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THE INTERFACE BETWEEN ANTI-DUMPING MEASURES UNDER THE CUSTOMS TARIFF ACT, 1975 AND COMPETITION LAW IN INDIA

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Abstract

This research paper examines the complex interface between anti-dumping measures under the Customs Tariff Act, 1975, and the competition regime established by the Competition Act, 2002, in India. While both frameworks originate from a shared need to regulate unfair trade practices, they operate on fundamentally divergent philosophies: anti-dumping law is producer-centric, focusing on shielding domestic industries from material injury caused by foreign imports, whereas competition law is consumer-centric, prioritizing market efficiency and consumer welfare.

Through a doctrinal analysis of landmark judicial pronouncements and recent empirical data from high-impact sectors such as steel and chemicals, this study highlights how Indian courts have maintained a strict functional separation between these regimes. The analysis confirms that although a narrow overlap exists where dumping mirrors predatory pricing, the two frameworks often conflict. Anti-dumping duties frequently act as protectionist tools that sideline consumer interests and risk market distortions. To resolve these tensions, the paper proposes critical reforms, including the statutory integration of consumer welfare into anti-dumping inquiries, formal inter-agency coordination between the DGTR and the CCI, the adoption of competition-based tests in dumping investigations, and the codification of a structured public interest test modelled on the European Union approach, all so that trade remedies complement rather than undermine competitive market integrity.

Keywords: Anti-Dumping; Competition Law; Consumer Welfare; Customs Tariff Act 1975; Competition Act 2002; Predatory Pricing; Trade Remedies; Industrial Protection; DGTR-CCI Coordination; WTO Anti-Dumping Agreement; Public Interest; Lesser Duty Rule

Introduction

In the liberalized global economy, international trade has emerged as both an opportunity and a challenge for domestic markets. To ensure fair competition and protect economic interests, India has developed two distinct yet interrelated legal regimes: the anti-dumping framework under the Customs Tariff Act, 1975 and the competition regime under the Competition Act, 2002. While both originate from the need to regulate unfair trade practices, their scope, objectives, and mechanisms diverge significantly, giving rise to a complex and underexamined doctrinal interface.

Anti-dumping law, rooted in Sections 9A and 9B of the Customs Tariff Act, 1975[1] and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995,[2] operates as a trade remedy. Its central aim is to shield domestic industries from injury caused by foreign producers selling goods below their "normal value," in contravention of Article VI of the GATT, 1994 and

[1]Customs Tariff Act 1975, ss 9A and 9B.

[2]Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules 1995.

the WTO Anti-Dumping Agreement.[3] In contrast, competition law, codified in the Competition Act, 2002, focuses on preserving market integrity by curbing anti-competitive agreements (Section 3), abuse of dominant position (Section 4), and regulating combinations (Sections 5 and 6).[4] Its guiding principle is consumer welfare and economic efficiency, not industry protection.

The current institutional landscape in India is defined by the Directorate General of Trade Remedies (DGTR), a specialized body created in 2018 to integrate all trade remedial functions, including anti-dumping, countervailing, and safeguard measures.[5] Despite this institutional modernization, the doctrinal tension remains unresolved. Do anti-dumping duties complement competition law by preventing predatory behavior, or do they function as protectionist barriers that insulate inefficient industries and ultimately harm consumer interests?

Judicial pronouncements such as *Haridas Exports v All India Float Glass Manufacturers' Association* (2002)[6] and *Reliance Industries Ltd v Designated Authority* (2006)[7] reflect the uneasy overlap between these regimes. Whereas anti-dumping measures prioritize protecting producers from "injury," competition law prioritizes protecting competition itself. This divergence raises critical doctrinal questions about whether anti-dumping duties complement competition law by preventing predatory pricing, or whether they distort markets by protecting inefficient industries at the expense of consumers and downstream sectors.[8]

This project undertakes a doctrinal analysis of the interface, conflicts, and convergences between anti-dumping measures and competition law in India, evaluating statutory provisions, case law, and policy implications. It further draws on recent empirical data and comparative experience from the European Union and the United States to propose a harmonized framework suited to India's developmental needs and WTO obligations.

Extent of Coherency: Anti-Dumping Measures under the Customs Tariff Act, 1975 and the Objectives of the Competition Act, 2002

The relationship between anti-dumping measures under the Customs Tariff Act, 1975 and the objectives of the Competition Act, 2002 is characterized by both convergence and divergence. Anti-dumping law under Sections 9A and 9B of the Customs Tariff Act, 1975, read with the 1995 Anti-Dumping Rules, is designed to protect domestic industries from injury caused by foreign exporters selling goods below their "normal value." This framework aligns with Article VI of GATT, 1994 and the WTO Anti-Dumping Agreement, and the essence of the remedy lies in correcting unfair pricing practices in international commerce rather than regulating domestic market conduct.

