

## Oil and Natural Gas Corporation Ltd

**Corporate Materials Management** 

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Circular No. 24/2016

No: MAT/PMC/13( 188 )/2016 Dated: 14.06.2016

Sub: Levy of Anti-dumping Duty on imports of Seamless tubes, pipes & hollow profiles of iron, alloy or non-alloy steel other than cast iron and stainless steel), whether hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm or 14" OD, originating in or exported from China PR.

Government of India vide its Notification No. 18/2016-Customs, dated 17.05.2016 (Copy enclosed) has declared imposition of provisional Anti-dumping Duty (ADD) on imports of subject items from the subject country. The ADD imposed under the notification shall be effective for a period not exceeding six months (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be paid in Indian currency. Further, ADD shall be levied at a rate which is equivalent to difference between the landed value of the subject goods and the amount mentioned in the corresponding entry in column (9) of the table provided in the aforesaid notification.

In view of the above, EPC in its meeting (16/2016) held on 31.05.2016 has issued following directives:

i) Cases where contracts have already been awarded: ONGC shall bear the ADD.

For deliveries where Contractual Delivery Date (CDD) is over and ADD is leviable, the supplier should be asked if they are willing to bear ADD. In case the supplier is willing to bear the ADD and also the LD, delivery period can be extended accordingly.

In case the contractor refuses to bear ADD and also the LD, before any decision is taken for cancelling the PO, a detailed analysis would have to be done by Corporate MM considering the financial implications on account of levy of ADD, availability of stock, urgency of requirement and the likely time it would take to procure the material considering the time involved in re-tender, finalization of the tender and lead time in supply of material, to enable decision.

For bearing ADD, approval of Director-I/c MM shall be taken by Chief MM on case to case basis where CDD has expired.

ii) Cases where NITs have been issued and Techno-commercial bids are yet to be opened, following clause shall be inserted in the tender/BEC:

"Wherever Anti-Dumping Duty is levied as per govt. notification\*, and continues to be levied till award of contract, the bids from such bidders on whom Anti-Dumping Duty is applicable, will be evaluated by loading the amount of

applicable Anti-Dumping Duty on their bids in addition to the applicable Customs Dutv.

In case of indigenous bidders, they should note that ONGC will not be liable to reimburse any amount to them, on account of Anti-Dumping Duty for the material imported by them for the execution of the contract."

\*Presently, the amount of ADD will be as provided in the notification dated 17th May 2016 of Ministry of Finance, as amended to date.

Above clause shall also be incorporated in the fresh tender as well.

Cases Techno-commercial bids have been opened and the contract is yet iii) to be awarded: Bids will be evaluated after taking into account the applicable ADD as per notification. However any increase in ADD during execution shall be borne by ONGC as per change in law.

Above guidelines should be meticulously followed by all concerned.

(Ashwini Nagia)

For ED-Chief MM Services

(Through ONGC's intranet website 'ongcreports.net'). Distribution: All concerned may download the circular from the site. Hard copies are not distributed separately.

## Copy to:

EO to CMD, ONGC, Jeevan Bharti Building, New Delhi.

CEA to Director (T&FS) / Director (Offshore) / Director (HR) / Director (Exploration) / Director (Onshore) / Director (Finance), ONGC, Jeevan Bharti Building, New Delhi.

3. CVO, ONGC, Jeevan Bharti Building, New Delhi.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

## GOVERNMENT OF INDIA MINISTRY OF FINANCE (DEPARTMENT OF REVENUE)

## Notification No. 18/2016-Customs (ADD)

New Delhi, the 17<sup>th</sup> May, 2016

- G.S.R. (E). Whereas, in the matter of Seamless tubes, pipes and hollow profiles of iron, alloy or non-alloy steel (other than cast iron and stainless steel), whether hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm or 14" OD (hereinafter referred to as the 'subject goods'), falling under heading 7304 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), originating in, or exported from the People's Republic of China (hereinafter referred to as the 'subject country'), and imported into India, the designated authority in its preliminary findings published in the Gazette of India, Extraordinary, Part I, Section 1, *vide* notification number 14/2/2015-DGAD, dated the 31st March, 2016, has come to the provisional conclusion that -
- (i) the subject goods have been exported to India from the subject country below its normal value, resulting in dumping;
- (ii) the domestic industry has suffered material injury due to dumping of the subject goods from the subject country;
- (iii) the material injury has been caused by the dumped imports of subject goods from the subject countries,

