a period of another five years. The USDOC and USITC previously determined that revocation of duties is like to lead to continuation or recurrence of dumping and material injury to the U.S. industry. The duties were first imposed in 1995.

Other trade remedial actions

<u>EU</u>

• Continuation of anti-dumping duty on imports of Corrosion Resistant Steels from China. (11 Mar)

Mexico

 Preliminary affirmative determination issued in the anti-dumping investigation into imports of Ferrosilicomanganese from Ukraine. (21 Mar)

USA

- Affirmative determination issued by the USDOC in the sunset review of anti-dumping duty on imports of Clad Steel Plates from Japan. (06 Mar)
- Affirmative determination issued by the USDOC in the sunset review of anti-dumping duty on imports of Steel Concrete Reinforcing Bars from Belarus, China, Indonesia, Latvia, Moldova, Poland and Ukraine. (07 Mar)
- Affirmative determination issued by the USDOC in the sunset review of anti-dumping duty on imports of Silicomanganese from China. (07 Mar)

Chapter 73 – Articles of Iron and Steel

Trade remedial actions against India

<u>USA</u>

Final determination issued by the USDOC in the administrative review of anti-dumping and anti-subsidy duties on imports of Stainless-steel Flanges from India. (07 and 11 Mar)

The USDOC determined that the exporters of subject goods India received countervailable subsidies during the period of review, that is 1st January 2021 to 31st December 2021. It determined a subsidy rate of 2.60% for Chandan Steel Limited, 4.04% for Pradeep Metals Limited and 2.82% for BFN Forgings Limited. The USDOC, however, determined that Indian producers were not dumping the subject goods in U.S. market during the period of review, that is 1st October 2021 to 30th September 2022.

Other trade remedial actions

EU

 Continuation of anti-dumping duty on imports of Cast Iron Articles from China. (04 Mar)

Mexico

- Imposition of anti-dumping duty on imports of Steel Balls from China. (05 Mar)
- Preliminary affirmative determination issued in the anti-dumping investigation into imports of Steel Nails from China. (15 Mar)

USA

- Final affirmative determination issued by USDOC in the anti-circumvention investigation concerning anti-dumping and anti-subsidy duties on imports of Non-refillable Steel Cylinders from China, by cylinders with capacities between 100 & 299 cubic inches. (12 Mar)
- Preliminary affirmative determination issued by USDOC in the anticircumvention investigation concerning anti-dumping duty on imports of Alloy and certain Carbon Steel Threaded Rods from China and antisubsidy duty on imports of Carbon and Alloy Steel Threaded Rods from China, by imports of unthreaded pins of alloy steel from China. (14 Mar)

Chapter 76 – Aluminium and articles thereof

Canada

• Initiation of anti-dumping investigation by CBSA into imports of certain Wire Rods from China, Egypt and Vietnam. (08 Mar)

Eurasian Economic Union

• Initiation of anti-dumping investigation into imports of Aluminium Foil from China. (28 Mar)

USA

 Preliminary affirmative determination issued by the USDOC in the antisubsidy investigation into imports of Aluminum Extrusions from China, Indonesia, Mexico and Türkiye. (11 Mar)

<u>Chapter 84 – Nuclear reactors, boilers, machinery and mechanical</u> appliances; parts thereof.

Canada

 Affirmative determination issued by the CBSA in the expiry review of anti-dumping and anti-subsidy duties on imports of Sucker Rods from China. (14 Mar)

EU

• Initiation of anti-subsidy investigation into imports of certain Mobile Access Equipment from China. (27 Mar)

USA

• Continuation of anti-dumping duty on imports of Tapered Roller Bearings and parts thereof, finished or unfinished, from China. (21 Mar)

Chapter 94 – Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings not elsewhere specified

Trade remedial actions against India

USA

Preliminary affirmative determination issued by the USDOC in the antidumping investigation into imports of Mattresses from Bosnia and Herzegovina, Bulgaria, Burma, India, Italy, Kosovo, Mexico, the Philippines, Poland, Slovenia, Spain and Taiwan. (01 Mar)

The USDOC preliminarily determined that Mattresses from India, among other countries, were being dumped in the U.S. market. The dumping margin for Varahamurti Flexirub Industries Private Limited, its related parties and all other Indian producers was determined as 23.28%. The dumping margin for Raj Mahal Fabrics and International Comfort Technologies Private Limited was determined as 42.76%. The final determination is likely to be issued by 14th July 2024.

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. TPM was the first firm to deal exclusively in the domain of trade remedies. Today, we have completed a journey of 25 years.

TPM began its journey with a staff of merely 2 professionals. Today, it has a team of more than 50 professionals including Cost Accountants, Chartered Accountants, Company Secretaries, Lawyers, Engineers and MBAs.

In its first two decades, TPM was primarily focused assisting domestic producers suffering due to cheap and unfair imports into India and in other countries to avail the necessary protection under the umbrella of the WTO Agreements. TPM also represents 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 China, Argentina, Brazil, Canada, Egypt, European Union, GCC, Indonesia, South Korea, Turkey and USA.

In the last few years, TPM's reputation has grown in other fields of non-tariff barriers, policy advocacy matters, foreign trade policy, business consulting and litigation. Its vast experience with industry leaders in various sectors puts it in a unique position to effectively and efficiently handle matters relating to policy advocacy before various government forums as well as business consulting. This has brought new avenues of growth for the TPM team and has helped industry find innovative solutions to complex problems.

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