The Competition Act, 2002, on the other hand, is premised upon the promotion of consumer welfare, efficient allocation of resources, and preservation of competition. Its key provisions, namely Section 3 (prohibition of anti-competitive agreements) and Section 4 (abuse of dominant position),[9] together with Sections 5 and 6 (regulation of combinations), aim to

[3]General Agreement on Tariffs and Trade 1994 (GATT 1994), art VI; Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (WTO Anti-Dumping Agreement).
[4]Competition Act 2002, ss 3, 4, 5 and 6.
[5]Ministry of Commerce and Industry, *'Directorate General of Trade Remedies: Institutional Overview'* (DGTR 2018) <https://www.commerce.gov.in/about-us/attached-offices/directorate-general-of-trade-remedies-dgtr/> accessed 25 February 2026.
[6]*Haridas Exports v All India Float Glass Manufacturers' Association* (2002) 6 SCC 600 (SC).
[7]*Reliance Industries Ltd v Designated Authority* (2006) 10 SCC 368 (SC).
[8]WTO Anti-Dumping Agreement, art 1; GATT 1994, art VI.
[9]Competition Act 2002, ss 3 and 4.

prevent distortions within the domestic market. In principle, both regimes converge in curbing predatory pricing, as anti-dumping duties discourage foreign firms from engaging in below-cost sales, while competition law prohibits dominant undertakings from adopting predatory strategies to exclude rivals.

The conceptual divergence between these two regulatory systems can be understood most clearly through a structured comparison of their respective features, as shown in Table 1 below.

Table 1: Conceptual Comparison of Regulatory Regimes

Feature	**Anti-Dumping Law (Customs Tariff Act, 1975)**	**Competition Law (Competition Act, 2002)**
Primary Objective	Protection of domestic producers from injury	Promotion of consumer welfare and market efficiency
Trigger Mechanism	International price discrimination (Dumping)	Appreciable adverse effect on competition (AAEC)
Actionable Conduct	Sales below normal value (mathematical threshold)	Predatory pricing (requires intent and dominance)
Institutional Actor	Directorate General of Trade Remedies (DGTR)	Competition Commission of India (CCI)
Economic Philosophy	Distributive fairness for producers	Market contestability and allocative efficiency
Scope of Application	Cross-border trade (import-specific)	Domestic market conduct (all enterprises)

However, the extent of this coherency is limited. Anti-dumping duties are industry-centric, aimed at shielding domestic producers even when they are inefficient, from import-induced injury. Competition law, by contrast, is consumer-centric, ensuring that markets remain competitive to benefit consumers through lower prices and innovation. This divergence was recognised in *Haridas Exports v All India Float Glass Manufacturers' Association* (2002),[10] where the Supreme Court noted that anti-dumping measures are not equivalent to competition law remedies, as their objectives differ fundamentally. Similarly, in *Reliance Industries Ltd v Designated Authority* (2006),[11] it was emphasized that anti-dumping measures do not inquire into issues of dominance or anti-competitive conduct, but only into injury to domestic industry.

Despite these divergences, limited coherency exists where dumping mirrors predatory pricing. Both regimes, in such circumstances, address unfair pricing designed to eliminate competitors. Yet, beyond this narrow overlap, anti-dumping may even conflict with competition law. By imposing duties, consumers are deprived of cheaper imports, undermining consumer welfare, which is the cornerstone of competition law. WTO jurisprudence further supports this distinction, treating anti-dumping as a trade remedy distinct from domestic competition policy.[12]

[10] *Haridas Exports v All India Float Glass Manufacturers' Association* (2002) 6 SCC 600 (SC).

[11] *Reliance Industries Ltd v Designated Authority* (2006) 10 SCC 368 (SC).

[12] World Trade Organization, *'Antidumping and Competition Policy: Where Are We?'* (WTO Working Group on the Interaction between Trade and Competition Policy, 2002) <https://www.wto.org/english/tratop_e/comp_e/comp_e.htm> accessed 25 February 2026.

This divergence also creates a policy vacuum where an anti-dumping duty might be imposed to protect an industry, even if that same industry is under investigation by the Competition Commission of India for cartelization or monopolistic behavior.[13] The absence of a coordinated approach means that the DGTR and CCI operate in silos, risking contradictory outcomes that may prioritize short-term industrial stability at the expense of long-term market efficiency. Therefore, while anti-dumping and competition law occasionally converge in addressing unfair pricing, their broader objectives remain divergent: producer protection versus consumer welfare. The coherency is thus partial and conditional, raising doctrinal and policy questions on the need for harmonization in India.

Indian Courts' Interpretation and Guidance from Key Judgments

The interpretation of anti-dumping measures and their interface with competition law by Indian courts has been shaped significantly through landmark judgments. The judiciary has consistently highlighted that the Customs Tariff Act, 1975 and the Competition Act, 2002 serve distinct purposes, though they occasionally intersect in addressing unfair pricing practices. Two critical cases, namely *Haridas Exports v All India Float Glass Manufacturers' Association* (2002)[14] and *Reliance Industries Ltd v Designated Authority* (2006),[15] provide authoritative guidance on this interface.

