

Commerce ministry recommends anti-dumping duty on Chinese cutting tool

The commerce ministry's arm DGTR has recommended imposition of anti-dumping duty on imports of a kind of cutting tool from China, for five years, to protect the domestic industry from cheap inbound shipments.

The Directorate General of Trade Remedies (DGTR) has recommended the duty after conducting an investigation on the dumped imports of 'resin bonded thin wheels'. It is used in various sectors ranging from welding and cutting. The directorate in its findings has concluded the item is being imported from China into India in significant quantities in both absolute and relative terms. The imports are undercutting the prices of the domestic industry, it added.

"Definitive antidumping duty...is recommended to be imposed for five years..." the DGTR has said in a notification. The recommended duty was in the range of USD 78.38 per tonne and USD 90.12 per tonne on imports.

While DGTR, which is under the commerce ministry, recommends the duty, the finance ministry takes the final decision to impose the same within three months of the recommendation. Countries initiate anti-dumping probes to check if their domestic industries have been hurt because of a surge in below-cost imports. As a countermeasure, they impose duties within the multilateral regime of the WTO (World Trade Organization). Anti-dumping measures are taken to ensure fair trade and provide a level-playing field to the domestic industry. It is not a measure to restrict imports or cause an unjustified increase in the cost of products.

Source: The Economic Times