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SECTION-1**

**Government of India
Ministry of Commerce & Industry
Department of Commerce
(Directorate General of Anti Dumping & Allied Duties)**

12th May 2010

Initiation Notification

(Sunset Review)

Subject: Sunset Review of anti-dumping duty imposed against Certain Rubber Chemicals (MOR, PX13 and TDQ) originating in or exported from China PR, Chinese Taipei, EU & USA.

No.15/14/2009--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 Antidumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time (herein after referred to as the AD Rules), the definitive anti-dumping duty was originally imposed vide notification No. 94/2005-Customs dated 20th October, 2005 on import of Certain Rubber Chemicals (MOR, PX13 and TDQ) (hereinafter referred to as the subject goods) originating in or exported from China PR, Chinese Taipei, European Union & USA (hereinafter referred to as the subject countries/territory).

2. Product under consideration

The products under consideration in the original case were three specific rubber chemicals used in manufacture of rubber products, namely: i) Anti-Degradants: PX 13 ii) Accelerators: MOR iii) Antioxidant: TDQ

Detailed chemical names of the products are as follows:-

MOR: N-oxydiethylene-2-benzothiazolesulphenamide (2-morphoolinothiobenothiazole) (MBS). MOR Mercapto benzothiazole disulphide is reacted with morpholine and sodium hypochlorite. The reaction is carried out in presence of isopropyl alcohol. The product is filtered, washed and extruded to form pallets, which are dried and packed. The isopropyl alcohol is recovered and recycled.

PX 13: N-1, 3-dimethyl butyl-N'Phenyl paraphenylenediamine (6 PPD). PX-13 Px– 13 is produced by hydrogenation of a mixture of 4-nitrodiphenylamine and methyl isobutyl ketone in an autoclave at moderately high pressure in presence of a noble metal catalyst. The resulting reaction mass, which contains unreacted ketone, by-products, etc., is filtered to remove the catalyst, which is then recycled. The filtrate is distilled to remove low boilers and is then flaked to give the finished product. The low boilers are redistilled to recover the unreacted ketone. Catalyst is recycled until the activity is reduced. It is then removed from the system.

TDQ: Polymerized 2,2, 4-Trimethyl-1, 2 di-hydroquinoline. TDQ Acetone and aniline are condensed at high temperature in presence of an acid catalyst. The resultant mass is then polymerised to the required degree; the excess acid is neutralized with caustic solution and washed with water. The material is then stripped at high temperature under vacuum to recover low boilers. The product is then pastilized and bagged.

These rubber chemicals are extensively used in treating natural rubber, synthetic rubber (SBR, Butadiene Rubber, Nitrile Rubber, Carboxylated Rubber) and other synthetic rubber based compounds used for manufacture of various rubber products

The Authority notes that there is no dedicated ITC HS Classification for the subject goods and products under consideration are classified under various subheadings of Customs classification heads 38.12.10, 38.12.20 and 38.12.30 as well as under 29.34.20 and 29.25.20 (at six digit levels) of the Customs Tariff Act and ITC HS classification. However, the Authority notes that the products are known by their respective trade names and the chemical descriptions as indicated above, Therefore, the Customs and ITC HS classifications shown above are indicative only and are in no way binding on the scope of the present investigation.

3. Initiation:

In view of the order of the Hon'ble Delhi High court in the matter of *Indian Metal and Ferro Alloys Ltd V/s Designated Authority*, Writ Petition (Civil) No. 16893 of 2006 and in accordance with Section 9 A (5) of the Act, read with Rule 23 of the AD Rules, the Authority hereby initiates a sunset review investigation to review the need for continued imposition of the duties in force in respect of the subject goods and to examine whether the cessation of such duty is likely to lead to continuation or recurrence of dumping and injury.

4. Countries/territory involved:

The countries/territory involved in this investigation are as follows:

- PX-13 - Chinese Taipei, European Union .
- MOR – China PR, European Union, USA
- TDQ - European Union, Chinese Taipei

5. Period of Investigation:

The Period of Investigation (POI) for the purpose of the present review is 1st April 2009 to 31st March 2010 (12 months). However, injury analysis shall cover the years 2006-07, 2007-08, 2008-09 & POI. The data beyond POI may also be examined to determine likelihood of dumping and injury.

6. Procedure:

Having decided to review the final findings issued vide Notification No. No.14/13/2004 DGAD dated 16th August 2005 and final duty imposed vide Customs Notification No. 94/2005-Customs dated 20th October, 2005, the Authority hereby initiates investigations to review the

need for continued imposition of the duties in force and to examine whether cessation of Anti Dumping duty is likely to lead to continuation or recurrence of Dumping and injury on imports of the subject goods originating in or exported from subject countries/territory in accordance with the Act and the AD Rules. The review covers all aspects of Notification No. 14/13/2004 DGAD dated 16th August 2005 (final findings of the original investigation).

7. Submission of Information:

The exporters in subject countries/territory, the governments of subject country/territory through its embassies / Representative office in India, the importers and users in India known to be concerned with the product and the domestic industry, are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address:

**Government of India
Ministry of Commerce and Industry
Directorate General of Anti-Dumping and Allied Duties
Department of Commerce
Room No.243, Udyog Bhawan,
New Delhi-110107.**

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.

8. Time Limit:

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 above not later than forty days (40 Days) from the date of publication of this Notification. If no information is received within the prescribed time limit or the information received is incomplete, the Designated Authority may record its findings on the basis of the facts available on record in accordance with the AD Rules.

The domestic producers of the subject goods are being issued a questionnaire to respond within 40 days substantiating the need for continued imposition of the AD measures.

All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter within 40 days from the date of initiation of this investigation. All such interested parties, that intimate so, would be requested to offer their comments to the domestic producers' response(s) within 40 days from the date of issuance of the letter to them regarding the need to continue or otherwise the AD measures.

9. Submission of information on Non-confidential basis:

All interested parties shall provide a confidential and non-confidential summary in terms of Rule 7 (2), for the confidential information provided as per Rule 7 (1) of the AD Rules. The non-confidential version or non-confidential summary of the confidential information should be in sufficient detail to provide a meaningful understanding of the information to the other interested

parties. If in the opinion of the party providing such information, such information is not susceptible to summary; a statement of reasons thereof is required to be provided.

Notwithstanding anything contained in para above, if the 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 authorise its disclosure in a generalised or summary form, it may disregard such information.

10. Inspection of public file:

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.

11. Non-cooperation

In case any interested party refuses access to and 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 Governments as deemed fit.

(P.K.Chaudhery)
Designated Authority