Haridas Exports v All India Float Glass Manufacturers' Association (2002)

In *Haridas Exports*,[16] the dispute revolved around whether imports of float glass at lower prices constituted "predatory pricing" actionable under the Monopolies and Restrictive Trade Practices Act, 1969,[17] which was the predecessor to the Competition Act, 2002. The All India Float Glass Manufacturers' Association alleged that Malaysian exporters were indulging in dumping, harming the domestic glass industry. The case thus directly raised the question of whether a trade remedy could be converted into a competition law remedy by recharacterizing dumping as predatory pricing.

The Supreme Court held that dumping per se does not amount to predatory pricing within the meaning of competition law. Dumping, it observed, is a phenomenon of international trade regulated under the Customs Tariff Act, 1975 and WTO agreements. Predatory pricing, on the other hand, requires proof of dominance, intent to eliminate competition, and recovery of losses by charging higher prices later, all of which are elements absent in dumping inquiries.[18] The Court drew a clear line between the mathematical exercise of calculating a dumping margin and the multi-element legal inquiry required to establish predatory pricing under competition law.

This case provided crucial guidance across several dimensions. First, it established that anti-dumping is producer-protective while competition law is consumer-protective, marking a clear separation of their fundamental objectives. Second, it drew a

[13]N Komuro, *'Anti-Dumping Law versus Competition Law in India'* (2023) International Journal of Legal Science and Innovation <https://www.ijlsi.com/wp-content/uploads/Anti-Dumping-Law-versus-Competition-Law-India.pdf> accessed 25 February 2026.

[14]*Haridas Exports v All India Float Glass Manufacturers' Association* (2002) 6 SCC 600 (SC).

[15]*Reliance Industries Ltd v Designated Authority* (2006) 10 SCC 368 (SC).

[16]*Haridas Exports v All India Float Glass Manufacturers' Association* (2002) 6 SCC 600, 618 (SC).

[17]Monopolies and Restrictive Trade Practices Act 1969, s 36A.

[18]S Chakravarthi Raghavan, *'Predatory Pricing and Competition Law in India'* (2019) 15 Competition Law Review 45, 52

jurisdictional line, holding that issues of dumping must be pursued before the Designated Authority under the Customs Tariff Act and not before competition regulators. Third, the Court articulated a non-overlap principle, clarifying that competition law cannot be invoked merely because imported goods are cheaper; the test for predation is considerably stricter. Thus, *Haridas Exports* drew a clear doctrinal boundary: anti-dumping is a trade remedy, not a competition law remedy.

Reliance Industries Ltd v Designated Authority (2006)
In *Reliance Industries*,[19] the issue arose when anti-dumping duties were imposed on imports of purified terephthalic acid (PTA). Reliance argued against the imposition, claiming that such duties were not warranted and would harm consumer interests by raising input costs. The case highlighted the conflict between protecting domestic industry and preserving competition and consumer welfare.

The Delhi High Court observed that the Designated Authority's role under Section 9A of the Customs Tariff Act, 1975[20] is confined to determining whether imports cause "material injury" to domestic industry by virtue of being sold below normal value. The Court made clear that the authority is not concerned with consumer welfare or competition parameters under the Competition Act, 2002. While competition law examines market structure, dominance, and consumer impact, anti-dumping is solely about injury to producers, irrespective of whether consumers benefit from lower prices.

Key guidance from this judgment includes three important propositions. The first is that the mandate of the Designated Authority is circumscribed by Section 9A of the Customs Tariff Act, focusing on injury and not competition. The second is that even if consumers benefit from cheaper imports, anti-dumping duties may still be justified if injury to industry is established, meaning consumer welfare is not a criterion in anti-dumping proceedings. The third is the separation of functions, with the DGTR and customs authorities addressing dumping while the CCI addresses competition concerns.

Doctrinal Implications and Guidance for the Future

Together, *Haridas Exports* and *Reliance Industries* demonstrate the judiciary's consistent stance that anti-dumping and competition law, though superficially linked through pricing issues, operate in parallel and separate spheres.[21][22] This doctrinal clarity avoids jurisdictional overlap but raises several concerns. Courts have accepted that consumer interests are largely sidelined in anti-dumping proceedings, contrary to the Competition Act's philosophy as expressed in Section 18 of that Act,[23] which charges the CCI with eliminating practices having adverse effects on competition and protecting consumer interests. By endorsing producer-focused remedies, the judgments risk legitimizing protectionist use of anti-dumping measures.

