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ANTI-DUMPING DUTY ON CHINESE STEEL IMPORTS: A SHIELD FOR INDIAN INDUSTRY

AUTHORED BY - TEJANSHU VASHISHTHA & RIYA SINGH

INTRODUCTION

Recently, the Indian Government has imposed a 12% duty on the import of non-alloy and alloy steel flat products. This move has come in the wake of persistent complaints by major domestic steel producers such as Jindal Steel & Power (JSP) and JSW Steel. These companies have alleged that Chinese manufacturers have been resorting to dumping—flooding the Indian market with low-cost steel products thereby significantly affecting the profitability and viability of Indian industries.¹

The concern has become especially acute amid a recent surge in indiscriminate imports, primarily triggered by the ongoing global trade tariff war. Nations have increasingly resorted to unilateral tariff measures to protect domestic industries, prompting distortions in global trade flows. India, which has historically been a significant consumer of steel, has witnessed a sharp increase in steel imports—most notably from China, a country known for its large-scale industrial output and aggressive export policies.

China's dominance in global manufacturing stems from its unparalleled capacity to mass-produce goods at extraordinarily low costs. However, one of the major concerns surrounding Chinese imports—particularly steel—is the quality of the products. Despite non-compliance with international quality standards, Chinese products continue to dominate the Indian market, largely due to the perception among Indian consumers that cost trumps quality. This consumer mindset has allowed low-cost Chinese steel to capture a substantial share of the Indian market.

The practice of exporting goods at prices lower than the domestic market or even below the cost of production is legally defined as “dumping.” Anti-dumping measures are permitted under the **World Trade Organization (WTO)** framework, particularly under **Article VI of**

¹ India imposes 12% provisional safeguard duty on steel products to curb unwanted imports' *Times of India* (21 April 2025) <https://timesofindia.indiatimes.com/business/india-business/india-imposes-12-duty-on-steel-products-to-curb-unwanted-imports/articleshow/120492497.cms> accessed 15 May 2025.

the **General Agreement on Tariffs and Trade (GATT), 1994²** and the **Anti-Dumping Agreement (ADA)**. These provisions allow countries to impose anti-dumping duties if it is established, through a detailed investigation, that such imports are causing or threatening to cause material injury to the domestic industry.

India's anti-dumping mechanism, governed by the Customs Tariff Act, 1975³ and the rules framed thereunder, empowers the Directorate General of Trade Remedies (DGTR) to initiate investigations and recommend duties where dumping and injury are proven. The recent imposition of the 12% duty is a result of such investigation and analysis, designed not as a protectionist measure but as a remedial one to ensure fair competition.⁴

This paper aims to critically analyze the imposition of anti-dumping duties on Chinese steel and examine its implications for the Indian steel industry. It will further explore the jurisprudence behind anti-dumping laws under international trade law, including comparative practices in other jurisdictions, and assess whether such measures are effective in restoring equilibrium in domestic markets distorted by unfair trade practices.

RESEARCH QUESTIONS

1. To what extent do anti-dumping duties on Chinese steel imports align with India's obligations under the WTO's Anti-Dumping Agreement, and how effective are these measures in safeguarding domestic industries without triggering retaliatory trade barriers?
2. Can the imposition of anti-dumping duties on Chinese steel in India serve as a sustainable long-term strategy for the domestic steel industry, or does it risk creating protectionist dependency and inefficiencies in global trade participation?

WHAT IS DUMPING AND ANTI-DUMPING

Dumping, in simple terminology, refers to a situation where an exporter sells a product in the importing country at a price lower than the price prevailing in the exporter's domestic market.

² General Agreement on Tariffs and Trade 1994, art VI.

³ Customs Tariff Act 1975 (India).

⁴ 'Almost 35% of stainless steel MSMEs in Gujarat shut shop in Q2 FY24 due to Chinese dumping: ISSDA Chief' *Moneycontrol* (13 November 2023) <https://www.moneycontrol.com/news/business/almost-35-of-stainless-steel-msmes-in-gujarat-shut-shop-in-q2-fy24-due-to-chinese-dumping-issda-chief-11993361.html> accessed 15 May 2025.

