

Daily Economic News Summary: 3 July 2019

1. Govt may impose antidumping duty on imports of tin mill flat rolled steel products from EU, Japan, US, South Korea

Source: Financial Express ([Link](#))

The government may impose anti-dumping duty on imports of certain types of steel products from the EU, Japan, the US and South Korea, as the commerce ministry has started an investigation into an alleged dumping of the item following complaints from domestic players. The Directorate General of Trade Remedies (DGTR), under the commerce ministry, has initiated the probe as it has found evidence of dumping of “coated/plated tin mill flat rolled steel products” from these countries. “The authority accordingly initiates an investigation into the alleged dumping, and consequent injury to the domestic industry...to determine the existence, degree and effect of alleged dumping,” the DGTR said in a notification.

2. Piyush Goyal announces forum for cooperatives to boost farm exports

Source: Financial Express ([Link](#))

Commerce Minister Piyush Goyal 2 July announced formation of a Cooperative Sector Exports Promotion Forum (CSEPF) to achieve the target of doubling farm exports to USD 60 billion by 2022. He also said the first-ever ‘International Cooperative Trade Fair’ will be organised between October 11 and 13 at Pragati Maidan in the national capital to promote exports by cooperatives. There are more than 8 lakh cooperative institutions in India and 94 per cent of the country’s 15 crore farmers are members of at least one cooperative body. “Cooperative Sector Exports Promotion Forum (CSEPF) has been set up in National Cooperative Development Corporation (NCDC) which will work with 20 states and union territories in the area of export,” Goyal said at a press conference in New Delhi.

3. Calling e-cigarettes drugs, Centre all set to ban them in India

Source: Livemint ([Link](#))

E-cigarettes are set to be banned in India on the grounds that they are “drugs”. Recognizing their harmful effects, the health ministry has decided to ban the nicotine inhalers, also known as electronic nicotine delivery systems (ENDS), that are popular among smokers. A notification to

this effect is likely to be issued soon, two health ministry officials aware of the matter said, requesting anonymity. The proposal to ban the battery-operated products is part of the “first 100 days’ agenda” of the Narendra Modi government. These devices do not burn tobacco leaves, but use a heating element to turn a liquid nicotine solution into vapours, which the user inhales. E-cigarettes are unlicensed products and have made their way into India illegally. Marketed as a product that can help smokers quit, e-cigarettes have also become a fashion statement among young tobacco users.

4. Iran hopeful India will act in its national interest on oil imports issue

Source: Livemint ([Link](#))

Amid US sanctions, Iran on 2 July said it believes India will act in its national interest on the issue of oil imports and Tehran can act as a "protector" of India's energy security. Iran's Ambassador to India Ali Chegeni also asserted that his country can provide "affordability, accessibility and security" of energy to India. The Iranian envoy also alluded to the possibility of using barter, rupee and European mechanisms for trade in oil with India and other countries to circumvent the US sanctions. His remarks assume significance as they come days after US Secretary of State Mike Pompeo had assured India that America is "doing everything" to ensure crude oil imports to New Delhi in the wake of the situation arising out of sanctions on importing oil from Iran. Pompeo had said India has made "hard choices" to cut off oil imports from Iran. Referring to External Affairs Minister S Jaishankar's remarks at the joint press interaction with Pompeo here last week, Chegeni said: "If Mr. Jaishankar said affordability, accessibility and security of energy. Iran is the only country that can provide all these aspects of energy for India."

5. Indo-US trade talks to resume next week

Source: The Economic Times ([Link](#))

India and the US will resume their bilateral trade talks, with senior officials of the United States Trade Representative (USTR) visiting New Delhi next week. Assistant USTR Chris Wilson and deputy assistant USTR Brendan Lynch will be in New Delhi for trade talks, the first after India increased tariffs on 28 American goods following the US putting an end to preferential benefits to Indian exports last month. “Things are moving after the G20 summit. USTR officials will come to India for talks in the next few days,” an official in the know of the development told ET.

The revival of the talks comes after Prime Minister Narendra Modi and US President Donald Trump, at the Osaka G20 Summit, agreed for an early meeting of their commerce ministers to sort out the trade issues. The agenda of the official level meeting is still being firmed up. “There are many issues ... the agenda is not final yet,” the official said.

6. UK High Court allows Vijay Mallya to appeal against his extradition

Source: The Economic Times ([Link](#))

The Royal Courts of Justice in the UK on 2 July allowed Vijay Mallya to appeal against his extradition order, a development that could delay India’s efforts to bring the businessman home to face charges of fraud and money laundering. New Delhi was expecting to bring him to India soon, after Justice William Davis of the High Court of England & Wales in April rejected Mallya’s application against UK home secretary Sajid Javid’s order allowing his extradition. 2 July’s order by a two-judge bench means the case will now proceed to a full hearing at the high court that will decide whether the order to extradite him, initially given by a magisterial court, was lawful.

7. OYO forays into Vietnam

Source: Firstpost ([Link](#))

Hospitality firm OYO on 2 July said it has forayed into Vietnam with over 90 hotels across six cities as it expands presence in South East Asia. The company will invest \$ 50 million over the next few years in Vietnam and create 1,500 direct and indirect jobs in the country, OYO said in a statement. Starting with over 90 franchised hotels, spread across cities, including Hanoi, Ho Chi Minh, Da Nang, Phu Quoc, Vang Tau and Nha Trang, OYO Hotels plans to expand its footprint to 10 cities in Vietnam by 2020-end, it added. “We aim to grow to 10 cities and 20,000 rooms by 2020-end, while becoming a household name for both local and international travellers in Vietnam,” OYO Vietnam Country Head Dushyant Dwibedy said. The company’s growth in the country will be fuelled by strong local leadership and a team of hundreds of young hospitality enthusiasts, he added.

8. Shein partly shuts India ops as crackdown against Chinese e-tailers widens

Source: Business Standard ([Link](#))

Chinese e-tailer Shein has shut operations partially in India and has begun refunding money to customers with pending orders due to scrutiny on their business model by India's customs department over import duties. Earlier this month, Mumbai Customs reportedly seized around

500 parcels of Shein and Club Factory. The seizure order showed that a Shein warehouse stands sealed in Mumbai after officials found it undervaluing and wrongly declaring goods. “Major items on shein.in is imported in bulk and then dispatched. Due to customs clearance issue for import, there is no certain release date till now. To protect your interest we will cancel the order & arrange refund at the earliest,” read a message to a customer after the order was cancelled, reported the Economic Times. Chinese e-commerce firms employ importers such as Sino India Etail and Globemax to bring in goods ordered by their customers into India in bulk, allowing them to bypass the cumulative 42.08% duty levied on individual imports, ET reported. It added that these firms use the CB-13 low-value consignment route, which calls for very little disclosure.