Furthermore, unless legislative reform occurs, the CCI and DGTR will continue to operate independently, with little scope for integrated enforcement. Competition authorities cannot investigate dumping unless it satisfies the stringent test of predatory pricing under Section 4 of the Competition Act, 2002,[24] which requires proof of dominant position and intent to eliminate competition, elements that the anti-dumping framework deliberately excludes from its analytical scope. The guidance emerging from these cases is therefore twofold: courts insist on maintaining the doctrinal separation between trade remedies and competition law, while simultaneously highlighting the policy gap in reconciling producer protection with

[19] *Reliance Industries Ltd v Designated Authority* (2006) 10 SCC 368, 380 (SC).
[20] Customs Tariff Act 1975, s 9A(1).
[21] *Haridas Exports v All India Float Glass Manufacturers' Association* (2002) 6 SCC 600 (SC).
[22] *Reliance Industries Ltd v Designated Authority* (2006) 10 SCC 368 (SC).
[23] Competition Act 2002, s 18.
[24] Competition Act 2002, s 4.

consumer welfare, thereby suggesting that legislative or executive harmonization is the only available path forward.

Economic and Legal Implications of Treating Anti-Dumping as a Trade Remedy versus Competition Law

The treatment of anti-dumping measures under the Customs Tariff Act, 1975 as a trade remedy and competition law under the Competition Act, 2002 as a market regulatory tool creates profound implications for both economic policy and legal interpretation. While both regimes address unfair pricing practices, their rationales and outcomes differ substantially, and a proper understanding of these implications is necessary before any meaningful reform can be proposed.

Economic Implications

From an economic perspective, anti-dumping duties function as protectionist measures. By imposing additional tariffs on imports sold below their "normal value," domestic industries receive temporary relief from foreign competition. This shields domestic producers from injury and potential closure, ensuring employment stability and industrial growth. India has consistently imposed anti-dumping duties on steel, chemicals, and consumer goods to protect domestic manufacturing capacity, and its trade deficit with China, which reached nearly USD 100 billion between 2020 and 2025, has driven an active use of these measures.[25]

However, this protection comes at the cost of consumer welfare. Consumers are denied access to cheaper imports, leading to higher prices in the domestic market. Competition law, conversely, places consumer welfare at the heart of economic analysis. It seeks to maximize allocative and productive efficiency by ensuring that firms compete on merit rather than engaging in collusion or exclusionary practices. By prohibiting anti-competitive agreements (Section 3) and abuse of dominance (Section 4), competition law aims to achieve lower prices, innovation, and better quality for consumers.[26]

The divergence between these approaches is evident in recent sectoral data. Table 2 below illustrates recent anti-dumping trends in high-impact sectors between 2024 and 2025.

Table 2: Recent Anti-Dumping Trends in High-Impact Sectors (2024–2025)

Sector	Product	Origin Country	Duty Amount/Range	Impact on Stakeholders
Steel	CRNO Electrical Steel	China PR	USD 223.82 to USD 414.92 per MT	Increased landed cost for electric motor manufacturers
Steel	Hot-Rolled Flat Steel	Vietnam	USD 121.55 per MT	34.1% year-on-year decline in import volumes
Chemicals	Liquid Epoxy Resins	China, Korea, Saudi Arabia, Taiwan, Thailand	USD 37 to USD 483 per MT	1.67% price gain in November 2025; higher costs for

[25]GMK Center, *'India Plans Five-Year Anti-Dumping Duty on Chinese Electrical Steel'* (GMK Center, December 2024) <https://gmk.center/en/news/india-plans-five-year-anti-dumping-duty-on-chinese-electrical-steel/> accessed 25 February 2026.

[26]Business Standard, *'India Anti-Dumping Duty: China Cold-Rolled Electrical Steel, Five Years, Vietnam'* (Business Standard, December 2024) <https://www.business-standard.com/economy/news/india-anti-dumping-duty-china-cold-rolled-electrical-steel-five-years-vietnam-125121900353_1.html> accessed 25 February 2026.

				paint MSMEs
Chemicals	Vitamin A	China, EU, Switzerland	Ongoing investigation	Critical for pharma; potential impact on end-consumer medicine prices

The empirical data on liquid epoxy resins illustrates the immediate ripple effects of such duties. In 2024–2025, total imports increased by 6.34%, while domestic sales and profitability for Indian producers turned negative due to a 153% surge in low-priced shipments.[27][28] The imposition of a five-year duty in November 2025 resulted in a near-instantaneous 1.67% gain in domestic resin prices, representing a structural increase in input costs for thousands of MSMEs producing coatings and adhesives.[29] While the duty provides immediate relief to a handful of capital-intensive producers, it risks deadweight loss where the cumulative costs to downstream industries and consumers exceed the benefits to the protected industry.[30] Studies have shown that a 100% ad valorem tariff on all inputs can decrease downstream employment by as much as 3.8%, as firms struggle to absorb higher costs.[31]

While anti-dumping stabilizes industries in the short run, it often results in deadweight loss by distorting market efficiency over time. Competition law, in contrast, promotes long-term market efficiency but may expose industries to short-term vulnerabilities, especially in developing economies where domestic industries are less competitive globally. The economic implication is thus a classic trade-off between producer protection and consumer welfare, one that India has not yet resolved through any formal policy mechanism.

