

ADHYATAN

TPM Newsletter

February 2024

In this Edition

- **Message from our Founder, as we complete 25 years of our journey.**
- **A spotlight on the major achievements of TPM in 2023.**
- **An insight into the jeopardy caused by the consideration of best utilization of capacities, under the provisions of Annexure-III to the Anti-Dumping Rules.**
- **Decision of the High Court refusing to interfere in Quality Control Order issued by the Government of India.**
- **Indian Government seeks inputs of industry over concessions on petrochemical products under proposed trade agreement with Oman.**

Visit us at: www.tpm.in

Follow us on LinkedIn: [TPM Solicitors & Consultants](#)



TPM

Table of Contents

From the Managing Director’s Desk	.....03
Year in Review: TPM Perspective	.....04
Key Highlights	.....06
Insight: Jeopardy under Annexure III of Anti-Dumping Rules: Best Utilization of Production Capacities	.....07
From the Court Room	.....11
Foreign Trade Policy	.....13
Trade Agreements	.....14
Non-Tariff Measures	.....16
Updates from the BIS	.....19
Trade Remedial Actions	.....22

Disclaimer: The information contained in this document is intended for informational purposes only and does not constitute legal opinion or advice. This document is not intended to address the circumstances of any particular individual or corporate body. Readers should not act on the information provided herein without appropriate professional advice after a thorough examination of the facts and circumstances of a particular situation. There can be no assurance that the judicial/quasi judicial authorities may not take a position contrary to the views mentioned herein. Unless stated otherwise, TPM does not grant the copyright for the information provided. All pictures copyright to their respective owner(s). TPM does not claim ownership of any of the pictures displayed in the document unless stated otherwise.

From the Managing Director's Desk



It gives me tremendous pleasure to inform you that TPM has successfully completed 25 years of its operations today. This journey would not have been possible without your faith and confidence in the small organisation at the first step of its initial journey. I want to thank you for the integral role that you have played in our journey.

Your unwavering support, trust and collaboration have been instrumental in our achievements over the years. Throughout our journey of 25 years, your association and feedback has been invaluable in shaping our services. It is because of the industries we have worked that allowed us to reach the present height and profile.

We recognize that our success is inseparable from strong partnerships we have built. Looking ahead, we are excited about the opportunities that the future holds and are committed to bringing even more value to industries.

As we celebrate this significant milestone, we want to extend our sincere gratitude to you for being an essential part of our success story.

– A. K. Gupta, Founder and Managing Director

Year in Review : TPM Perspective

- Represented one of the mandatory exporters in the administrative review for anti-subsidy duty on imports of [Off-the-Road Tires](#), and in a landmark decision by the US DOC, established that advance authorization program did not confer a countervailable benefit.
- Represented one of the mandatory exporters in the anti-dumping and anti-subsidy investigations in USA into imports of [Non-Refillable Steel Cylinders](#), and established absence of dumping, and a subsidy margin of merely 1.74%.
- Represented one of the mandatory exporters in the administrative review of anti-dumping duty in USA on imports of [Silicomanganese](#), and established a dumping margin of only 1.01%, reduced from 17.74% in force earlier.
- Represented an exporter in a new shipper review of anti-dumping duty in USA on imports of [Carbazole Violet Pigment 23](#), and established absence of dumping.
- Represented an Indian exporter in the administrative review of anti-dumping duty in USA on imports of [Polyester Textured Yarn](#), and preliminarily established absence of dumping, to get duty reduced from 17.62% in force earlier to 0% in present review.
- Represented Indian industry in the first safeguard measures imposed in the form of quantitative restrictions on imports of [Isopropyl Alcohol](#).
- Represented Indian industry in the first sunset review of anti-subsidy duties on Hot Rolled and Cold Rolled Flat Products of Steel, wherein the Designated Authority recommended continuation of duties.
- Represented Indian industry in the third bilateral safeguard investigation against South Korea concerning imports of [Ferro Molybdenum](#), leading to imposition of measures.
- Represented Indian industry in the investigation into imports of [Synthetic Grade Zeolite 4A](#), for imposition of duties on Iran, on account of transshipment of goods from UAE.

- Represented Indian industry in the third sunset review into imports of Steel Wheels, successfully establishing the need for continuation of duties, despite absence of imports.
- Represented Indian industry in the second sunset review, into imports of [Grinding Media Balls](#), successfully establishing need for continued imposition of duty, despite absence of imports.
- Represented Indian industry in the second safeguard quantitative restrictions investigation, concerning imports of PVC Suspension Resin, concluding in a positive recommendation.
- Successfully represented the domestic industry in an appeal against the final findings issued concluding that anti-dumping duty is not required to be imposed on imports of [Mono Ethylene Glycol](#). The Tribunal remanded the matter to the Designated Authority.
- Successfully represented the interests of domestic producers before High Court of Delhi, for quashing an application filed for disclosure of confidential information under the [RTI Act](#).
- Successfully represented the interests of a domestic producer in India, in seeking reduction in Customs duty applicable on its raw material, in the Union Budget 2023.
- Represented manufacturers in Japan, South Korea, Iran, Malaysia, Indonesia, Thailand, United States, Russia, for obtaining BIS license.
- Obtained 25 BIS licenses for industries across the globe, mostly with respect to input materials imported by the domestic industry or finished goods produced by the domestic industry.
- Obtained first global licenses in several products including.
 - Under IS 12540 of Acrylonitrile
 - Under IS 10301/ IS 11686 of Iso Propyl Alcohol
- Assisted domestic industry in modification and formulation of BIS standards.
- Assisted domestic industry in issuance of Quality Control Order.

