

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:3125
ANSWERED ON:27.07.2009
IMPORT OF CHEAP CHINESE GOODS
Joshi Shri Pralhad Venkatesh

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) Whether the Government has made any assessment of industries being impacted by the import of Chinese goods;
- (b) If so, the details thereof;
- (c) Whether the Government proposes to provide any special package to these industries; and
- (d) If so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY(SHRI JYOTIRADITYA M. SCINDIA)

(a) to (d): Trade defence measures are available to the domestic industry to counter unfair trade practices followed by exporters of goods from other countries. In case a product is imported into the country at less than its normal value, and it causes injury to the domestic industry, the domestic industry can make an application to Directorate General of Anti-Dumping and Allied Duties (DGAD) in the Department of Commerce for imposition of anti-dumping duty. Similarly, an application for imposition of safeguard duty can be made by the domestic industry to Directorate General of Safeguards under Ministry of Finance, in case there is serious injury/market disruption, or threat of series injury/ threat of market disruption to the domestic industry, as a consequence of increased imports of an article into India. During 2008-09 and 2009-10 (upto 15.07.2009) anti dumping duty was imposed in 22 cases (final duty in 12 cases and provisional duty in 10 cases) and Safeguard duty was imposed in 4 cases (final duty in 2 cases and provisional duty in 2 cases).

Under Section 3(2) of Foreign Trade (Development and Regulation) Act, 1992, the Central Government has an inherent power to impose restrictions on import of goods. The Customs Tariff Act, 1975 presently includes provisions for providing relief to the domestic producers against injury caused to them by imports, in accordance with the Agreement on Anti-Dumping (i.e. the Agreement on the implementation of Article VI of GATT, 1995), the Agreement on Subsidies and Countervailing Measures, and the Agreement on Safeguards. These provisions are aimed at offsetting the adverse effects of 'dumped' imports, 'subsidized' imports or 'increased' imports.

The Director General of Safeguard has conducted safeguard investigation to assess the impact of imports of Chinese goods based on the application received from the aggrieved sectors namely, Soda Ash, Aluminium Flat Rolled Products and Foils and Crank Shafts.

The Government has imposed Provisional Safeguard Duty @20% on import of Soda Ash from China, Provisional Safeguard Duty @21% ad valorem on Aluminium Flat Rolled Products and @35% ad valorem on Aluminium Foil on imports from China. A definitive Safeguard duty @14% in the first year and 12% in the second year commencing from 23rd March 2009 has been imposed on imports of Aluminium Flat Rolled Products from China. Further a definitive safeguard duty @30% for the first year and 25% in the second year commencing from 23rd March, 2009 has been imposed on imports of Aluminium Foil from China.