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# India, Saudi Arabia talks on PP anti-dumping tax next month

PTI

Dubai, August 23, 2011-- Saudi Arabia and India will resume talks next month on the prospects of lifting an anti-dumping tax imposed on the kingdom's polypropylene exports, a news report has said, quoting informed sources. Saudi Arabia's Commerce and Industry Minister, Abdullah Zainal Alireza, will lead the Saudi delegation for new talks in New Delhi, the Indian trade mission in Geneva said, adding that Finance Minister Pranab Mukherjee will lead the Indian team. According to the Arab News report, analysts have assigned utmost importance to the next round of talks, as previous bilateral negotiations have failed to reach an agreement. New Delhi imposed an anti-dumping tax on Saudi PP exports in July, 2009. India imports 25,000 tonnes of polypropylene from Saudi Arabia annually. Before imposing the anti-dumping tax of 1.5 per cent per tonne, or USD 20-22, Saudi polypropylene was the lowest priced product in the market, the report said. Saudi Export Development Centre (SEDC) Executive Council Chairman Abdul Rahman Al-Zamil described the 22 per cent tax as "unreasonable" and urged New Delhi to reconsider the decision in the light of the strategic trade relations between the two countries. According to Al-Zamil, India imposed anti-dumping taxes on Saudi polypropylene exports, saying it had cheaper feedstock. "The availability of cheap feedstock in the kingdom is quite natural as a result of abundant local gas supply and the location of petrochemical plants closer to gas pipelines," he said.

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# India Lifts Anti-Dumping Duty on Import of Saudi Polypropylene

Rajesh Kumar Singh, Bloomberg

Jan. 2: India has lifted an anti-dumping duty imposed on polypropylene imported from Saudi Arabian suppliers, including Saudi Basic Industries Corp., the world's biggest petrochemical maker.

The change is effective from the day the notification is published in the Gazette of India, the official record of government rules, the Central Board of Excise and Customs said in a statement dated Dec. 30 on its website. There was no reason given for the amendment.

India imposed a 6.5 percent anti-dumping duty in November 2010 on polypropylene imports from Saudi Arabia, Oman and Singapore because it said the shipments were valued at less than normal prices and would hurt domestic manufacturers. Reliance Industries Ltd., controlled by Mukesh Ambani, India's richest man, has a 70 percent share of the country's polypropylene market, according to its website.

Saudi companies affected by the duty, including Advanced Petrochemicals Co. and National Industrialization Co., said at the time they would ask the World Trade Organization to pressure India to lift the tax. India and Saudi Arabia would be able to resolve the dispute without going to the WTO, India's Trade Secretary Rahul Khullar said in December 2010.

Central Board of Excise and Customs Chairman S.K. Goel couldn't immediately be reached on his office telephone for comment.

Total petrochemical exports from Saudi Arabia to India amount to \$200 million a year, Abdulrahman al-Zamil, a trade representative for Saudi petrochemical makers, said on Nov. 28, 2010.

The statement didn't mention the tax on polypropylene imports from Singapore and Oman. The duty was retroactive to July 30, 2009, and valid for five years from then. Polypropylene is used in straws, carpets and garden furniture.

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# Saudi Arabia sees 'huge potential' for trade with India

PTI

New Delhi, January 4: Against economic troubles in Europe and uncertainty in the US, Saudi Arabia on Wednesday said it sees "huge potential" for stepping up commercial engagement with India. However, Saudi Arabia which is home to two million Indian workforce, asked the Indian government to relax visa rules to boost bilateral trade and investment. "We are eager to do more trade with India. Huge potential is present in both the nations as both are emerging economies," Saudi Arabia commerce and industry minister Tawfeeq Bin Fouzan Al Rabea said at a Ficci meeting here. Al Rabea, who is leading a 35-member business delegation, said there are opportunities for bilateral engagement in sectors like infrastructure, IT and education. With economic troubles affecting the entire Eurozone and the US economy giving uncertain indications, Saudi businesses are looking at India as an alternative investment and trade option, industry officials said. Al Rabea urged the Indian government to liberalise visa norms for its people. "... what I heard from some of our colleagues that they get only one month with single entry visa (from Indian Embassy in Saudi Arabia). So, I think, we need to do something here and there, to make sure we facilitate the movement of people between the two countries," Al Rabea said. On the other hand, Saudi Arabia gives multiple entry visa for one year. The visiting minister said that about two million Indians are working in different sectors in Saudi Arabia. The bilateral trade has increased by about 60 per cent to \$25 billion in 2010. Addressing the gathering, Ficci President-elect R V Kanoria said that Saudi businessmen can explore investment opportunities in areas like bio-technology, telecommunication and automobile. "Huge investments are required in infrastructure sector in India. India is going to invest as much as \$1 trillion in next five years," Kanoria said. India's exports to Saudi Arabia mainly comprises Basmati rice, meat, man-made yarn, cotton yarn, chemicals and machinery. Imports largely include crude oil, as India imports a quarter of crude requirement from Saudi Arabia. "There is big sale of oil to india...Our bilateral trade is increasing and I see this growth continuing and I see more potential for cooperation and trade," the Saudi minister added.

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# Government initiates probe into dumping of a chemical from S Arabia

PTI

May 30, 2012, New Delhi: India has initiated a probe into alleged dumping of a chemical by Saudi Arabia to protect domestic players from cheap imports. The chemical is mainly used in explosives and pharmaceuticals. The Commerce Ministry's designated authority, the Directorate General of Anti-Dumping and Allied Duties (DGAD), has started an investigation into alleged dumping of 'Pentaerythritol' on the basis of an application filed by Kanoria Chemicals and Industries Ltd. "...the authority (DGAD) hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry. This is 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," the Commerce Ministry said in a notification. The period of investigation is from April 2010 to June 2011. The injury investigation period will, however, also cover the period 2008-09, 2009-10, 2010-11, it said. It added that the DGAD has prima facie sufficient evidence of dumping of the product from Saudi Arabia. The product is also used in the manufacture of resins, printing inks, drying oils, detonators, explosives, and synthetic lubricants. Countries initiate an anti-dumping probe to determine whether their domestic industries have been hurt because of a surge in cheap imports. As a counter-measure, they impose duties under the multilateral regime of the WTO. The duty also ensures fair trading practices and creates 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. As on December 2011, measures in respect of 112 cases are in force. The major product categories on which anti-dumping duty has been levied are chemicals and petrochemicals, pharmaceutical, steel and consumer goods.

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