Key Highlights

Indian Updates

Task force established to resolve trade issues for exporters

The Ministry of Commerce has set up a task force to identify and resolve challenges being faced by Indian exporters in trading with other countries. The Ministry has been focusing on ways to improve systems and standards. The Ministry is also looking to improve Mutual Recognition Agreements (MRAs) with different countries, in order to help exporters meet the requirement for product standards of the importing countries.

Global Updates

Switzerland eliminates tariffs on all industrial goods

Switzerland has exempted customs duties on imports of all industrial goods with effect from 1st January 2024. The elimination of customs duties applies to imports of any origin and includes all industrial goods classified under Chapters 25-97 of Swiss customs tariff. Further, the Swiss customs tariff is also to be reduced from 6,172 tariff items to 4,592 tariff items. This would imply that any benefit India could have sought through a trade agreement with Switzerland has been nullified.

Jeopardy under Annexure III: Best Utilization of Production Capacities

- In the calculation of non-injurious price for determination of injury margin, the DGTR is required to normalize any increase in fixed costs, arising out of inefficient utilization of capacities.*
- However, in practice, fixed costs are normalized for any decline in capacity utilization, irrespective of whether there was an inefficiency in the utilization of capacities.*
- Even where the capacity utilization has declined as a result of the unfair imports, or there is an increase in capacities by the domestic industry, the fixed expenses are normalized for an assumed inefficient utilization of capacities.*
- In case of multi-product companies, where expenses are apportioned between various products; it is often seen that the decline in capacity utilization for a product would result in less expenses being apportioned to the product. Despite the same, the fixed expenses are further reduced, to again account for the decline in capacity utilization.*
- It is imperative that the calculation of non-injurious price be seen not merely as a mathematical exercise, but a logical analysis, based on facts and circumstances of the case.*

India follows the lesser duty rule, which implies that the anti-dumping or anti-subsidy duty levied would be lower of dumping margin / subsidy margin and the injury margin. Given the developing nature of the country, perhaps, the Indian industry is entitled to a remedy to the full extent of dumping, following the principle of “penalty to the extent of offence”.

However, under the present law, for the purpose of determining injury margin, the DGTR calculates a notional fair selling price or non-injurious price following the provisions laid down under Annexure III of the Anti-Dumping Rules. Even though such provisions have not yet been introduced under the Countervailing Duty Rules, these are followed by the DGTR, as a practice, in countervailing duty investigations as well.

While the lesser duty rule and the provisions of Annexure-III have been a cause of concern for domestic producers on several accounts, one of the biggest concerns is the consideration of best utilization of production capacities leading to undue reduction in non-injurious price. The Rules require that, if there is an inefficiency in the utilization of production capacities, the DGTR shall consider the best utilization achieved over the injury period for determination of non-injurious price. Essentially, this implies that if the domestic industry has incurred a higher fixed cost per unit, on account of certain inefficiencies preventing it from optimally utilizing its capacities, the fixed cost should be normalized, and the non-injurious price should be determined on the basis of such normalized cost.

However, in effect, the DGTR considers that any decline in capacity utilization is an inefficiency of the domestic industry, the effect of which must be removed. The “best utilization” for the purposes of Annexure-III is considered to be the highest capacity utilization achieved during the injury period. Therefore, the DGTR considers the highest capacity utilization, determines optimal production based on such utilization rate, and calculates fixed cost per unit based on such optimal production. This often results in a very anomalous situation, where despite no inefficiencies, the expenses of the domestic industry are being “normalized”.

Decline in capacity utilization as an effect of imports is not considered

As per the provisions of the Anti-Dumping Rules, a decline in capacity utilization of the domestic industry is a factor showing that the domestic industry faced injury as a result of dumped imports. However, even in a situation where the DGTR finds that the capacity utilization of the domestic industry has declined as a result of imports; the decline is deemed to be an “inefficiency” in the determination of non-injurious price. Consequently, the DGTR opts for best utilization of capacities for the determination of non-injurious price, to negate the effect of the low-capacity utilization arising out of imports. This results in a situation where expenses are being “normalized” for situations not arising out of inefficiencies, but as a result of the very low-priced imports sought to be counteracted by the anti-dumping duty.

Decline in capacity utilization where the capacity of the producer increased

Another situation to be considered is where the capacity of the producer has increased over the period. In a situation where the capacity has increased and

as a consequence, production has also increased, it would be quite usual to witness a decline in capacity utilization. For instance, consider a producer X, which had a capacity of 1,000 MT, and was producing 900 MT, implying a capacity utilization of 90%. Assume the producer increases its capacity to 2,000 MT, having regard to future demand. In view of the present demand, the production may increase only upto 1,200 MT, implying a capacity utilization of 60%. Here, the decline in capacity utilization from 90% to 60% is not a result of any “inefficiency”, but an effect of increase in capacity. Nevertheless, the DGTR presumes that the fixed costs per unit have increased as a result of inefficiency in utilization of production capacity. Accordingly, in order to calculate the non-injurious price, the DGTR would determine what would be the fixed cost per unit, had the producer operated at 90% of the increased capacity utilization. This results in the expenses being artificially depressed, and as a result, so is the non-injurious price.

Situation in the case of multi-product organizations

An issue, which is visible in a large number of cases, is the lower allocation of expenses to a product due to decline in capacity utilization, and further normalization of those expenses. This is observed in most cases involving a multi-product company, where capacity utilization for the product has declined in the investigation period.