The WTO considers this a trade-distortive practice, as it can potentially harm the domestic industry of the importing member, allowing WTO members to adopt trade remedial measures like anti-dumping duties to counteract the adverse effects of dumping. However, dumping in itself is not punishable unless it results in or poses a threat of material injury to the domestic industry of the importing member. For WTO members, domestic anti-dumping laws and procedures are framed in accordance with the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade, 1994, commonly known as the Anti-Dumping Agreement (ADA). Neither Article VI of GATT⁵ nor the provisions of the ADA require a compulsory assessment of 'public interest' before the imposition of anti-dumping duties. Nevertheless, the preamble of the Marrakesh Agreement and some provisions within the ADA may be interpreted as encompassing aspects pertinent to 'public interest' considerations in the course of an anti-dumping investigation.⁶ This raises important questions regarding how closely national anti-dumping regimes, such as India's, align with multilateral obligations and whether such measures are truly effective in protecting domestic industry in the long term, or if they risk fostering inefficiencies and protectionist tendencies.

India is one of the biggest users of Anti-dumping duties till date, according to the WTO statistics, where out of 3887 anti-dumping measures imposed by WTO members between January 1995 to June 2019, India accounts for the highest with 703 measures imposed.⁷

HOW DUMPING AFFECTS ECONOMY

Dumping has far-reaching consequences for the economies of importing countries. In the short term, consumers may benefit from lower prices on imported goods, as seen with the influx of Chinese steel in the Indian market. However, this apparent advantage often comes at a considerable cost to the domestic industry, which finds it increasingly difficult to compete with artificially low-priced imports. For instance, Indian steel manufacturers like JSW and Jindal Steel have reported substantial losses in profit margins due to the market being flooded with cheaper Chinese alternatives. This not only disrupts domestic pricing structures but also undermines the long-term sustainability of local production. As domestic firms lose competitiveness, layoffs and a decline in industrial activity may follow, negatively impacting

⁵ General Agreement on Tariffs and Trade 1994, art VI.

⁶ Eric Freedman, *Canadian Anti-Dumping Provisions: Has the Use of the Public Interest Clause Helped Curb Protectionism?*, 16 *Asper Rev. Int'l Bus. & Trade L.* 27, 30 (2016).

⁷ World Trade Organization, *Anti-dumping Measures by Reporting Members* (19 February 2020) https://www.wto.org/english/tratop_e/adp_e/AD_MeasuresByRepMem.pdf accessed 15 May 2025.

employment rates and economic stability.

Further, prolonged exposure to dumped goods discourages private and foreign investment in the sector, as the market becomes unpredictable and unprofitable. From a legal perspective, the imposition of anti-dumping duties—such as the recent 12% duty imposed by the Indian government on certain steel imports—reflects an attempt to restore equilibrium. These measures, however, must be carefully calibrated to comply with the WTO's Anti-Dumping Agreement, ensuring that domestic safeguards do not evolve into disguised protectionism.

On the other hand, while exporting countries like China may initially gain through increased market access and utilization of excess capacity, such practices can lead to overproduction and unsustainable industrial output. Additionally, dumping leads to the misallocation of critical economic resources towards subsidized sectors, which might otherwise have been deployed more efficiently. It can also cause friction in bilateral trade relationships and prompt retaliatory tariffs or sanctions, further escalating global trade tensions.⁸

At the global level, dumping distorts the fundamentals of fair trade and competition. By undermining market-based pricing mechanisms, it allows less efficient but protected industries to displace more competitive players. This not only leads to inefficient resource utilization but also compels many nations to adopt defensive trade policies, thereby erecting new barriers to international commerce. In this context, while anti-dumping duties can offer temporary relief, a core question remains: do such remedies align with WTO principles and support long-term industrial growth, or do they risk fostering dependency and protectionist inertia within the domestic economy?

