

**Government of India**  
**Ministry of Commerce & industry**  
**Directorate general of Anti Dumping & Allied Duties**  
**Udyog Bhawan, New Delhi**

Dated the 15th April 2011

**Initiation Notification**

**(Mid Term Review)**

**Sub:- Initiation of Mid-Term Review investigation in respect of the anti-dumping duties imposed on imports of 'Acetone' originating in or exported from Chinese Taipei.**

No. 15/2/2011- DGAD: Whereas, having regard to the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the Act), and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995 as amended from time to time (hereinafter referred to as the AD Rules), vide Notification No. 14/4/2006-DGAD dated 4<sup>th</sup> January, 2008, the Designated Authority (hereinafter also referred to as 'the Authority') notified its final findings recommending definitive antidumping duty on import of 'Acetone' (hereinafter referred to as the 'subject goods') originating in or exported from Chinese Taipei, European Union, Singapore, South Africa and USA.

2. And whereas definitive antidumping duty was imposed on the subject goods vide Customs Notification No: 33/2008-Customs dated 11<sup>th</sup> March, 2008.

3. And whereas an application has been received by the Authority from M/s Formosa Chemical & Fibre Corporation, Chinese Taipei requesting the Authority to undertake a Mid-Term Review of the anti dumping duty imposed on the subject goods originating in or exported from Chinese Taipei.

**Product under Consideration**

4. The Product under Consideration in the original investigation was 'Acetone'. The Product under Consideration remains the same for the purposes of this review. As per the original investigation carried out by the Designated Authority, the product has been defined as under:

*"The product under consideration is 'Acetone'. Acetone is organic chemical also known as Dimethyl Ketone and used in the manufacture of bulk pharmaceuticals, agro chemicals, dye stuffs, certain explosives and downstream chemicals. Acetone is classified under Chapter 29 of Custom Tariff Act under the sub-heading 29141100."*

*“It is a basic organic chemical produced in single grade. It is a colourless liquid with an agreeable ether-like odour. It is used in numerous organic synthesis either as solvent or as an intermediate. It is used in manufacture of bulk pharmaceuticals, agro-chemicals, dyestuffs, certain explosives and downstream chemicals. Acetone is specifically used in manufacture of Isophorone, Diacetone, Alcohol, Methyl Methacrylate and Bishphenol A. Besides this, it is used in manufacture of certain rubber chemicals or Oxy Acethylene Cellulose Acetate.”*

5. This product is classified under Customs Tariff heading no. 2914.11 of ITCHS. However, the said Customs classification is indicative only and in no way binding on the scope of the present investigation.

### **Subject Country**

6. The country involved in the present review investigation is Chinese Taipei.

### **Grounds for Review**

7. The Applicant has, *inter alia*, listed the following grounds for undertaking the mid-term review:

- a) That basic Raw Materials (viz. Benzene and Propylene) prices have significantly increased during the period of investigation as compared to the POI of the original investigation.
- b) There is significant increase in export price of subject goods to India as compared to the original investigation in respect of exports from Chinese Taipei. Same trend has been noticed in respect of export price to other countries from Chinese Taipei.
- c) Negative Dumping Margin has been claimed by the applicant during the proposed period of investigation.
- d) There is a change in methodology of computation of Normal Value based on amendment in the Act.
- e) Domestic sales price in India has also shown significant increase as compared to the original investigation.

The Authority considers that changes in the circumstances as enunciated above necessitate initiation of a mid-term review.

### **Initiation**

8. Having regard to the prima facie information provided by the applicant indicating the changed circumstances necessitating a review of the Anti-dumping measure in force, the Authority considers that a mid-term review of the Anti-dumping Duty is appropriate in

view of the changed circumstances as mentioned in the Application, in terms of the Rule 23 of the AD Rules.

9. Having decided to review the Final Findings notified vide Notification No.- 14/4/2006-DGAD dated 4th January, 2008, the Authority hereby initiates the mid-term review investigation in terms of the AD Rules and the Act, to review whether continued imposition of the duty concerning imports of 'Acetone' originating in or exported from the Chinese Taipei is necessary to offset dumping and whether the injury would be likely to continue or recur if the duty were removed or varied, or both.

### **Procedure**

10. The investigation will determine whether continued imposition of the duty is necessary to offset dumping, whether the injury is likely to continue or recur if the duty were removed or varied, or both. The review will cover all aspects of Notification No 14/4/2006-DGAD dated 4<sup>th</sup> January 2008 so far as imports of the subject goods originating in or exported from the subject country are concerned.

### **Period of Investigation**

11. The period of investigation for purposes of the present review is 1<sup>st</sup> October 2009 to 30<sup>th</sup> September 2010 (12 months). However, injury analysis shall cover the years 2007-08, 2008-09, 2009-10 and the POI.

### **Submission of Information**

12. The Known exporters in the subject country, the government of the subject country through Taipei Economic and Cultural Center in New Delhi, the importers and users in India known to be concerned and the Domestic producers are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the:

**The Designated Authority,  
Ministry of Commerce & Industry, Department of Commerce,  
Directorate General of Anti-Dumping & Allied Duties, (DGAD),  
Udyog Bhawan, New Delhi-110107**

13. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below.

### **Time Limit**

14. Any information relating to the present review and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned hereinabove not later than forty days (40 Days) from the date of publication of this review notification. If no information is received within the prescribed time limit or the information received is

incomplete, the Authority may record its findings on the basis of the ‘facts available’ on record in accordance with the AD Rules.

**Submission of information on Confidential basis.**

15. In case confidentiality is claimed on any part of the questionnaire’s response/submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc. ) and (b) other set marked as Non-Confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either “confidential” or “non-confidential” at the top of each page.

16. Information supplied without any mark shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies each of the confidential version and the non-confidential version must be submitted.

17. For information claimed as confidential; the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed and/or why summarization of such information is not possible.

18. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out / summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, party submitting the confidential information may indicate that such information is not susceptible of summary, a statement of reasons why summarization is not possible, must be provided to the satisfaction of the Designated Authority.

19. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Designated Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.

20. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Designated Authority. The Designated Authority on being satisfied and accepting the need for confidentiality of the information provided; shall not disclose it to any party without specific authorization of the party providing such information.

**Inspection of Public File**

21. In terms of rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

**Use of 'facts available'**

22. In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the 'facts available' to it and make such recommendations to the Central Government as deemed fit.

*Vijaylaxmi Joshi*  
The Designated Authority