The same can be understood with an example. Assume a producer Y has two products, A and B. For this example, one can consider the total fixed expenses at ₹ 1,00,000. The capacity of the plant for product A is 1,000 MT and for B is 500. Assuming that before the dumping started, product A accounted for 800 MT of the production and sales of the company, and product B accounted for 200 MT. However, as dumping of product A began, its production and sales declined due to competition with the imported goods, and were only 600 MT, while the production and sales of product B increased to 400 MT. As a result, share of product A in total production and sales also declined from 80% to 60%. Further, the capacity utilization of the plant for product A came down from 80% to 60%.

In this situation, during the period prior to dumping, 80% of the fixed expenses, that is, ₹ 80,000, would have been allocated to product A, and balance to product B. Considering the production of 800 MT, the fixed cost per unit would have been ₹ 100 per MT. However, once dumping started, only

60% of the fixed expenses are allocated to product A, that is, about ₹ 60,000. The fixed cost per unit in fact remains the same, i.e., ₹ 100 per MT. However, a lower share of expenses is now attributable to product A. This lower amount of ₹ 60,000 would be considered as the fixed cost during the present period.

In the aforesaid example, the consideration of “best utilization” would mean that the DGTR would calculate optimal production using the highest capacity utilization ever achieved. Based on the highest capacity utilization of 80%, the optimal production would be determined at 800 MT. Thus, the fixed cost of ₹ 60,000 would be allocated across the optimal production of 800 MT, resulting in a per unit fixed cost of about ₹ 75 per MT.

The above results in a situation where, on one part, the product has lower fixed costs apportioned to it; and on the other part, the effect of lower activity is again neutralized, by consideration of highest production in the past, thereby reducing the fixed expenses even further.

The resultant non-injurious price, therefore, often shows a hypothetical and unrealistic cost, and results in undue understatement of the injury margin and quantum of duty.

In order to address such anomaly, it is imperative that the calculation of non-injurious price must not be considered as merely a mathematical calculation, but a logical analysis, based on facts and circumstances of the case. Any normalizations of expenses should be done only where an inefficiency in utilization of expenses is actually found to exist.

This principle is required not just in consideration of best utilization of capacities, but also in other aspects of the determination of non-injurious price. Unless such an approach is adopted, anti-dumping or countervailing duty determined would not serve their intended objective of remedying injurious dumping and establishing a level playing field.

- Aastha Gupta, Joint Partner

From the Court Room

All India HDPE/PP Woven Fabric Manufacturers' Association

Vs.

The Secretary Government of India & Ors.

Dated: 8th January 2024

- *The Karnataka High Court found that Quality Control Orders can be imposed on raw materials used for downstream products, to maintain quality of such products.*
- *Opinion of Export Promotion Council would not be considered as opinion of Government.*
- *Quality Control Orders are intended to create better-quality products that are safe for the environment, beneficial to the public, and meet health and safety standards*
- *The Courts would not interfere in policy decisions related to regulations, economics and quality.*

The present dispute arose pursuant to certain Quality Control Orders issued. The petitioner was an association of manufacturers and suppliers of low-density polyethylene, linear low-density polyethylene and high-density polyethylene products (plastic polymer) which is used to make plastic end-products such as packaging foils, trays and plastic bags for both food and non-food purposes.

On 15th April 2021, the Government of India issued a Quality Control Order on 'Polyethylene Material for Moulding and Extrusion', requiring low-density polyethylene, linear low-density polyethylene and high-density polyethylene, used as raw material, to conform to the prescribed quality requirements. The said Order requires the goods to adhere to Indian standards and obtain a license from the Bureau of Indian Standards. Subsequently, on 26th September 2023, the Government notified that the said Order would be enforced from 5th January 2024. The petitioner challenged the notification enforcing the said Quality Control Order before the Hon'ble High Court of Karnataka.

The petitioner argued that the quality control standards should not have been imposed on the raw materials, but on the finished product, if required. In response, the respondents claimed that cheap raw material, as earlier being imported, would lead to several hazardous issues including environmental issues. The Court did not accept the contention of the petitioner and found that if any raw material lacks quality, it would inevitably lead to a substandard finished plastic product.

The petitioner also relied on certain communications from the Plastic Export Promotion Council, citing it as the opinion of the Government, which suggested that imposing restrictions on imports of Plastic Polymers would have significant consequences. However, on perusal, the Court found that the said communications from the Plastic Export Promotion Council cannot be considered as opinion of the Government, since it is not a government entity.

The respondents also urged the Court to refrain from interfering with policy decisions particularly, economic policy, or a policy to regulate quality in exercise of jurisdiction of the Court under Article 226 of the Constitution of India. On this issue as well, the Court concurred with the respondents. The Court noted that issuing a notification to impose certain quality standards on the raw material used for plastic polymers is exercise of policy making power.

The Court emphasized that it would not intervene in policy decisions related to regulations, economics, and quality by assuming the role of an expert. It is the responsibility of the Government to frame policies in these areas, considering the broader public interest. The Court also explained that including raw materials in BIS Certification aims to create better-quality plastic products that are safe for the environment, beneficial to the public, and meet health and safety standards. In fact, the Court observed that the decision of Government will enable the export of final products under “Make in India” program, to meet the global standards.

Therefore, the Court has declined to interfere with the decision of the Central Government to enforce the Quality Control Order to impose certain quality restrictions on the raw materials used for the plastic end products.

Foreign Trade Policy

Amendment in the Foreign Trade Policy with regard to transfer of used IT Assets from SEZ to DTA (01 Jan)

The DGFT has amended the Foreign Trade Policy with regard to the import of Used IT Assets (laptops, desktops, monitors, printers) from Special Economic Zone to Domestic Tariff Area. The assets may be moved without the license for Restricted Imports for the purpose of further use in DTA operations, provided that (a) there is a minimum usage of 2 years in the SEZ area, (b) that the IT Assets are not older than 5 years from the date of manufacturing and (c) that no exemption from any regulatory requirements was availed at the time of import. Used IT assets that have entered the SEZ area in second hand/used/old condition and have been used in the SEZ area for less than 2 years are not covered.