LEGAL FRAMEWORK OF ANTI-DUMPING LAWS IN INDIA

India imposed its first anti-dumping duty in 1993 on companies from Brazil, the Republic of Korea, Mexico, and the United States. This followed a petition filed in 1992 by the PVC Resin Manufacturers Association, alleging that these countries were exporting PVC resin at unfairly low prices, amounting to dumping. In the years that followed, the Designated Authority began receiving a significant number of requests for initiating anti-dumping investigations. Between 1992 and 2004 alone, a total of 188 such investigations were launched against exporters from

⁸ Giro Lino, 'Dumping: Economic Practices and Impacts on Global Trade' (8 August 2024) <https://www.girolino.com/dumping-economic-practices-and-impacts-on-global-trade/> accessed 15 May 2025.

35 countries, including China (PR), the European Union, Chinese Taipei, Korea (RP), Japan, the United States, Singapore, Indonesia, Thailand, and Russia⁹.

A working paper published by the Indian Council for Research on International Economic Relations (ICRIER) revealed that between 1995 and 2000, India initiated 176 country-specific anti-dumping investigations, accounting for approximately 12% of the total global cases during that period. Article VI of the General Agreement on Tariffs and Trade (GATT), commonly known as the Anti-Dumping Agreement, was codified as a result of the Uruguay Round negotiations in 1994. Following the establishment of this international framework, India amended its domestic laws to align with the global anti-dumping code formulated under GATT.

The legal framework governing anti-dumping measures in India primarily comprises the following:

Customs Tariff Act, 1975 – Sections 9A, 9B, and 9C (amended in 1995)

In the context of a post-colonial, developing economy, it became crucial for India to have legal safeguards to promote fair trade and shield local industries from the adverse effects of foreign trade distortions. In response to this need, anti-dumping and countervailing provisions were added to the Customs Tariff Act in 1982 through Sections 9, 9A, 9B, and 9C.¹⁰

Section 9A¹¹ defines the concept of “dumping” as the practice where goods are exported to India at a price lower than their normal value. A product is considered to be dumped if its export price:

- a) is lower than the comparable price for a similar product sold in the domestic market of the exporting country, or,
- b) in cases where such a price is unavailable, is lower than either:
 - i. the highest comparable price for exports of a like product to a third country, or
 - ii. the production cost in the country of origin, with reasonable additions for selling costs and profit margins.

Customs Tariff (Identification, Assessment, and Collection of Anti-Dumping Duty on Dumped

⁹ Department of Commerce, Government of India, <https://www.commerce.gov.in/> accessed 15 May 2025.

¹⁰ Aradhna Aggarwal, *Anti-Dumping Law and Practice: An Indian Perspective* (ICRIER Working Paper No. 85, 2002) <https://www.icrier.org/pdf/antiDump.pdf> accessed 15 May 2025

¹¹ Customs Tariff Act 1975 (India), s 9.

Articles and for Determination of Injury) Rules, 1995¹² Following India's commitments under the Uruguay Round of GATT negotiations and to operationalize Article VI of GATT 1994, Parliament amended the Customs Tariff Act through the Customs Tariff (Amendment) Act, 1995 (Act No. 6 of 1995), thereby inserting Sections 9A to 9C and replacing the older provisions. These amendments were introduced to bring Indian law in line with the WTO's Anti-Dumping Agreement and the agreement on subsidies and countervailing measures.

INVESTIGATION AND RECOMMENDATION BY THE DESIGNATED AUTHORITY, MINISTRY OF COMMERCE

In India, anti-dumping and countervailing investigations are conducted by the Directorate General of Anti-Dumping and Allied Duties (DGAD), a body functioning under the Department of Commerce, Ministry of Commerce and Industry. The head of the DGAD, known as the "Designated Authority", is tasked with investigating dumping allegations, determining the existence of injury to the domestic industry, and making appropriate recommendations to the Central Government regarding the imposition of anti-dumping or countervailing duties. It is important to note that the Designated Authority does not itself levy duties—it merely advises the government based on its findings. Levy and Collection by the Ministry of Finance Upon receiving the recommendations from the Designated Authority, it falls upon the Ministry of Finance to issue formal notifications imposing the duties. The Director General (Safeguards), operating under the Ministry of Finance, is responsible for implementing and administering such safeguard measures.

