

India may impose 10% safeguard duty on Single Mode Optical fibre imports

India is likely to impose a safeguard duty of 10% on imports of Single Mode Optical fibre used for signal transmission for one year based on complaints filed by Sterlite Technologies Limited and Birla Furukawa Fibre Optics Private Limited.

A probe by the commerce and industry ministry revealed that the market share of domestic industry has declined, whereas that of imports has increased, and increased imports of the product have substituted for the market share of domestic industry which was earning profit in 2017-18 which turned into “significant losses during 2018-19”. The basic customs duty on the product is 15%.

“As the imports from the developing countries...other than China PR, do not exceed 3% individually and 9% collectively, the imports of “Single Mode Optical Fibre” originating from such developing countries (other than China PR) will not attract the Safeguard Duty,” the Directorate General of Trade Remedies (DGTR) said in its findings.

The DGTR is an investigation arm under the commerce and industry ministry. The finance ministry takes the final call to impose the duty.

In a separate notification, the directorate suggested a provisional anti-dumping duty of \$266.37- 275.08 per metric tonne on soda ash imported from the US and Turkey.

DCW Ltd, RSPL and GHCL had complained to the authority that “an exponential rise in imports” have adversely impacted the domestic glass manufacturing sector.

“Imports are undercutting the prices of the domestic industry, and is preventing increase of price, which otherwise would have occurred in the absence of dumped imports. Imports are causing price suppression in the market,” DGTR said in its findings.

Soda Ash is an essential ingredient in the manufacture of detergents, soaps, cleaning compounds, sodium based chemicals, float glass, container and specialty glasses, silicates and other industrial chemicals. It is also widely used in textiles, paper, metallurgical industries and desalination plants.

Source : The Economic Times