Extension of validity of Pre-Shipment Inspection Agency (12 Jan)

The DGFT has extended the validity of the Pre-Shipment Inspection Agencies (PSIAs) listed under the Appendix 2G and Aayat Niryat Forms of the Foreign Trade Policy 2023 from 27th December 2023 to 31st March 2024.

Amendment in Import Policy of Glufosinate Technical (23 Jan)

The DGFT has amended the Import Policy of Glufosinate Technical, under the HS Code 38 08 9390, from 'Free' to 'Prohibited' with effect from 25th January 2024. However, the import will be considered 'Free' in cases where the CIF value of the imported goods is ₹ 1,289 per kilogram or more.

Trade Agreements

Indian Updates

Concessions on petrochemical products become a contentious issue in the India – Oman trade talks

The negotiations for the India – Oman Comprehensive Economic Partnership Agreement are in their last phase. However, the Government of Oman's demand for duty concessions on petrochemical products such as polypropylene and polyethylene have faced opposition from Indian producers. According to the Indian industry, the Government of Oman provides significant subsidies to its industry on raw materials for the production of these petrochemical products and such concessions would result in dual benefit to Oman. The Indian Government is holding talks with domestic producers on this issue.

India and Peru to hold sixth round of negotiations for a free trade agreement

India and Peru are set to hold the next round of negotiations for the free trade agreement with key focus on rules of origin, trade in goods, customs procedures and trade facilitation, technical barriers to trade, and sanitary and phytosanitary measures. The two countries are looking to reduce or eliminate customs duties on the maximum number of goods traded between them and ease the norms for trade in services.

The European Free Trade Association (EFTA) and India close to finalising a trade deal after 16 years of trade talks

India and the European Free Trade Association, comprising of Switzerland, Norway, Iceland and Liechtenstein, have reached consensus on a free trade agreement after 16 years of negotiations and have settled some of the major issues on patent protection and investment promotion which had held up the deal.

India and the United Kingdom initiate talks to conclude a trade agreement

The fourteenth and concluding round of negotiations for a free-trade agreement between India and the UK have begun in January. The negotiations will focus on matters related to goods, services, and investment. India is seeking a greater market access for several goods at zero customs duties.

Global Updates

South Korea and the United Kingdom set to re-negotiate trade deal for chips cooperation

South Korea and the United Kingdom have initiated re-negotiations over a free trade agreement for an enhanced deal in chips and supply chain cooperation, in order to create an alternate global supply chain and reduce reliance on Chinese inputs.

UAE and Australia set to initiate negotiations for a trade deal

UAE and Australia have started talks over a potential CEPA with an aim to facilitate advancements in two-way investments in high-growth sectors, including real estate, healthcare, technology, and logistics.

Addition of Guatemala to the South Korea-Central America FTA

Guatemala has become the sixth country after Nicaragua, Honduras, Costa Rica, El Salvador and Panama, to join to the South Korea-Central America FTA. Guatemala and South Korea commit to eliminate import tariffs on 3,927 tariff lines and 11,673 tariff lines respectively.

Non-Tariff Measures

Indian Updates

Quality Control Order for Laboratory Glassware (03 Jan)

The Ministry of Commerce and Industry (Department of Promotion of Industry and Internal Trade) has issued Laboratory Glassware (Quality Control) Order, 2023. 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, it shall come into force on the expiry of 12 months from the date of publication, whereas for small enterprises, it shall come into force on the expiry of 9 months from the date of publication.

Quality Control Order for Electrical Accessories (04 Jan)

The Ministry of Commerce and Industry (Department of Promotion of Industry and Internal Trade) has issued Electrical Accessories (Quality Control) Order, 2023. 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, it shall come into force on the expiry of 12 months from the date of publication, whereas for small enterprises, it shall come into force on the expiry of 9 months from the date of publication.

Amendments to certain Quality Control Orders (31 Jan)

The Ministry of Chemicals and Fertilizers (Department of Chemicals and Petrochemicals) has amended the effective date for implementation of the following Quality Control Orders. The revised effective date for implementation for the Quality Control Order for Morpholine is 1st August 2024, and for the other three orders is 3rd August 2024.

- Morpholine (Quality Control) Order, 2020
- Acetic Acid (Quality Control) Order, 2019
- Methanol (Quality Control) Order, 2019
- Aniline (Quality Control) Order, 2019

Global Updates

China

National Standards of the People's Republic of China for various Fire Resistance or Protection Products (05 Jan)

The State Administration for Market Regulation (Certification and Accreditation Administration of the PRC), China has issued national standards for the following products, for protection of human health. The standards issued specify general principles and other various test or inspection requirements.

- Fire Electronic Products.
- Point-type Flame Detectors.
- Vehicle Combustible Gas Alarms.
- Electro-magnetic Emergency Shut-off Valve for gas.

Implementation rules for Compulsory Product Certification for Cables and Wires (05 Jan)

The State Administration for Market Regulation (Certification and Accreditation Administration of the PRC), China has issued implementation rules for compulsory product certification for cables and wires. These rules apply to rubber-insulated cables and PVC-insulated cables of rated voltage up to and including 450/750V (including flame retardant wires and cables), for protection of human health.

