

Contents

Govt initiates probe into chemical dumping by EU, Mexico	2
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Business Standard

23 October 2012, New Delhi: India has initiated a probe into alleged dumping of a chemical, used in different industries including plastic and construction, by European Union and Mexico following complaints by domestic players.

The Commerce Ministry's designated authority, the Directorate General of Anti-Dumping and Allied Duties (DGAD), has begun an investigation into alleged dumping of "Polyvinyl Chloride (PVC) Suspension Grade Resin".

In a notification, the DGAD said it has sufficient evidence of dumping of the product from European Union and Mexico to initiate an anti-dumping investigation.

"The authority (DGAD) hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry ... to determine the existence, degree and effect of any alleged dumping and to recommend the amount of anti-dumping duty, which, if levied, would be adequate to remove the injury to the domestic industry," it said.

The period of investigation is from April-March 2012 . However, for the purpose of analysing injury, the data of previous three years of 2008-2009, 2009-2010 and 2010-2011 would also be considered, it added.

After completion of the probe, the commerce ministry, if needed, would recommend the duty and the finance ministry would impose it.

The application was jointly filed by DCW Ltd, Chemplast Sanmar, Reliance Industries Ltd, DCM Shriram Consolidated and Finolex Industries.

Countries initiate an anti-dumping probe to determine whether their domestic industries have been hurt because of surge in cheap imports of any product. As a counter-measure, they impose duties under the multilateral regime of the WTO.

The duty is aimed at ensuring fair trading practices and creating a level-playing field for domestic producers vis-a- vis foreign producers and exporters resorting to dumping.

Unlike the safeguard duty, which is levied in a uniform way, anti-dumping duty varies from product to product and country to country.

India has initiated 275 anti-dumping investigations between 1992 and March 2012, involving 42 countries.

The countries prominently figuring in anti-dumping investigations are China, Korea and Singapore and the major product categories on which anti-dumping duty has been levied are chemicals and petrochemicals, pharmaceutical, steel and consumer goods.

[\[Back to top\]](#)