ANTI-DUMPING MEASURE BY INDIA AGAINST CHINESE STEEL

India aiming to protect its domestic steel industry from the low cost imports by China imposed 12% duty on certain Chinese steel products. It was seen that the due to dumping by China the stocks of steel companies listed in Indian market was falling drastically from previous 5 years. India's anti-dumping (AD) measures must adhere to the WTO's Anti-Dumping Agreement (ADA) and Article VI of GATT, which require detailed investigations demonstrating dumped imports and material injury to domestic producer.¹³In practice, India's Directorate General of Trade Remedies (DGTR) reports explicitly cite Chinese exports priced below "normal value"

¹² Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules 1995, Notification No 2/95-Cus (NT), dated 1 January 1995

¹³ International Trade Administration, 'Trade Guide: Anti-Dumping' (U.S. Department of Commerce) <https://www.trade.gov/trade-guide-anti-dumping> accessed 15 May 2025.

and evidence of harm to local steelmakers.¹⁴ Official statements emphasize that duties are imposed “as per [WTO] regime” to ensure a level playing field.¹⁵ Formally, this process aligns with WTO rules. Indeed, there have been no known WTO panel challenges specifically against India’s AD duties on Chinese steel, suggesting no clear breach of AD procedures.

Nonetheless, the intensity of India’s AD activity has drawn international scrutiny. A U.S. Trade Commission report notes India files “roughly 20% of all global anti-dumping cases, quite disproportionate to its share of global imports of 2%,” implying a highly protectionist stance.¹⁶ Indian experts even concede that “anti-dumping is a form of protectionism and India is protectionist in that sense”. Critics argue that India’s AD law – like those of many countries – tends to favour large incumbents and can be wielded aggressively (indeed, DGTR’s recent case load shows a dozen of 13 probes targeting China. These observations underscore a tension: while India’s measures are legally structured to meet WTO requirements (investigation, causation, proportionality), their prolific use raises questions about overreach.

In sum, India’s steel AD duties are **permitted** by WTO rules if properly justified. The ADA aims to remedy injury, not block trade per se.¹⁷ Indian authorities must demonstrate dumping margins and injury in each case and regularly review duties (sunset reviews every five years). There is no evidence India systematically flouts these obligations in its statutes or notifications. In fact, India has begun using provisional duties more often (a tool allowed under Article 7 of the ADA) to shield industry during investigations.¹⁸ Thus, on paper India is aligned with its WTO obligations – but continued vigilance is needed to ensure each duty remains justified and is withdrawn when conditions change.

¹⁴ 'DGTR issues final findings in 13 anti-dumping cases mostly against China' *Business Standard* (18 April 2025) https://www.business-standard.com/economy/news/dgtr-issues-final-findings-in-13-anti-dumping-cases-mostly-against-china-125041800542_1.html accessed 15 May 2025.

¹⁵ 'What are anti-dumping duties, imposed by India on 5 Chinese imports?' *Hindustan Times* (24 March 2025) <https://www.hindustantimes.com/business/what-are-anti-dumping-duties-imposed-by-india-on-5-chinese-imports-101742775381982.html> accessed 15 May 2025.

¹⁶ 'Anti-Dumping Duties: Boon or Bane?' *The Dollar Business* (May 2017) <https://in.thedollarbusiness.com/magazine/antidumping-dutiesboon-or-bane/46027> accessed 15 May 2025.