Implementation rules for Compulsory Product Certification for Low voltage components (05 Jan)

The State Administration for Market Regulation (Certification and Accreditation Administration of the PRC), China has issued implementation rules for compulsory product certification for Low-Voltage Components, for protection of human health. This includes scope of application, base standards, certification module, certification unit classification, application for certification, implementation of certification, post-certification supervision, CCC certificate, CCC mark, fees and certification responsibilities.

Implementation rules for Compulsory Product Certification for Decorating and Refurbishing Products (05 Jan)

The State Administration for Market Regulation (Certification and Accreditation Administration of the PRC), China has issued implementation rules for compulsory product certification for Decorating and Refurbishing Products, for protection of human health. The document issued provides for China Compulsory Certification (CCC) of water-borne interior wall coatings. This includes scope of application, base standards, certification module, certification unit classification, application for certification, implementation of certification, post-certification supervision, CCC certificate, CCC mark, fees, and certification responsibilities.

USA

Energy Conservation Standards for Refrigerators, Refrigerator-Freezers, and Freezers (18 Jan)

The Office of Energy Efficiency and Renewable Energy (OEERE), Department of Energy (DOE), USA has issued the proposed rulemaking regarding amendments to the Energy Policy and Conservation Act which prescribes energy conservation standards for various consumer products and certain commercial and industrial equipment, including refrigerators, refrigerator-freezers and freezers. The DOE has proposed new energy conservation standards for refrigerators, refrigerator-freezers, and freezers identical to those outlined in a direct final rule published in the Federal Register. The objective of this measure is prevention of deceptive practices and the protection of consumers.

Japan

Partial amendment to the Minimum Requirements for Biological Products (05 Jan)

The Ministry of Health, Labour and Welfare, Japan has issued a partial amendment to the Minimum Requirements for Biological products. The objective of this measure is to establish standards for manufacturing processes, properties, quality, storage, etc. of pharmaceuticals that require special consideration in order to achieve public health and sanitation, such as Biological goods.

Updates from the BIS

Substitution of Standards (09 Jan)

The Bureau of Indian Standards has notified substitution of certain Standards, including the following, with effect from 29th December 2023. However, the previous unamended Standards, if applicable, will remain in force concurrently till 29th January 2024. For a full list of products, please refer to the attached [link](#).

- **IS 18516 : 2023/ISO 20081 : 2005** Zinc and Zinc Alloys — Method of Sampling — Specifications
- **IS 18513 : 2023** Hot-Dip Zinc- Aluminium-Magnesium Alloy Coated Steel Sheets, Plates and Strips — Specification
- **IS 18446 (Part 1) : 2023** Sterilization of Health Care Products — Chemical Indicators Part 1 General Requirements (ISO 11140-1 : 2014, MOD)
- **IS 18451 : 2023/ISO 20697 : 2018** Sterile Drainage Catheters and Accessory Devices for Single Use

Amendment of Standards (10 Jan)

The Bureau of Indian Standards has notified amendment of certain Standards, including the following, with effect from 4th January 2024. However, the previous unamended Standards will remain in force concurrently till 3rd April 2024. For a full list of products, please refer to the attached [link](#).

- **IS 17261 : 2022** Textiles — Polyester Continuous Filament Fully Drawn Yarns — Specification (First Revision)
- **IS 17879 : 2022** Textiles — Polyester Textured Yarn — Specification
- **IS 18161 : 2023** Textiles — Light Weight Jute Sacking Bags for Packing 50 Kg Mustard Seed, Niger Seed and Ragi — Specification
- **IS 17265 : 2023** Textiles – 100 Percent Polyester Spun Grey and White Yarns – Specification
- **S 17263 : 2022** Textiles – Polyester Staple Fibers – Specification

Substitution of Standards (16 Jan)

The Bureau of Indian Standards has notified substitution of certain Standards, including the following, with effect from 13th January 2024. However, the previous unamended Standards will remain in force concurrently till 13th April 2024. For a full list of products, please refer to the attached [link](#).

Standards Established	Standards withdrawn
IS 1772 : 2024 Electroplated Coatings of Copper —Specification (Second Revision)	IS 1772 : 1973 Specification for Electroplated Coatings of Copper (First Revision)
IS 8154 : 2024 Performed Calcium Silicate Insulation for Temperatures up to 650 °C — Specification	IS 8154 : 1993 Performed Calcium Silicate Insulation (for Temperatures up to 650°C — Specification
IS 11551 : 2024 Textiles — Glass Fibre Chopped Strand Mat for the Reinforcement of Epoxy, Vinyl Ester, Phenolic and Polyester	IS 11551 : 1996 Glass Fibre Chopped Strand Mat for the Reinforcement of Epoxy Phenolic and Polyester Resin Systems

Substitution of Standards (16 Jan)

The Bureau of Indian Standards has notified substitution of certain Standards, including the following, with effect from 13th January 2024. However, the previous unamended Standards will remain in force concurrently till the prescribed date. For a full list of products, please refer to the attached [link](#).

Standards Established	Standards withdrawn	Date of withdrawal
IS 26 : 2024 Tin Ingot — Specification	IS 26 : 2024 Tin Ingot — Specification	13 th April 2024
IS 4465 : 2024 Textiles — Metal Heald Frames for Flat Steel Healds	IS 4465 : 2024 Textiles — Metal Heald Frames for Flat Steel Healds	13 th April 2024
IS 8631 : 2024 Copper Base Alloys for Marine Propellers	IS 8631 : 2024 Copper Base Alloys for Marine Propellers	13 th April 2024

Standards Established	Standards withdrawn	Date of withdrawal
IS 8859 : 2024 Cast Copper Tuyere — Specification	IS 8859 : 2024 Cast Copper Tuyere — Specification	13 th April 2024
IS 1284 : 2024 Wrought Aluminium Alloy Bolt and Screw Stock (for General Engineering Purposes) — Specification	IS 1284 : 2024 Wrought Aluminium Alloy Bolt and Screw Stock (for General Engineering Purposes) — Specification	13 th April 2024
IS 209 : 2024 Refined Zinc — Specification	IS 209 : 2024 Refined Zinc — Specification	13 th July 2024

Amendment of Standards (18 Jan)

The Bureau of Indian Standards has notified amendment of certain Standards, including the following, with effect from 04th February 2024. However, the previous unamended Standards will remain in force concurrently till 03rd February 2024. For a full list of products, please refer to the attached [link](#).