Legal Implications

Legally, the frameworks reflect distinct mandates. Section 9A of the Customs Tariff Act, 1975 empowers the imposition of anti-dumping duties when the Designated Authority determines material injury to domestic industry.[32] The injury test is industry-specific and does not consider consumer interests or broader market structure. Anti-dumping proceedings, governed by the 1995 Rules, are quasi-judicial but limited in scope to assessing price differences and injury.

The Competition Act, 2002 adopts a comprehensive market approach. Section 3 prohibits agreements that cause an appreciable adverse effect on competition (AAEC),[33] Section 4 addresses abuse of dominant position including predatory pricing, and Sections 5 and 6 regulate combinations. The Competition

[27]ChemAnalyst, *'India Imposes Five-Year Anti-Dumping Duties; Epoxy Resin Prices Gain 1.67% in November'* (ChemAnalyst, November 2025) <https://www.chemanalyst.com/NewsAndDeals/NewsDetails/india-imposes-five-year-anti-dumping-duties-epoxy-resin-prices-gain-1-67-in-nov-40240> accessed 25 February 2026.

[28]Economic Times, *'Dumping Hit Margins, Inventories Up 223%: Why India Moved on Epoxy Resin Imports'* (Economic Times, 2025) <https://m.economictimes.com/small-biz/sme-sector/dumping-hit-margins-inventories-up-223-why-india-moved-on-epoxy-resin-imports/articleshow/125607799.cms> accessed 25 February 2026.

[30]IMF, *'Macroeconomic Consequences of Tariffs'* IMF Working Paper No 19/009 (IMF 2019) <https://www.elibrary.imf.org/view/journals/001/2019/009/article-A001-en.xml> accessed 25 February 2026.

[31]ifo Institut, *'The Employment Consequences of Anti-Dumping Tariffs: Lessons from Brazil'* (CESifo Working Paper No 11654, 2025) <https://www.ifo.de/DocDL/cesifo1_wp11654.pdf> accessed 25 February 2026.

[32]Customs Tariff Act 1975, s 9A(1)(c); Customs Tariff (Anti-Dumping) Rules 1995, r 11.

[33]Competition Act 2002, s 3(3).

Commission of India evaluates not only harm to competitors but also harm to the competitive process itself, with consumer welfare as the guiding principle.[34] The constitutional underpinning of this approach is rooted in the freedom of trade and commerce guaranteed under Article 19(1)(g) of the Constitution of India,[35] which competition law seeks to operationalize through structural market regulation. The legal implication of this distinction is twofold. First, jurisdictional separation: anti-dumping disputes fall under the DGTR and customs authorities, while competition issues fall under the CCI. This prevents duplication but also creates a policy vacuum where neither authority holistically considers both producer and consumer interests. Second, in terms of international alignment, anti-dumping laws are anchored in WTO rules, making them part of India's trade commitments, whereas competition law is a domestic statute shaped by economic philosophy and constitutional values.

The "Public Interest" Clause and the DGTR-MoF Divergence

The "public interest" clause represents the most critical mechanism for bridging the gap between trade remedies and competition principles. While the WTO Anti-Dumping Agreement allows for the consideration of public interest, it does not mandate a specific methodology. In India, the interpretation of public interest has historically been discretionary and opaque, primarily exercised by the Ministry of Finance (MoF) after receiving a recommendation from the DGTR.[36]

Between 2020 and mid-2023, the MoF rejected a majority of the DGTR's recommendations for anti-dumping duties, often citing the "larger interest of the public" without providing detailed reasoning.[37] This shift raised concerns about legal certainty and the transparency of the public interest assessment. Aggrieved domestic producers challenged these rejections before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) and the Delhi High Court, and the judiciary began to emphasize that while the MoF has the power to reject recommendations, such decisions must be reasoned and cannot be arbitrary.[38]

To address these challenges, the DGTR issued a proposal on 21 December 2021 to introduce a comprehensive "Economic Interest Questionnaire" (EIQ).[39] This proposal aims to formalize the analysis of public interest by requiring stakeholders to provide evidence-based submissions on the likely economic impact of duties, covering downstream industry impact, technological obsolescence, market concentration, supply shortages, and employment effects in both producing and consuming sectors. A more robust definition of public interest would treat anti-dumping duties as an exception rather than a right, mandating that they be imposed only when the benefits to the domestic industry outweigh the costs to the wider economy.[40]

[34]Competition Commission of India, *'Annual Report 2022–2023'* (CCI 2023) <https://www.cci.gov.in/> accessed 25 February 2026.
[35]Constitution of India, art 19(1)(g).
[36]Lakshmikumaran & Sridharan, *'A Missing Piece in India's Trade Remedy Law: Codifying Public Interest'* (LKS Law, 2024) <https://www.lkslaw.com/insights/articles/a-missing-piece-in-india-s-trade-remedy-law-codifying-public-interest> accessed 25 February 2026.
[37]ELP Law, *'Public Interest Test in Anti-Dumping Investigations: Recent Developments in India'* (ELP Law, 2023) <https://elplaw.in/leadership/public-interest-test-in-anti-dumping-investigations-recent-developments-in-india/> accessed 25 February 2026.
[38]Trilegal, *'Shifting Trends in Anti-Dumping Duties: Back to Normal'* (Trilegal Quarterly Roundup, Issue 13, 2023) <https://trilegal.com/magazine/shifting-trends-anti-dumping-duties-back-to-normal-insights-issue-13.html> accessed 25 February 2026.
[39]DGTR, *'Economic Interest Questionnaire'* (DGTR 2021) <https://dgtr.gov.in/sites/default/files/2025-04/Economic%20Interest%20Questionnaire%20DGTR.pdf> accessed 25 February 2026.
[40]NLS India, *'Rethinking the Parameters of the Public Interest Test in India'* (2022) 35 NLSIR 1