¹⁷ [Trade Guide Anti-Dumping](#)

¹⁸ Lakshmikumaran & Sridharan, 'Provisional anti-dumping measures in India – Overview of the law and practice' (Lakshmikumaran & Sridharan Attorneys) <https://www.lakshmisri.com/insights/articles/provisional-anti-dumping-measures-in-india-overview-of-the-law-and-practice/> accessed 15 May 2025.

IMPACT ON THE DOMESTIC INDUSTRY AND RETALIATORY RISKS

In economic terms, AD duties can provide immediate relief to threatened firms but may have mixed long-term efficacy. Recent data highlight the competitive pressures: for example, in April–July 2023 Chinese mills shipped 0.6 million tonnes of finished steel to India (a 62% jump year-on-year).¹⁹ In response, industry associations pressed for remedies and DGTR recommended duties. In early 2025 the government imposed provisional AD duties on five Chinese steel-related products (aluminum foil, insulated flasks, etc.) to counter “below normal prices”.²⁰ Domestic steelmakers and suppliers welcomed these measures, viewing them as a needed “protective shield” against dumping. For example, alloy-steel producers said Chinese imports were arriving at “very low prices” and planned to file new AD petitions.²¹

However, the effectiveness of duties in safeguarding the industry is not absolute. By raising import prices, duties can temporarily bolster domestic production and investment. Yet downstream users (manufacturers relying on steel inputs) may face higher costs, and protected firms may lack incentive to reduce costs or innovate. Empirical evidence on India’s AD record is mixed: despite the surge in AD cases, scholars note India has not clearly benefited across the board. Professor Aggarwal observes that India’s AD relief has become a “firm-oriented movement” (driven by large companies which can meet the 25% industry-share threshold) rather than uniformly strengthening an industry. In other words, some producers gain market share, but others (especially smaller firms) may not.

Retaliation is a real risk in this tit-for-tat environment. China has already signaled dissatisfaction: in May 2025 it imposed its own AD duties on an Indian agrochemical (cypermethrin), explicitly citing India’s “unfair trade practices”. Chinese analysts warned that India’s aggressive trade remedy use (India launched 47 investigations in 2024, 37 versus China, affecting nearly \$9.8 billion of trade) could “disrupt China-India economic and trade

¹⁹ Reuters, 'India imposes anti-dumping duty on some Chinese steel for 5 years' (11 September 2023) <https://www.reuters.com/markets/commodities/india-imposes-anti-dumping-duty-some-chinese-steel-5-years-2023-09-11/> accessed 15 May 2025

²⁰ HT News Desk, 'What are anti-dumping duties, imposed by India on 5 Chinese imports?' *Hindustan Times* (24 March 2025) <https://www.hindustantimes.com/business/what-are-anti-dumping-duties-imposed-by-india-on-5-chinese-imports-101742775381982.html> accessed 15 May 2025.

²¹ Lakshmikumaran & Sridharan, 'Provisional anti-dumping measures in India – Overview of the law and practice' (Lakshmikumaran & Sridharan Attorneys) <https://www.lakshmisri.com/insights/articles/provisional-anti-dumping-measures-in-india-overview-of-the-law-and-practice/> accessed 15 May 2025.

relations”.²² While this action was in a different sector, it illustrates the potential spiral of retaliatory measures. India itself has employed safeguard duties (e.g. a temporary 12% duty on steel imports in 2025) to curb surges, but broad tariff increases or limits can provoke counter-moves. In the global steel market, dozens of similar actions are underway: WTO members initiated 67 AD probes against Chinese steel in the first 10 months of 2024 and by early 2025 around 29 major cases had been filed internationally against China.²³ Thus, India’s actions occur in a larger trend of trade defense. Provided India’s measures follow WTO procedure (and are non-discriminatory), they do not in themselves violate WTO law, but each side must still guard against escalation. So far, China’s countermeasures against India have been limited and WTO-consistent, but tensions remain.

