

## **Customs – Tariff**

**Notification No – 29/2019**

**Date – 04.09.2019**

**Seeks to further amend notification no. 53/2011 dated 01.07.2011, to increase the rate of duty of customs by 5 percent, for a period of 180 days, on imports of RBD Palmolein/Palm Oil originating in Malaysia and imported under India-Malaysia Comprehensive Economic Cooperation Agreement, on recommendation of preliminary findings of Directorate General of Trade Remedies under India-Malaysia Comprehensive Economic Cooperation Agreement (Bilateral Safeguard Measures) Rules, 2017.**

Whereas the Directorate General of Trade Remedies in the matter concerning imports of “Refined Bleached Deodorized Palmolein and Refined Bleached Deodorized Palm Oil”, falling under tariff item [1511 90 10] or tariff item [1511 90 20] of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), initiated an investigation in terms of rule 9 of the India Malaysia Comprehensive Economic Cooperation Agreement (Bilateral Safeguard Measures) Rules, 2017 vide notice of initiation Case No. (SG) 04/2019, dated the 14th August 2019 published in the Gazette of India, Extraordinary the dated 14th August 2019.

And Whereas, in the preliminary findings of Bilateral Safeguard Investigation issued vide notification (Bilateral Safeguard Investigation) case no (SG) 04/2019, dated the 26th August 2019, published in the Gazette of India, Extraordinary on 26th August, 2019, the Director General has noted that: -

- (a) the import of subject goods into India has shown significant increase. Imports of subject goods from Malaysia increased from 626,362 MT in 2016-17 to 2,596,225 MT in January June, 2019 (on annualized basis) thus showing an increase of 314 percent;
- (b) quarterly movement in imports shows that imports were just 27,206 MT in October December, 2018, which surged to 804528 MT in April-June, 2019 thus showing a surge of almost 29 times increase;
- (c) this increase in import at low prices has led to idling of significant capacities of the domestic industry during the period of investigation;
- (d) though domestic industry has huge installed capacity, it is unable to increase its production of subject goods despite increase in domestic demand of the subject goods;
- (e) market share of the domestic industry has declined significantly.

and came to a preliminary conclusion that critical circumstances exist where delay in imposition of safeguard measures would cause irreparable damage to the domestic producers and recommended an increase in rate of duty of customs by 5 percent, for a period of 180 days, on imports of subject goods, originating in Malaysia and imported under India-Malaysia Comprehensive Economic Cooperation Agreement.

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) read with rule 9 of the said Rules, the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby increases the rate of duty of customs by 5 percent, on imports of subject goods for 180 days, originating in Malaysia and imported under India-Malaysia Comprehensive Economic Cooperation Agreement by making the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.53/2011-Customs, dated the 1st July, 2011, published in the Gazette of India, vide number G.S.R. 499 (E), dated the 1st July, 2011, namely: -

In the said notification

(i) after Sl. No. 130 and the entries relating thereto, the following Sl. No. and entries shall be inserted, namely:

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"130A.	151190	All goods	50.0";
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(ii) after the Table, the following shall be inserted namely: - "Provided that nothing contained in serial number 130 and entries relating thereto of the said table shall have effect upto and inclusive of the 2 nd day of March 2020:

Provided further that nothing contained in serial number 130A and entries relating thereto of the said table shall have effect on or after the 3 rd day of March 2020."