

Contents

India may slap safeguard duty on sodium nitrite imports	2
India slaps duty on US, EU imports of chemical used in perfume	3
India imports \$1.92 bn urea during April-January.....	4
Urea imports down by 30% to Rs 15,353 cr in 2013-14.....	5

India may slap safeguard duty on sodium nitrite imports

PTI

New Delhi, 22 September 2013: India may impose safeguard duty on import of sodium nitrite, a chemical used by textiles and pharma industries, to protect domestic producers from "serious injuries" caused by the rising inward shipments.

Acting on a complaint of domestic producers of the chemical, the Directorate General of Safeguards (DGS) in the Finance Ministry carried a probe and concluded there has been a significant increase in imports and recommended levy the of the safeguard duty.

"Increased imports of sodium nitrite into India have..., caused and threaten to cause serious injury to the domestic producers...and it will be in the public interest to impose safeguard duty on imports of Sodium Nitrite...for a period of one year and three months," said the DGS in its 'Final Findings'.

It has recommended the duty at the rate of 30 per cent ad valorem for the first year and 28 per cent ad valorem for last three months, which is "considered to be the minimum required to protect the interest of domestic industry".

Sodium nitrite is imported from several countries, and primarily from China and Germany. China constituted 81 per cent of total imports in India in 2012-13.

Safeguard duty is a WTO-compatible temporary measure that is brought in for a certain time-frame to avert any damage to domestic industry from cheap imports.

The final findings and the recommendations of DGS is considered by the Standing Board on Safeguards headed by Commerce Secretary. Then the views of the Board are placed before the Finance Minister for approval in respect of safeguard duties and to the Commerce Minister for imposition of quantitative restrictions.

The chemical is mostly used in pharmaceutical, dye, meat processing and textiles industries, among others.

The imports increased from 14,290 MT in 2009-10 to 22,162 MT in 2012-13. The domestic producers had a market share of 55 per cent in 2010-11 which declined to 41 per cent in 2012-13. On the other hand, the market share of import increased from 35 per cent in 2010-11 to 45 per cent in 2012-13.

The domestic producers of the chemical include Deepak Nitrite Ltd (Pune), Punjab Chemicals & Pharmaceuticals Ltd (Chandigarh), National Fertilizers Ltd (Noida), and Rashtriya Chemicals and Fertilizers (Sion, Mumbai). Deepak Nitrite Ltd is the last producers of the chemical in the country.

The DGS used data for the period 2009-10 to 2012-13 for the investigations.

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

India slaps duty on US, EU imports of chemical used in perfume

PTI

New Delhi, 27 October 2013: India has imposed anti-dumping duty of up to USD 0.36 a kg on import of a chemical, used in manufacture pharmaceuticals and fragrance products, from EU, US and Korea to protect domestic players from cheap shipments.

"The anti-dumping duty imposed (on Methylene Chloride) under this notification shall be levied for a period not exceeding six months...", said the Central Board of Excise and Customs (CBEC) in the Revenue Department.

The duty has been imposed to discourage the import based on recommendation of the Directorate General of Anti Dumping and Allied Duties (DGAD).

Acting on the complaint of Chemplast Sanmar and Gujarat Fluorochemicals, the DGAD had carried out a preliminary probe into the imports and concluded that "subject goods (Methylene Chloride) have been exported to India from the subject countries (EU, US and Korea) below its normal value...(and) the domestic industry has suffered material injury".

The initial probe found that material injury has been caused by the dumped imports of the chemicals.

Countries initiate anti-dumping probes to check if domestic industry has been hurt because of a surge in below- cost imports. As a counter-measure, they impose the duty, which is WTO compatible.

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

India imports \$1.92 bn urea during April-January

PTI

New Delhi, 21 February 2014: India has imported 6.79 million tonnes of urea valued at \$ 1.92 billion in the first 10 months of this financial year to meet domestic demand as the cost of inward shipments eased. The country had imported 8.04 million tonnes (MT) of urea in the entire 2012-13 fiscal, out of which 1.83 MT of urea was from Oman India Fertiliser Company (OMIFCO), a joint venture between Oman Oil Company, Indian Farmers Fertiliser Cooperative Ltd and Krishak Bharati Cooperative Ltd.

Remaining 6.21 MT was imported by state trading enterprises, according to Fertiliser Ministry data. "There was decline of average \$ 50 per tonne in the prices at which urea was imported this year to at \$ 340 per tonne, while the last year average year price stood at about \$ 389 per tonne," Indian Potash Ltd Chairman P S Gahlaut said.

The government in the first 10 months of 2013-14 imported 1.83 million tonnes of urea from Omifco. State trading enterprises Indian Potash, MMTC and State Trading Corporation of India has procured the 4.96 MT of urea on behalf of the government.

The country produces about 22 MT of urea against an annual domestic demand of 30 MT. Urea imports are expected to rise in this financial year as farmers increased sowing due to the good monsoon, a Fertiliser Ministry official said.

According to the Ministry's data, import of phosphate and potash (P&K) fertilisers di-ammonium phosphate (DAP) and muriate of potash (MoP) touched 5.56 MT in the April-January period of 2013-14. In 2012, urea demand was subdued due to a drought in Karnataka, Maharashtra, Gujarat and Rajasthan. Urea is sold to farmers at a fixed, subsidised maximum retail price of Rs 5,360 per tonne. The difference between the cost of production and the price is provided as subsidy.

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

Urea imports down by 30% to Rs 15,353 cr in 2013-14

PTI

3 May 2014: Urea imports decreased by 30 percent to Rs 15,353 crore in 2013-14 due to a fall in global prices and lower volumes. The country had imported urea worth Rs 20,016 crore in 2012-13. According to the Fertiliser Ministry data, imports in terms of quantity have fallen by 12 percent to 7.08 million tonnes (MT) in 2013-14. The country had imported 8.04 MT of urea in the entire 2012-13 fiscal. One reason attributed to lower volumes is availability of carry-over stocks.

"There was a decline of average USD 50 per tonne in the prices at which urea was imported in 2013-14 at about USD 340 per tonne, while the previous year's average price stood at about USD 389 per tonne," Indian Potash Chairman P S Gahlaut said. Urea is imported by three state trading enterprises - Indian Potash Ltd, MMTC and STC on behalf of the government to meet domestic shortfall.

The country produces about 22 MT against an annual domestic demand of 30 MT. The government also imports urea from OMIFCO, which is a joint venture project of IFFCO and Kribhco, with an offtake agreement at a fixed price. In the year ended on March 31, 2014, the nutrient imported by IPL and STC has decreased to 2.54 MT and 0.74 MT, respectively as compared to 3.62 MT and 2.03 MT in the year 2012-13. However, there was an over three-fold increase in imports by MMTC to 1.68 MT as compared to .54 MT during the period under review. According to data, the offtake of urea from Omifco in the year 2013-14 has also increased to 2.12 MT against 1.83 MT in the year 2012-13. Urea is provided to farmers at a fixed subsidised maximum retail price (MRP) of Rs 5,360 per tonne. The difference between the cost of production and MRP of urea is provided as subsidy.

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