

# Govt on guard against dumping

Tightens vigil on China imports amid concerns that Beijing may reroute its shipments

SHREYA NANDI  
New Delhi, 4 April

India has tightened surveillance of incoming shipments amid mounting concerns that Chinese goods could flood its market, following the US' decision to slap reciprocal tariffs on major trading partners.

The Department of Commerce has been holding back-to-back internal meetings, chaired by Commerce Secretary Sunil Barthwal, to firm up a strategy in this connection. "The commerce department is alert," said a person familiar with the matter. "It had been closely monitoring the import situation even before the US announced its reciprocal tariffs on Wednesday. The US has been levying additional tariffs on Chinese goods."

On April 2 (Eastern Time), US President Donald Trump signed an executive order introducing new reciprocal tariffs, imposing additional ad valorem duties ranging from 10 per cent to 50 per cent on imports from a host of countries. The baseline 10 per cent duty is due to take effect on Saturday, with additional country-specific duties coming into force from April 9.

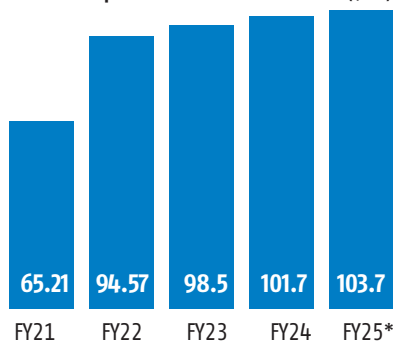
While the White House has adjusted the reciprocal tariff on India to 26 per cent, down from the initially stated 27 per cent, China has been hit with a steeper tariff of 34 per cent.



## MAJOR SOURCE

India's imports from China

Value (\$bn)



► India is currently conducting anti-dumping investigations on a range of Chinese imports, including chemicals, glass fibres, elevator guide rails, low-ash met coke, and cranes

\*From April-February  
Sources: Department of Commerce, DGTR

## TARIFFS ARE NEGOTIABLE: TRUMP



“WELL, IT DEPENDS. IF SOMEBODY SAID THAT WE'RE GOING TO GIVE YOU SOMETHING THAT'S SO PHENOMENAL...”

US President Donald Trump on if he's willing to make deals with other countries over reciprocal tariffs

REPORT ON PAGE 8

# Pharma firms likely to pass on costs in US as fresh levy looms

SOHINI DAS & RAM PRASAD SAHU  
Mumbai, 4 March

Indian pharmaceutical companies expect to largely pass on the impact of new US tariffs to customers, minimising pressure on margins.

But the markets remain spooked by US President Donald Trump's warning that pharma tariffs shall be imposed at "levels you haven't really seen before". The Nifty Pharma index slipped more than 4 per cent on Friday.

Industry insiders are hopeful that India will push for zero import duties on pharmaceuticals in bilateral trade negotiations with the US. The Indian Pharmaceutical

## AMERICAN EXPOSURE

% share of US in total sales



Company	FY24	9MFY25
Sun Pharma	32	31
Cipla	29	29
DRL	46	46
Lupin	36	36
Glenmark	26	23
Aurobindo	49	46
Zydus Lifsciences	44	47

Source: Companies, HSIE Research

COMPASS: HIGH TARIFFS MAY SIGNIFICANTLY DENT PHARMA PROFITS P10►

Alliance has already requested that the government consider cutting the current 5-10 per cent import duty to zero; the country imports drugs worth \$800 billion while

exporting \$8.7 billion worth of pharmaceuticals.

Trump has signalled that the tariffs will be announced "in the near future."

Turn to Page 6 ►

# Tariffs on China may lead to a potential supply glut: Experts

This comes on top of an existing 20 per cent tariff on Chinese imports into the US, pushing the total duty to 54 per cent. These new measures add to tariffs already imposed on select Chinese goods under the previous Joe Biden administration, which have been in effect since September last year. Experts say the rising tariffs are gradually shutting China out of the American market, leading to a potential supply glut. Concerns are now mounting that Beijing could redirect its exports elsewhere, raising the threat of dumping.

“China has already reduced its exposure to the US market. If you observe, Chinese imports into the country (India) have been gradually on a rise. The government needs to be more proactive now,” said Biswajit Dhar, distinguished professor at the Council for Social Development. He added that with US tariffs covering a wide range of products, the risks extend across all categories.

In the past, the commerce department maintained that India had a strong institutional mechanism to prevent dumping of goods from China, with the presence of the Directorate General of Trade Remedies system. This seeks to ensure that an effective anti-dumping system is in place.

According to the commerce department's data, India imported goods worth \$103.7 billion from China between April and February of the 2024–25 financial year — an increase of 10.4 per cent vis-à-vis the year-ago period. In contrast, exports to China fell by 15.7 per cent to \$12.7 billion. Key imports from China include computer hardware, electrical and electronic components, telecom instruments, and raw plastic materials. India is currently conducting anti-dumping investigations into several Chinese products, including chemicals, glass fibres, elevator guide rails, low ash met coke, and cranes.

According to a report by CareEdge Ratings, the imposition of high reciprocal tariffs by the US on other competing nations raises the possibility of increased dumping by those nations in India, as well as in other export markets.