COMPARATIVE PERSPECTIVE: EU AND US TRADE REMEDIES

India’s approach to Chinese steel mirrors – and diverges from – strategies in other economies. Like India, the United States and the European Union have cited China’s overcapacity as justification for trade remedies. The U.S. frequently treats China as a non-market economy, enabling use of surrogate costs (a practice China has contested in WTO disputes.²⁴ The EU until recently also treated China as non-market, but under pressure to “live up to WTO commitments,” it announced plans to grant China market-economy status by 2026. These legal distinctions affect how dumping margins are calculated but do not change the underlying requirement of proving injury.

In practice, the EU has relied heavily on safeguard measures (quotas) in recent years. For example, since 2021 the EU instituted a “steel safeguard” limiting all extra-EU steel imports (initially excluding China) and has periodically tightened tariff-rate quotas.²⁵ On anti-dumping, the EU maintains duties on certain Chinese steel products (for instance, stainless-steel fasteners were upheld in WTO DS397) and recently imposed new duties on cold-rolled stainless steel up

²² Global Times, 'India launches 29 anti-dumping investigations against Chinese products' (5 May 2025) <https://www.globaltimes.cn/page/202505/1333500.shtml> accessed 15 May 2025.

²³ S&P Global Commodity Insights, 'China's steel exports face rising trade barriers as antidumping cases surge' (25 February 2025) <https://www.spglobal.com/commodity-insights/en/news-research/latest-news/metals/022525-chinas-steel-exports-face-rising-trade-barriers-as-antidumping-cases-surge> accessed 15 May 2025.

²⁴ Cleary Gottlieb, 'Anti-Dumping and Non-Market Economy: Chinese Goods Stand in EU' (Cleary Trade Watch, 14 June 2017) <https://www.clearytradewatch.com/2017/06/anti-dumping-non-market-economy-chinese-goods-stand-eu/> accessed 15 May 2025.

²⁵ European Commission, 'Commission strengthens protection for EU steel industry' (25 March 2025) https://policy.trade.ec.europa.eu/news/commission-strengthens-protection-eu-steel-industry-2025-03-25_en accessed 15 May 2025.

to 25.3%.²⁶ The U.S., by contrast, has combined AD/CVD measures with broad security tariffs (25% on flat steel via Section 232, and AD duties up to hundreds of percent on specific products). In both jurisdictions, ongoing WTO disputes keep the remedies in check. For example, China challenged U.S. AD rules (DS471) and lost, confirming that using alternate price methodologies for Chinese goods did not breach Article 2.4 of the ADA.

Importantly, India's usage of remedies is quantitatively extreme. The Institute for International Economics notes emerging markets led by India have filed many of the new cases: in 2024, 47 out of 160 trade investigations targeting China were launched by developing countries like India, up sharply from 2023.²⁷ By comparison, the EU or US initiate far fewer AD cases each year. Thus, while India's motives (protecting domestic producers from below-cost imports) parallel those of other WTO members, the sheer volume of its cases is unusually high. WTO precedent underscores that any member may use AD as long as procedures are met, but panels have also reminded countries to avoid overly broad or unjustified measures. In short, India's strategy is broadly consistent with global practice – but it arguably pushes the envelope on frequency.

LONG-TERM STRATEGY: COMPETITIVENESS VS. PROTECTIONISM

Anti-dumping duties can serve as a short-term safeguard for industry, but economists caution against relying on them as a permanent crutch. Numerous studies find that anti-dumping protection typically imposes net costs on the economy: it raises prices for consumers and downstream industries, distorts resource allocation, and dulls incentives for protected firms to become more efficient. In India, experts worry that repeated AD relief fosters dependency rather than innovation. As one analysis notes, the Indian industry “has not been able to benefit” fully from its many AD measures, since the remedies often aid only petitioning firms.²⁸ The reliance on AD can also divert effort from raising quality or reducing costs; once duties are in place, domestic producers may have less pressure to modernize.

²⁶ Argus Media, 'EU levies dumping duties on China, Taiwan steel' (22 May 2025) <https://www.argusmedia.com/en/news-and-insights/latest-market-news/1095801-eu-levies-dumping-duties-on-china-taiwan-steel> accessed 15 May 2025.