- **IS 233 (Part 4) : 2020** Textiles — Methods for Determination of Length Parameters of Cotton Fibres
- **IS 3674 : 2020** Textiles — Cotton Fibres — Determination of Micronaire Value (First Revision)
- **IS/IEC 62920 : 2017** Photovoltaic Power Generating Systems — EMC Requirements and Test Methods for Power Conversion Equipment

Trade Remedial Actions

Chapter 29 – Organic chemicals

Imposition of anti-dumping duty on imports of Meta Phenylene Diamine from China. (15 Jan)

The Ministry of Finance has imposed anti-dumping duty on imports of Meta Phenylene Diamine from China within the range of USD 1.50 per MT to USD 1.71 per MT. The imposition of anti-dumping duty was recommended by DGTR vide Final Findings No. 7/06/2023-DGTR dated 23rd October 2023.

Chapter 38 – Miscellaneous chemical products

Initiation of sunset review of anti-subsidy duty on imports of Atrazine Technical from China. (29 Dec)

The DGTR has initiated a sunset review of anti-subsidy duty imposed on imports of Atrazine Technical from China, pursuant to an application filed by Meghmani Industries Limited. The applicant has claimed that the imports from the China are below their cost which has resulted in declined profitability and return on investment. The DGTR 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.

Chapter 39 – Plastics and articles thereof

Initiation of anti-dumping investigation concerning imports of Acrylic Solid Surfaces from China. (29 Dec)

The DGTR has initiated an anti-dumping investigation into imports of Acrylic Solid Surfaces from China, pursuant to an application filed by Stylam Industries Limited. The DGTR found prima facie evidence of dumping and consequent injury to the domestic industry. The DGTR has noted that imports have increased and are suppressing the prices of the domestic industry. As a result, the domestic industry has suffered losses and a negative return on investment.

Final Findings issued in the anti-dumping investigation into the imports of Self Adhesive Vinyl (SAV) from China. (28 Dec)

The DGTR has issued final findings recommending imposition of anti-dumping duty on the imports of Self Adhesive Vinyl (SAV) from China, for a period of 3 years. The investigation was initiated pursuant to an application filed by Pioneer Polyleathers Limited, the sole producer of SAV in India. The DGTR concluded that even though the volume of imports have declined, their price is below the cost of the domestic industry. Further, the domestic industry has suffered from reduced capacity utilisation, increased inventory, negligible market share and increasing losses. The duties have been recommended within the range of USD 4 per MT to USD 1,865 per MT.

Final findings issued in the sunset review of anti-dumping on imports of Ethylene Vinyl Acetate (EVA) Sheet for Solar Module from China. (28 Dec)

The DGTR has issued final findings recommending continuation of anti-dumping duty on imports of Ethylene Vinyl Acetate (EVA) Sheet for Solar Module from China. The DGTR noted that despite imposition of duties, Chinese exporters have dumped the subject goods in the Indian market and other countries, and have significant underutilised capacity. Accordingly, the DGTR has concluded that cessation of duties would result in continuation of dumping with increased intensity. The present duties against Malaysia, Thailand and Saudi Arabia are not being continued.

Initiation of sunset review of anti-dumping duty on imports of Chlorinated Polyvinyl Chloride (CPVC), whether or not further processed into compound, from China and South Korea. (29 Dec)

The DGTR has initiated the sunset review of anti-dumping duty on imports of Chlorinated Polyvinyl Chloride (CPVC), whether or not further processed into compound, from China and South Korea, pursuant to an application from DCW Limited. The application was supported by Epigral Limited. The DGTR prima facie noted that although the domestic industry has grown over the years and has not suffered injury, the domestic industry has provided information on surplus capacities, capacity expansion and export orientation of the exporters in subject countries. The DGTR noted that there is prima facie evidence of likelihood of dumping and injury to the domestic industry in case of cessation of the duty.

Chapter 40 – Rubber and articles thereof

Initiation of sunset review of anti-subsidy duty on imports of New Pneumatic Radial Tyres for buses and lorries from China. (29 Dec)

The DGTR has initiated a sunset review of anti-subsidy duty imposed on imports of New Pneumatic Radial Tyres for buses and lorries from China, pursuant to an application filed by the Automotive Tyre Manufacturer's Association on behalf of Apollo Tyres Limited, J.K. Tyre Industries Limited and MRF Limited. The DGTR noted that there is prima facie evidence of likelihood of continuation of subsidisation and injury to the domestic industry in case of cessation of the duty in light of third country exports at lower prices, capacity addition by the exporters, and likely adverse effect on the performance of the domestic industry in case of cessation of duty.

Chapter 85 – Electrical machinery and equipment; sound recorders and reproducers, television image and sound recorders and reproducers

Final findings issued in anti-dumping investigation into Printed Circuit Board from China and Hong Kong. (29 Dec)

The DGTR issued final findings recommending imposition of anti-dumping duty on imports of Printed Circuit Board from China and Hong Kong. The application for the initiation of investigation was filed by the Indian Printed Circuit Association. The DGTR noted that the imports from the subject countries have increased substantially and have entered the Indian market at prices below the selling price of the domestic industry. As a result, the domestic industry has suffered injury due to the dumped imports. Accordingly, the DGTR has recommended anti-dumping duty within the range of 8.23% to 75.27%.