Interplay, Conflicts, and Broader Implications

The economic and legal divergence often produces direct conflicts. Anti-dumping duties may be imposed even when consumers benefit from cheaper imports, contradicting competition law's emphasis on consumer welfare. Conversely, competition law may treat aggressive pricing as legitimate competition if it benefits consumers, even though the same conduct could be penalized as dumping under trade law. This duality creates uncertainty for businesses engaged in international trade. Multinational corporations may face anti-dumping actions despite complying with competition principles, while domestic firms may lobby for protection under anti-dumping rather than competing efficiently.

The broader implication is the challenge of harmonization. Economically, India must balance its developmental needs in protecting nascent industries against its WTO commitments and the imperative of fostering competitive markets. Legally, the lack of coordination between DGTR and CCI means the two regimes operate in silos, risking contradictory outcomes. An anti-dumping duty might be imposed to protect an industry while the CCI simultaneously investigates domestic players in that very industry for cartelization or abuse of dominance. Ultimately, treating anti-dumping as a trade remedy prioritizes industrial protection within global trade rules, while competition law prioritizes consumer-centric market regulation. The two are not inherently incompatible, but their coexistence without a harmonized framework generates inefficiencies and doctrinal tensions.

Reforming India's Legal and Policy Framework: Harmonizing Anti-Dumping with Competition Law

The coexistence of anti-dumping regulation under the Customs Tariff Act, 1975 and competition law under the Competition Act, 2002 has created parallel yet often conflicting regimes. While the former prioritizes protection of domestic industries against injurious imports, the latter safeguards consumer welfare and competitive markets. To reconcile these divergent objectives, reforms in India's legal and policy framework are both necessary and feasible, provided they remain consistent with WTO obligations.

Need for Harmonization

India's heavy reliance on anti-dumping measures, which places it among the top users globally,[41] reveals the importance of these measures as a trade policy tool. Yet, as judicial pronouncements such as *Haridas Exports* (2002)[42] and *Reliance Industries* (2006)[43] indicate, these measures often sideline consumer interests. This creates a structural conflict with the Competition Act, 2002, which is explicitly consumer-centric. Without harmonization, anti-dumping risks being misused as a protectionist barrier, undermining both market efficiency and India's credibility at the WTO. Comparative experience from the European Union and the United States offers instructive models for reform.

Comparative Analysis: The EU Union Interest Test and US Mandatory Relief

The European Union's "Union Interest" test, codified under Article 21 of Council Regulation (EU) 2016/1036,[44] is a mandatory part of every anti-dumping investigation. A domestic industry showing

<https://repository.nls.ac.in/cgi/viewcontent.cgi?article=1841&context=nlsir> accessed 25 February 2026.

[41]WTO Trade Remedies Data Portal, *'Antidumping Measures'* (WTO 2025) <https://trade-remedies.wto.org/antidumping/measures> accessed 25 February 2026.

[42]*Haridas Exports v All India Float Glass Manufacturers' Association* (2002) 6 SCC 600 (SC).

[43]*Reliance Industries Ltd v Designated Authority* (2006) 10 SCC 368 (SC).

[44]Council Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union [2016] OJ L176/21, art 21.

injury caused by dumping is not automatically entitled to relief; instead, relief must be denied if it is considered not in the Union interest. This test serves as a safety valve to avoid the automatic imposition of duties when they would have disastrous economic effects on other sectors.[45] The Commission evaluates the competitive environment, retail prices, and the potential for job losses in user industries. In the Atlantic Salmon proceedings, for instance, the EU terminated duties after concluding that they would harm downstream processors and consumers more than they would benefit the small domestic industry.[46] The contrasting approaches of the EU and the United States are captured in Table 3 below.

Table 3: EU Union Interest Test versus US Mandatory Relief

Factor	**EU Union Interest Test (Article 21)**	**US Mandatory Relief (Title VII)**
Legal Status	Mandatory part of every investigation	No formal public interest test
Balancing Scope	Industry, importers, users and consumers	Domestic industry only
Discretion	Commission can terminate based on broader interest	Relief is mandatory once dumping and injury are found
Standard	Economic impact on the Union as a whole	Offsetting unfair pricing advantage

The US approach under Title VII of the Tariff Act of 1930[47] is strictly producer-focused. If the Department of Commerce finds dumping and the International Trade Commission finds material injury, the imposition of duties is generally mandatory.[48] US authorities do not have the discretion to waive duties based on public interest or the needs of downstream industries. This model results in a higher average level of protection, as the US typically imposes the full dumping margin rather than a lesser duty.