and has recommended imposition of provisional anti-dumping duty on imports of the subject goods, originating in, or exported from subject country and imported into India, in order to remove injury to the domestic industry;

Now, therefore, in exercise of the powers conferred by sub-sections (2) of section 9A of the Customs Tariff Act, read with rules 13 and 20 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, after considering the aforesaid preliminary findings of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the Table below, specification of which is specified in column (8), falling under heading of the First Schedule to the Customs Tariff Act as specified in the corresponding entry in column (2), originating in the countries as specified in the corresponding entry in column (4), exported from the countries as specified in the corresponding entry in column (5), produced by the producers as specified in the corresponding entry in column (6), exported by the exporters as specified in the corresponding entry in column (7), imported into India, an anti-dumping duty at a rate which is equivalent to difference between the landed value of the subject goods and the amount mentioned in the corresponding entry in column (9), provided the landed value is less than the value specified in column (9), in the currency as specified in the corresponding entry in column (11) and as per unit of measurement as specified in the corresponding entry in column (10) of the said Table, namely:-

Table

Sl. No.	Hea ding	Description of goods	Country of origin	Country of export	Producer	Exporter	Specific ation **	Amount	Unit	Curre ncy
1	2	3	4	5	6	7	8	9	10	11
1	7304	Seamless tubes, pipes and hollow profiles of iron, alloy or non- alloy steel (other than cast iron and stainless steel), whether hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm or 14" OD*	People's Republic of China	People's Republic of China	Jiangsu Chengde Steel Tube Share Co., Ltd., People's Republic of China	Jiangsu Chengde Steel Tube Share Co., Ltd., People's Republic of China	A-1-1	1,194.60	МТ	US Dollar
							A-1-2	1,075.28	МТ	US Dollar
							A-1-3	1,383.44	МТ	US Dollar
							A-1-4	1,178.73	МТ	US Dollar
							A-1-5	961.33	МТ	US Dollar
							A-1-6	1,193.77	МТ	US Dollar
							A-1-7	1,462.00	МТ	US Dollar
							A-1-8	1,610.67	МТ	US Dollar
	-do-	-do-	People's Republic of China	People's Republic of China	Yangzhou Chengde Steel Tube Co., Ltd.	Yangzhou Chengde Steel Tube Co., Ltd.	A-1-1	1,194.60	MT	US Dollar
							A-1-2	1,075.28	МТ	US Dollar
							A-1-3	1,383.44	МТ	US Dollar
2							A-1-4	1,178.73	МТ	US Dollar
							A-1-5	961.33	MT	US Dollar
							A-1-6	1,193.77	MT	US Dollar
							A-1-7	1,462.00	MT	US Dollar
							A-1-8	1,610.67	MT	US Dollar
	-do-	-do-	People's Republic of China	People's Republic of China			A-1-1	1,194.60	MT	US Dollar
3					Any other co		A-1-2	1,075.28	MT	US Dollar
							A-1-3	1,383.44	МТ	US Dollar
							A-1-4	1,178.73	МТ	US Dollar
							A-1-5	961.33	MT	US Dollar