Chapter 87 – Vehicles other than railway or tramway rolling-stock

Final findings issued in the second sunset review of anti-dumping duty on imports of Aluminium Alloy Road Wheel from China. (06 Jan)

The DGTR has issued final findings recommending continuation of anti-dumping duty on imports of Aluminium Alloy Road Wheel from China. The duties were originally imposed in 2015 and continued again for a period of five years in 2019. The DGTR noted that the exporters continued to dump in India, despite the duties in force, have surplus unutilised capacities and are

also facing trade remedial measures in Argentina, Eurasian Economic Union and European Union. Further, the imports are undercutting the prices of the domestic industry and are below their cost of sales. The Authority also found that the cost of production in China is lower due to distortion in prices of aluminium. Accordingly, the DGTR concluded that cessation of duty would result in likelihood of continuation of dumping and consequent injury to the domestic industry and recommended duty within the range of USD 0.23 per kg to USD 1.71 per kg.

Global Updates

Chapter 22 – Beverages, spirits and vinegar

China

- Initiation of anti-dumping investigation into imports of Spirits made from Distilled Wine from EU. (05 Jan)

Chapter 29 – Organic Chemicals

Trade remedial actions against India

China

Initiation of expiry review of anti-dumping duty on imports of Ortho Dichlorobenzene from India and Japan (22 Jan)

The Ministry of Commerce has initiated an expiry review of anti-dumping duty on imports from India and Japan. The Ministry would examine whether revocation of present duties is likely to lead to continuation or recurrence of dumping and injury to the Chinese industry. The Indian exports are currently subject to duties of 31.9%, while the Japanese exports are subject to duties upto 70.4%.

USA

Final affirmative decision issued by the USDOC in the administrative review of anti-subsidy duty on imports of Glycine from India. (02 Jan)

The USDOC has determined that Indian exporters received countervailable subsidies during the period of review, that is 1st January 2021 to 31st December 2021. The subsidy margin determined for Kumar Industries, Rudraa International and Rexusize Rasayan Industries is 7.24%.

Chapter 30 – Pharmaceutical Products

Trade Remedial actions against India

Mexico

Initiation of anti-subsidy investigation into imports of Metformin Hydrochloride, whether permanent or temporary, from India. (29 Jan)

The Ministry of Economy has initiated an anti-subsidy investigation into imports of Metformin Hydrochloride from India. The period of investigation is 1st July 2022 to 30th June 2023. The application requesting the initiation of investigation was filed by Sinbiotik S.A. de CV.

Chapter 39 – Plastic and articles thereof

Trade remedial actions against India

USA

Final affirmative decision issued by the USDOC in the administrative review of anti-subsidy duty on imports of Polyethylene Terephthalate Films, Sheets and Strips from India. (29 Jan)

The USDOC has determined that Jindal Poly Films Limited received countervailable subsidies during the period of review, that is 1st January 2021 to 31st December 2021. The subsidy margin determined for Jindal Poly Films Limited is 116.96%.

Other trade remedial actions

Madagascar

- Initiation of safeguard investigation into imports of Woven Sacks and Sheaths of Polypropylene. (04 Jan)

Mexico

- Initiation of anti-dumping investigation into imports of PET Resin from China. (29 Jan)

South Korea

- Initiation of anti-dumping investigation into imports of PET Resin from China. (12 Jan)

UK

- Initiation of anti-dumping investigation into imports of Suspension Polyvinyl Chloride from USA. (08 Jan)

Chapter 40 – Rubber and articles thereof

Mexico

- Initiation of sunset review of anti-dumping duty on imports of Polybutadiene Styrene Rubber Emulsion from Japan, South Korea and USA. (24 Jan)

USA

- Initiation of sunset review of anti-dumping duty on imports of Rubber Bands from China and Thailand and anti-subsidy duty on imports from China. (02 Jan)
- Initiation of sunset review of anti-dumping and anti-subsidy duties on imports of Truck and Bus Tires from China. (02 Jan)

Chapter 44 – Wood and articles of wood; wood charcoal

USA

- Continuation of anti-dumping and anti-subsidy duties on imports of certain Softwood Lumber Products from Canada. (10 Jan)

Chapter 48 – Paper and paperboard; articles of paper pulp, of paper or of paperboard

Trade remedial actions against India

USA

Preliminary affirmative decision issued by the USDOC in the anti-dumping investigation into imports of Paper Shopping Bags from India. (03 Jan)

The USDOC has preliminarily determined that the two mandatory respondents were dumping in the United States during the period of investigation, that is 1st April 2022 to 31st March 2023. The dumping margin determined for the Indian exporters is in the range of 10.64% to 57.87%. The USDOC will issue its final determination by 17th May 2024.

Other trade remedial actions

Indonesia

- Continuation of safeguard measure on imports of Cigarette Paper and Plug Wrap Paper Non-Porous. (19 Jan)

Türkiye

- Initiation of safeguard investigation into imports of Other Papers and Cardboards. (17 Jan)

USA

- Preliminary affirmative determination issued by the USDOC in the anti-dumping investigation into imports of certain Paper Shopping Bags from Cambodia, China, Colombia, Malaysia, Portugal, Taiwan, Türkiye and Vietnam. (03 Jan)

Chapter 54 – Man-made filaments; strip and the like of man-made textile materials

Trade remedial actions against India

USA

Preliminary negative decision issued by the USDOC in the administrative review of anti-dumping duty on imports of Polyester Textured Yarn from India. (25 Jan)

The USDOC determined that Polyester Textured Yarn from India was not dumped in the U.S. market during the period of review, that is 1st January 2022 to 31st December 2022. The dumping margin determined for Reliance Industries Limited and Alok Industries Limited is 0%. The USDOC will issue its final determination by 24th May 2024.