India's adherence to the "Lesser Duty Rule" represents a significant point of convergence where trade law attempts to be fairer than the WTO strictly requires.[49] Under this rule, the amount of anti-dumping duty imposed is the lower of the dumping margin or the injury margin, ensuring that the duty remains in force only to the extent necessary to counteract the injury rather than serving as an additional punitive tax on imports.[50] By capping the duty at the level of injury, India implicitly acknowledges that the goal of trade remedies is to

[45]H Vandenbussche and L Rovegno, *'A Comparative Analysis of EU Antidumping Rules and Application'* (IRES Discussion Paper No 2011/23, UCLouvain 2011) <https://sites.uclouvain.be/econ/DP/IRES/2011023.pdf> accessed 25 February 2026.

[46]European Papers, *'External Participants v Internal Interests: Principles of EU Administrative Law in Anti-Dumping Investigations'* (2017) 2(6) European Papers 1687 <https://www.europeanpapers.eu/system/files/pdf_version/EP_eJ_2017_2_6_Article_Korkea-aho_Suvi_Sankari_00168.pdf> accessed 25 February 2026.

[47]Tariff Act of 1930 (US), Title VII, ss 701–778.

[48]US International Trade Commission, *'Understanding Antidumping & Countervailing Duty Investigations'* (USITC 2024) <https://www.usitc.gov/press_room/usad.htm> accessed 25 February 2026.

[49]Centre for WTO Studies, *'Lesser Duty Rule'* (International Conference on Trade Remedy Measures, New Delhi, 9–10 April 2015) <https://wtocentre.iift.ac.in/conference/pdf/24.pdf> accessed 25 February 2026.

[50]M Blonigen and others, *'Are There Positive Impacts for Adopting Lesser Duty Rule in Anti-Dumping Investigations'* (2014) REPEC Working Paper <https://ideas.repec.org/p/ekd/009007/9599.html> accessed 25 February 2026.

restore a level playing field, not to grant local firms a monopoly profit.

Proposed Reforms

Several concrete reforms could bridge the current gap between anti-dumping and competition law in India. First, amendments to Section 9A of the Customs Tariff Act, 1975 could mandate the Designated Authority to conduct a mandatory and structured Public Interest Assessment for every investigation, modelled after the EU's Article 21 framework.[51] This would require the authority to consider consumer welfare and downstream industry effects when imposing duties, aligning anti-dumping inquiries with competition law's emphasis on consumer benefit. Second, a formal mechanism of consultation between the DGTR and the CCI could be established by statute. Such coordination would ensure that the CCI provides a Competition Impact Statement for high-volume cases, preventing duties from insulating domestic cartels and ensuring that trade remedies are not imposed where cheaper imports genuinely enhance competition without predatory intent.

Third, anti-dumping investigations could incorporate competition law principles such as the appreciable adverse effect on competition standard or the predatory pricing test under Section 4 of the Competition Act. A two-tier investigation framework could be adopted, where the DGTR continues to calculate dumping and injury margins using traditional GATT-consistent methods in a first phase, and then for products classified as critical intermediates, triggers a mandatory Competition Assessment in a second phase to determine whether the low-priced imports are genuinely pro-competitive or truly predatory.

Fourth, the calculation of the Non-Injurious Price under the Lesser Duty Rule could be refined to reflect the costs of a reasonably efficient producer rather than an average of all petitioning firms, preventing the protection of obsolete industries.[52] A competition-oriented refinement would involve efficiency benchmarking against the most competitive domestic or global producer, as well as a contestability test to ensure that in highly concentrated domestic markets, the injury margin does not facilitate domestic cartelization.

Fifth, the requirement for the Ministry of Finance to provide detailed, public reasons for rejecting or accepting DGTR recommendations should be codified, ensuring transparency in the application of the public interest test. This would address the legal uncertainty generated by the pattern of unexplained rejections between 2020 and 2023.

Sixth, India should champion reforms within the WTO Anti-Dumping Agreement to embed competition concerns into anti-dumping disciplines.[53] India could advocate for WTO reforms that integrate competition concerns, thereby reducing the risk of misuse of duties as protectionist tools while remaining WTO-compliant by adhering to Article VI of GATT.

Policy Benefits

Such harmonization would yield multiple benefits. Consumers would gain access to competitive prices

[51]Canadian International Trade Tribunal, *'Public Interest Inquiry Guidelines'* (CITT 2024) <https://www.citt-tcce.gc.ca/en/anti-dumping-injury-inquiries/public-interest-inquiry-guidelines> accessed 25 February 2026.