							A-1-6	1,193.77	MT	US Dollar
							A-1-7	1,462.00	МТ	US Dollar
							A-1-8	1,610.67	MT	US Dollar
							A-1-1	1,194.60	MT	US Dollar
4	-do-	-do-	Any country other than People's Republic of China	People's Republic of China	Any	Any	A-1-2	1,075.28	MT	US Dollar
							A-1-3	1,383.44	МТ	US Dollar
							A-1-4	1,178.73	MT	US Dollar
							A-1-5	961.33	MT	US Dollar
							A-1-6	1,193.77	MT	US Dollar
							A-1-7	1,462.00	MT	US Dollar
							A-1-8	1,610.67	MT	US Dollar
	-do-	-do-	People's Republic of China	Any country other than People's Republic of China	Any	Any	A-1-1	1,194.60	MT	US Dollar
							A-1-2	1,075.28	MT	US Dollar
							A-1-3	1,383.44	MT	US Dollar
5							A-1-4	1,178.73	MT	US Dollar
							A-1-5	961.33	MT	US Dollar
							A-1-6	1,193.77	МТ	US Dollar
							A-1-7	1,462.00	MT	US Dollar
							A-1-8	1,610.67	МТ	US Dollar

<sup>\*</sup> The description of goods does not include the imports of the following:-

- (i) Seamless Pipes and Tubes made of cast iron and stainless steel.
- (ii) Seamless alloy-steel pipes, tubes and hollow profiles of specifications of ASTM A213/ASME SA 213 and ASTM A335/ ASME SA 335 or equivalent BIS/DIN/BS/EN or any other equivalent specifications.
- (iii) Non API and Premium Joints / Premium Connections / Premium Threaded Tubes & Pipes.
- (iv) All 13 Chromium (13CR) Grade Tubes and Pipes.
- (v) Drill Collars.
- (vi) High pressure seamless steel pipe/tube used for manufacturing gas cylinders by producers approved by the Chief Controller of Explosives, Petroleum and Explosives Safety Organization, Government of India.

Specific ation	Description					
A-1-1	Seamless Tubing, of a kind used in drilling for oil or gas, Carbon/Non Alloy/Alloy, hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm or 14" OD					
A-1-2	Seamless Casing, of a kind used in drilling for oil or gas, Carbon/Non Alloy/ Alloy, hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm or 14" OD					
A-1-3	Seamless Mother Hollows, Coupling stock, blanks/ Pup Joints, Carbon/ Non Alloy/ Alloy , hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm or 14" OD					
A-1-4	Seamless Drill Pipes, of a kind used in drilling for oil or gas, Carbon/Non Alloy, hot finished of an external diameter not exceeding 355.6 mm or 14" OD					
A-1-5	Seamless Tubes, Pipes and hollow profiles including Line pipes of Carbon/Non alloy steel, hot finished of an external diameter not exceeding 355.6 mm or 14" OD					
A-1-6	Seamless Tubes, Pipes and hollow profiles of circular cross section including Line pipes of Carbon/Non alloy steel, cold drawn or cold rolled or cold reduced of an external diameter not exceeding 355.6 mm or 14" OD					
A-1-7	Seamless Tubes, Pipes and hollow profiles of circular cross section including Line pipes and Bearing tubes of Alloy steel, hot finished, of an external diameter not exceeding 355.6 mm or 14" OD					
A-1-8	Seamless Tubes, Pipes and hollow profiles of circular cross section including Line pipes and Bearing tubes of Alloy steel, cold drawn or cold rolled or cold reduced, of an external diameter not exceeding 355.6 mm or 14" OD					

2. The anti-dumping duty imposed under this notification shall be effective for a period not exceeding six months (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be paid in Indian currency.

Explanation. - For the purposes of this notification,-

(a) "landed value" of imports for the purpose of this notification means the assessable value as determined by the customs under the Customs Act, 1962 (52 of 1962) and includes all duties of customs except duties levied under sections 3, 3A, 8B, 9 and 9A of the Customs Tariff Act, 1975;

(b) rate of exchange applicable for the purpose of calculation of such anti-dumping duty shall be the rate which is specified in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), issued from time to time, in exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and the relevant date for the determination of the rate of exchange shall be the date of presentation of the bill of entry under section 46 of the said Customs Act, 1962.

[F. No. 354/47/2016-TRU]

(Anurag Sehgal) Under Secretary to the Government of India