Chapter 60 – Knitted or crocheted fabrics

Türkiye

- Initiation of safeguard investigation into imports of Knitted or Crocheted Fabrics. (17 Jan)

Chapter 69 – Ceramic Products

Mexico

- Initiation of sunset review of anti-dumping duty on imports of Ceramic Tableware from China. (12 Jan)

Chapter 70 – Glass and glassware

EU

- Continuation of anti-dumping duty on imports of certain Open Mesh Fabrics of Glass Fibres from China, including goods consigned through India, Indonesia, Malaysia, Taiwan and Thailand. (24 Jan)

USA

- Initiation of anti-dumping investigation into imports of certain Glass Wine Bottles from Chile, China and Mexico and anti-subsidy investigation into imports from China. (25 Jan)

Chapter 72 – Iron and steel

Trade remedial actions against India

Canada

Initiation of sunset review of anti-dumping duty on imports of certain Corrosion-Resistant Steel Sheets from China, Chinese Taipei, India and South Korea. (15 Jan)

The CBSA and the CITT have initiated an expiry review to determine whether revocation of duties is likely to lead to continuation or resumption of dumping of subject goods and consequent injury. The duties were originally imposed in 2019. All Indian exports are currently subject to a duty of 40%. Exports from China, Chinese Taipei and South Korea are subject to duties upto 53.3%, 33.2% and 40% respectively.

USA

Affirmative decision issued by the USDOC in the sunset review of anti-dumping duty on imports of Stainless-Steel Bars from India. (03 Jan)

The USDOC determined that revocation of anti-dumping duty on imports from India would lead to continuation of dumping in the U.S. market. The

USITC would now separately determine whether revocation of duties would lead to continuation of injury to the U.S. industry. The duties were first imposed in 1995.

Other trade remedial actions

Canada

- Affirmative determination issued by CITT in the sunset review of anti-dumping and anti-subsidy duty on imports of Carbon and Alloy Steel Pipe Piles from China. (17 Jan)

EaEU

- Affirmative determination in the sunset review of anti-dumping duty on imports of Cold-worked Seamless Pipes and Tubes of Stainless Steel from China and Malaysia. (26 Jan)

Türkiye

- Imposition of provisional safeguard measure on imports of Wire Rod Products. (05 Jan)

USA

- Final affirmative determination issued by the USDOC in the anti-dumping investigation into imports of certain Tin Mill Products from Canada, China, Germany and South Korea and in the anti-subsidy investigation into imports from China. (10 Jan)
- Termination of anti-dumping investigation into imports of certain Tin Mill Products from the Netherlands, Taiwan, Türkiye and the UK. (10 Jan)

Chapter 73 – Articles of iron or steel

Trade remedial actions against India

USA

Continuation of anti-dumping duty on imports of certain Welded Carbon Steel Pipes and Tubes from India, Thailand and Türkiye and anti-subsidy duty on imports from Türkiye. (11 Jan)

The USDOC and USITC determined that revocation of duties on imports from India, among other countries, would result in continuation or recurrence of dumping in the U.S. market and injury to the U.S. industry. The duties have been imposed since 1986.

Other trade remedial actions

USA

- Continuation of anti-dumping duty on imports of Non-Alloy Steel Pipes from Mexico, Korea and Taiwan; and revocation of duty on imports from Brazil. (11 Jan)
- Continuation of anti-dumping duty on imports of certain Circular Pipes and Tubes from Taiwan. (11 Jan)
- Continuation of anti-dumping and anti-subsidy duties on imports of Cast Iron Soil Pipe Fittings from China. (10 Jan)
- Affirmative determination issued by the USITC in the sunset review of anti-dumping duty on imports of Forged Steel Fittings from China, Italy and Taiwan and anti-subsidy duty on imports from China. (31 Jan)

Chapter 76 - Aluminium and articles thereof

EU

- Initiation of expiry review of anti-dumping duty on imports of Aluminium Radiators from China. (12 Jan)

USA

- Initiation of sunset review of anti-dumping and anti-subsidy duties on imports of Common Alloy Aluminium Sheet from China. (02 Jan)

Chapter 83 – Miscellaneous articles of base metal

USA

- Imposition of anti-dumping and anti-subsidy duties on imports of certain Collated Steel Staples from China but exported from Vietnam and Thailand using steel wires and wire bands manufactured in China. (30 Jan)

Chapter 85 - Electrical machinery and equipment and parts thereof; sound recorders and reproducers, etc.

USA

- Affirmative determination by the USDOC in the sunset review of anti-dumping duty on imports of Large Power Transformers from South Korea (03 Jan)

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

EU

- Initiation of expiry review of anti-dumping and anti-subsidy duties on imports of Electric Bicycles from China. (17 Jan)

Chapter 94 – Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishing; etc

USA

- Preliminary negative determination issued by the USDOC in the anti-subsidy investigation into imports of Mattresses from Indonesia. (02 Jan)

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.

For more details about the contents of this newsletter, kindly contact aastha@tpm.in.

TPM Consultants

Ish Kriti, J-209, Saket, New Delhi – 17



[011 – 4989 2200](tel:011-49892200)



info@tpm.in



www.tpm.in



[TPM Solicitors
& Consultants](#)