[52]Cambridge University Press, *'A Theoretical Framework for Evaluating Anti-Dumping Laws'* in Improving Procedural Justice in Antidumping Investigations (Cambridge University Press 2022) ch 2 <https://www.cambridge.org/core/books/improving-procedural-justice-in-antidumping-investigations/theoretical-framework-for-evaluating-antidumping-laws/39BB540E6B03F4307BD1A5FA3AD351BD> accessed 25 February 2026.

[53]WTO Anti-Dumping Agreement, art 17; Agreement Establishing the World Trade Organization (Marrakesh Agreement) 1994.

and quality imports. Producers would receive protection only when truly threatened by unfair trade, not legitimate competition. India's global standing would improve by aligning trade remedies with competition principles, reinforcing its commitments to free and fair trade. Taken together, these reforms would transform anti-dumping from a shield of protectionism into a balanced safeguard that complements India's competition law framework.

Conclusion with Suggestions

The inquiry into whether anti-dumping measures under the Customs Tariff Act, 1975 align with the objectives of the Competition Act, 2002 reveals a relationship marked by partial coherence and significant divergence. Both regimes seek to address unfair pricing, yet their guiding philosophies differ fundamentally. Anti-dumping laws are producer-centric, designed to shield domestic industries from injury caused by dumped imports, while competition law is consumer-centric, aimed at promoting efficiency, innovation, and consumer welfare.

The judgments of the Supreme Court in *Haridas Exports v All India Float Glass Manufacturers' Association* (2002)[54] and the Delhi High Court in *Reliance Industries Ltd v Designated Authority* (2006)[55] crystallize this divergence. Courts have clarified that dumping does not equate to predatory pricing under competition law and that anti-dumping remedies are confined to assessing injury to domestic producers. This doctrinal separation avoids jurisdictional overlap but sidelines consumer interests, raising concerns of over-protectionism.

Economically, anti-dumping duties provide short-term relief to industries but risk distorting markets by curbing consumer access to cheaper imports. The evidence from the steel and chemicals sectors between 2024 and 2025 illustrates that duties successfully shielded domestic producers but at the cost of higher input prices for MSMEs and potential deadweight losses for the broader economy.[56] Legally, the frameworks operate in silos: the DGTR focuses on trade remedies under WTO discipline, while the CCI addresses domestic competition concerns.[57] The absence of coordination results in fragmented regulation, with producers shielded at the expense of consumer welfare.

The analysis confirms that while there is limited overlap in cases resembling predatory pricing, the two regimes largely conflict in their objectives. The hypothesis that anti-dumping undermines consumer welfare and distorts competition stands substantially validated by both doctrinal analysis and the empirical record.

Suggestions

Six specific reforms merit attention. First, Section 9A of the Customs Tariff Act, 1975 should be amended to require consideration of consumer and downstream industry interests alongside producer injury in every anti-dumping investigation. Second, statutory mechanisms for consultation between the DGTR and the CCI should be created so as to avoid imposing duties where imports enhance competition without predatory intent, with the CCI providing a formal Competition Impact Statement in high-volume cases. Third, competition law standards such as the

[54] *Haridas Exports v All India Float Glass Manufacturers' Association* (2002) 6 SCC 600 (SC).

[55] *Reliance Industries Ltd v Designated Authority* (2006) 10 SCC 368 (SC).

[56] ChemAnalyst, *'India Imposes Five-Year Anti-Dumping Duties; Epoxy Resin Prices Gain 1.67% in November'* (ChemAnalyst, November 2025) <https://www.chemanalyst.com/NewsAndDeals/NewsDetails/india-imposes-five-year-anti-dumping-duties-epoxy-resin-prices-gain-1-67-in-nov-40240> accessed 25 February 2026.

[57] Granthaalayah Publications, *'An Analysis of the Interplay Between Antidumping and Competition Law'* (2023) ShodhKosh <https://www.granthaalayahpublication.org/Arts-Journal/ShodhKosh/article/download/2111/1902/17716> accessed 25 February 2026.

appreciable adverse effect on competition standard or predatory pricing criteria should be incorporated into dumping inquiries, enabling duties to be imposed only against genuinely anti-competitive practices through a two-tier investigation framework. Fourth, the calculation of the Non-Injurious Price under the Lesser Duty Rule should be reformed to reflect the costs of a reasonably efficient producer, preventing duties from shielding technological obsolescence. Fifth, the Ministry of Finance should be statutorily required to provide detailed and public reasons for accepting or rejecting DGTR recommendations, ensuring transparency and accountability in the application of the public interest test. Sixth, India should champion reforms within the WTO Anti-Dumping Agreement to embed competition concerns into anti-dumping disciplines, thereby reducing the misuse of duties as protectionist tools.[58]

By embedding competition principles into anti-dumping regulation, India can harmonize its dual regimes, ensuring both industrial protection and consumer welfare, while remaining faithful to its WTO obligations. Such reforms will transform anti-dumping from a shield of protectionism into a balanced safeguard that complements India's competition law framework.

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[58]WTO Anti-Dumping Agreement, art 18; GATT 1994, art VI:6.