


Name:			
Enrolment No:			
UNIVERSITY OF PETROLEUM AND ENERGY STUDIES End Semester Examination, May, 2019			
Course: Dumping and Countervailing Duty (Hons- 3) (International Trade & Investment Law specialization)			
Programme: BBALLB (International Trade & Investment Law)			Semester: VI
Course Code: LLBL303			
Time: 03 hrs.			Max. Marks: 100
Instructions:			
SECTION A			
S. No.	Write short notes on the following: 50 words	Marks	CO
Q 1	National Treatment Obligation	2	CO1
Q 2	General Most Favoured Nation obligation	2	CO1
Q 3	Like product	2	CO1
Q 4	Dumping	2	CO3
Q 5	Relationship between GATT 1947 and GATT, 1994	2	CO1
SECTION B			
Q 6	Explain the role of World Trade Organization in international trade.	5	CO2
Q 7	Explain the concept of subsidy with the help of illustration and cases.	5	CO3
Q 8	What is the procedure for determining countervailing measures in India?	5	CO2
Q 9	What is margin of dumping? Illustrate.	5	CO3
SECTION-C			
Q 10	State A has been manufacturing Motorbikes at large scale. These motorcycles are of high-end classification. It contains 500 cc twin spark engine, which provides the motorbike strength, and mileage both. State provides a tax relief to that manufacturer of such bikes who receives substantial export order thereof. State B is growing economy which has created a huge number of middle class income group in that country. State B has a local industry of moped and motorcycles. The maximum capacity of engines of such motorbikes and moped is 150 and 350 cc. State B has recently seen a growing demand of motorcycle from State A. This has led	2x5=10	CO4

	<p>to the stagnation in motorcycle and moped market of State B. The manufacturer of State B has approached the designated authority of their state to request measures to prevent undue advantage to the products of State A. Both the states are member of WTO and its associated treaties. The laws of State B are pari materia to Indian Law.</p> <p>a) Would you plead dumping measure or countervailing measures? Give reasoning.</p> <p>b) Once you determine the appropriate measure, explain and illustrated if such measures would be legally tenable?</p>		
Q 11	<p>a) Explain the distinction between countervailing measures and dumping. Illustrate with the help of decided cases.</p> <p>b) Write the scheme of dispute settlement mechanism under WTO.</p>	2x5=10	CO2
SECTION-D			
Q 12	<p>A) Terro Alloys is a company in State A, and it is manufacturer of steel. It has been exporting its product to State B. The product of Terro Alloys are being sold in the State A at 1000 rs./ quintal. Terro Alloys decides to export their product to State B. Terro Alloys declares the export price at 900 Rs/quintal. By the time the products hits the retail market of State B, the price of Terro Alloys swells up to 925 Rs/quintal. The domestic industry is selling the steel alloy at 930Rs/quintal. The domestic industry files a complaint with the Designated Authority, a body to deal with questions of dumping and countervailing measures in the State, alleging dumping. The decision of Designated Authority came on Jan 1 2012.</p> <p>a) Acting as the Designated Authority write a report explain what legal rules you will apply to determine if there is dumping.</p> <p>B) China was a net importer of insulators, and, in fact, Indian producers were supplying insulators in China. However, significant capacities were</p>	25x2	CO4

	<p>added in China to meet their extraordinarily high demand for 87 power generation and transmission equipment, including electrical insulators. This led to substantial additions to the capacities for insulator production. China's power capacity increased from 236.5 GW in 1965 to 874.1 GW in 2009 at a CAGR of 11%. By the end of June 2010, total generation capacity reached 907.9 GW. The applicants have further claimed that after the Beijing Olympics, the demand for fresh power capacity addition within China declined considerably, resulting in substantial decline in demand for power generation and transmission equipments, including insulators. This has forced the Chinese producers to look for other markets for their large capacities, which are increasingly becoming idle. Thus, Chinese demand for the product has considerably declined, while producers in China continue to hold large capacities. Imports are undercutting the prices of the domestic industry. The volume of imports has increased significantly. The consumers have increasingly switched their requirements to Chinese suppliers as a result of significant price difference. Thus, the price undercutting has led to significant increase in market share of imports and decline in market share of the domestic industry.</p> <p>a) In light of aforementioned facts determine if the domestic industry in will have material injury or threat to material injury in light of Customs Act, 1975 and Rules made thereunder.</p>		

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SECTION A

S. No.	Question	Marks	CO
Q 1	Dumping	2	CO3
Q 2	Countervailing measures	2	CO1
Q 3	Most Favoured Nation	2	CO1
Q 4	Function of General Council	2	CO3
Q 5	What is non injurious price and injury margin?	2	CO3

SECTION B

Q 6	Explain the concept of subsidy under Art.VI of GATT, 1994	5	CO1
Q 7	Determination of Injury under Agreement on Implementation of Art. VI	5	CO1
Q 8	Appointment and duties of Designated Authority in India.	5	CO2
Q 9	Relationship between GATT 1947 and GATT, 1994	5	CO2

SECTION-C

Q 10	Write a brief note on the historical evolution of World Trade Organization.	5	CO4
Q 11	A) Explain the concept of Sunset review under Indian laws with the help of decided cases. B) Distinguish between Anti-Dumping and Countervailing measures.	2x5 = 10	CO3
Q 12	Write a succinct report on the dispute resolution mechanism of World Trade Organization.	5	CO3

SECTION-D

Q 13	A) State X is a developing economy. The economy of country is predominantly agricultural, of which grape being the prime crop. The government of State X has	25x2 = 50	CO4
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decided to shift the economic base of the country from agriculture to processed food. It is in this regard that Ministry of Agriculture has prepared a blueprint delineating the roadmap for value addition in an agrarian society. The Ministry is proposing a law for grape producing farmers. Farmers who will collaborate with those industries, which will make wine from grapes and also get import order, will be given loan waiver, and law pertaining to waiver of all income tax/corporate tax for grape producing farmers and wine producing industries was also enacted. This measure of the State X saw a upsurge in the export of wine. State Y has always be a leading country for export of wine for last two decades, however, it witnessed a significant loss of business because of the wine of State X. The cost of the wine producing in State X is very low when compare to that of State Y. State Y has approached the Designated Authority thereof and asked for appropriate measures to be levied in order to protect the export of wine therefrom. Both State X and State Y are party to treaty establishing WTO and all allied treaty thereof. Municipal laws of State Y are pari materia with the laws of India.

i) Prepare a Memo as to the legal rules and appropriate measures to be taken by Designated Authority.

B) China was a net importer of insulators, and, in fact, Indian producers were supplying insulators in China. However, significant capacities were added in China to meet their extraordinarily high demand for 87 power generation and transmission equipment, including electrical insulators. This led to substantial additions to the capacities for insulator production. China's power capacity increased from 236.5 GW in 1965 to 874.1 GW in 2009 at a CAGR of 11%. By the end of June 2010, total generation capacity reached 907.9 GW. The applicants have further claimed that after the Beijing Olympics, the demand for fresh power capacity addition within China declined considerably, resulting in substantial decline in demand for power generation and transmission equipments, including insulators. This has forced the Chinese producers to look for other markets for their large capacities, which are increasingly becoming idle. Thus, Chinese demand for the product has considerably declined, while producers in China continue to hold large capacities. Imports are undercutting the prices of the domestic industry. The volume of imports has increased significantly. The consumers have increasingly switched their

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