²⁷ Caliber.az, 'More trade barriers implemented in 2024 against Chinese firms by developing nations than in previous year' (15 April 2025) <https://caliber.az/en/post/more-trade-barriers-implemented-in-2024-against-chinese-firms-by-developing-nations-than-in-previous-year> accessed 15 May 2025.

²⁸ The Dollar Business, 'Anti-Dumping Duties: Boon or Bane?' (May 2017) <https://in.thedollarbusiness.com/magazine/antidumping-dutiesboon-or-bane/46027> accessed 15 May 2025.

Moreover, protracted protection risks clashing with India's broader trade objectives. India has committed to gradual tariff liberalization and market reforms under various trade pacts and WTO schedules. If anti-dumping becomes a default policy, it could slow integration into global value chains and invite accusations of disguised protectionism. Indeed, commentators warn that India's record – “highest number of anti-dumping cases” among developing nations – signals a retreat into protectionist instincts. By contrast, sustainable growth would require balancing temporary remedies with efforts to boost competitiveness: investments in new capacity, adoption of cleaner technology, and improving domestic supply chains so that Indian mills can supply high-quality steel at competitive prices.

That said, many observers accept that some trade defense is legitimate for a large developing economy. China's heavy subsidies and overcapacity have undeniable spillovers; without intervention, local steelmakers might face closures and job losses. The key is restraint. WTO rules, through requirements of “injury”, sunset reviews, and proportionality, implicitly recognize that AD duties should be transitional. In practice, India's steel duties typically last up to five years and are reviewed for renewal. To ensure long-term health, policymakers should view AD duties as part of a broader industrial policy mix – used sparingly and with sunset contingencies. Failure to do so risks entrenching inefficiencies: if firms rely on import barriers instead of competing, the country may pay a high economic price.

CONCLUSION

The imposition of anti-dumping duties on Chinese steel imports represents a complex balancing act for India—between safeguarding domestic industry and upholding its commitments under international trade law. India's decision to levy a 12% duty on non-alloy and alloy steel flat products from China underscores the country's intent to protect its local manufacturers from the adverse effects of unfair pricing strategies. While the WTO's Anti-Dumping Agreement permits such measures when material injury is proven, the broader concern lies in whether these actions reflect genuine remedial intent or verge on protectionism.

The research demonstrates that while anti-dumping duties offer immediate relief to domestic industries like Indian steel, they cannot be a substitute for long-term industrial policy reforms or capacity enhancement. The Indian steel sector, despite having significant potential, has struggled due to price undercutting from China—a nation capable of producing at significantly lower costs due to economies of scale and often, questionable quality standards. The domestic

industry's inability to compete in such an uneven playing field justifies anti-dumping actions as a necessary intervention, provided they are WTO-compliant and based on thorough investigations.

However, over-reliance on these duties may create dependency, shield inefficiencies, and discourage innovation and competitiveness. The purpose of anti-dumping measures, as articulated in the WTO framework, is not to offer permanent protection but to restore fair trade conditions. Hence, while India's actions in this regard appear to align with Article VI of GATT and the WTO's Anti-Dumping Agreement, their sustainability depends on the transparency of investigations, regular reviews, and a clear exit strategy once domestic industries regain competitive strength.

Furthermore, the potential for retaliatory trade actions must not be ignored. China, as a major global trade player, may impose countermeasures that could disrupt other Indian export sectors. Therefore, India must adopt a calibrated strategy that balances legal remedies with diplomatic prudence.

In essence, anti-dumping duties can serve as an important policy tool—but not a long-term strategy. Their effectiveness hinges on India's ability to build industrial resilience, enforce quality standards, and simultaneously promote competitive practices. A forward-looking policy should integrate trade remedy tools with broader economic reforms, enabling India not only to shield itself from unfair trade but also to thrive in an increasingly interconnected and competitive global marketplace.