

Government Of India
Ministry Of Commerce & Industry
Department Of Commerce
(Directorate General Of Anti-Dumping & Allied Duties)

NOTIFICATION

Dated the 30th June 2006

Initiation Notification (Sunset Review)

Subject: Initiation of sunset review investigation with regard to the anti-dumping duties on the imports of 2 Methyl (5) Nitro Imidazole from the People's Republic of China.

No. 15/18/2005-DGAD - Whereas having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (herein after referred to as AD Rules), vide Notification No. 9/1/2001-DGAD dated 5.2.2002, the Designated Authority (herein after referred to as the Authority) notified its final findings recommending definitive anti dumping duty on import of 2 Methyl (5) Nitro Imidazole (herein after referred to as subject goods) originating in or exported from China-PR (hereinafter referred to as subject country).

And whereas definitive antidumping duty was imposed on the subject goods vide Customs Notification No. 30/2002 -Customs dated 27.3. 2002

2. Products under consideration

The product under consideration is 2 Methyl (5) Nitro Imidazole originating in or exported from People's Republic of China. 2 Methyl (5) Nitro Imidazole, also known as 2MNI, is a creamish coloured powder and is used as a Drug Intermediate for production of Metronidazole, Tinidazole, Dimetridazole, Ornidazole, Scenidazole. The product is classified under Customs Tariff heading 2933.39 and at no.2933.39 09 as per Indian Trade Classification. The Customs and ITC HS classification is, however, indicative only and in no way binding on the scope of the present investigation

3. Initiation

The Customs Tariff (Amendment) Act 1995 and the AD Rules made there under require the Authority to review from time to time the need for continuance of anti-dumping duty. M/s. Aarti Drugs Ltd.-Mumbai supported by Unichem Laboratories-Mumbai. has filed an application substantiating the need for sunset review of the anti-dumping duty imposed on the subject goods originating in or exported from China and have requested for continuation and enhancement of the anti-dumping duty imposed on subject goods under the above mentioned notifications for a further period of 5 years. They have provided evidence regarding continuation of dumping and injury to the domestic industry despite the anti-dumping duty being in force and have argued that dumping and injury would intensify in case the anti-dumping duties are discontinued. The Designated Authority considers that the sunset review of the anti dumping duty recommended would be appropriate at this stage under the provision of section 9A (5) of the Customs Tariff (Amendment) Act, 1995 as amended and the rules made thereunder.

The domestic industry has claimed that China should be treated as non-market economy in terms of para 7 & 8 of the Annexure I of the Anti Dumping Rules. However since India and China-PR are the only two countries producing the subject goods, it is not possible to select any other appropriate third market economy country for the determination of normal value in China-PR. However interested parties may give their suggestions for appropriate analogue country for determination of normal value in China-PR within the time limit laid down in this notification.

4. Countries involved:

The Country involved in the present investigation is People's Republic of China-PR.

5. Procedure

Having satisfied itself on the basis of evidence submitted by domestic industry for review of the final findings notified vide No. 9/1/2001-DGAD dated 5.2.2002 and final duty imposed by Notification No. 30/2002 -Customs, dated 27.3, 2002 , the Authority hereby initiates investigations to review whether cessation of anti dumping duty on imports of 2MNI originating in or exported from China is likely to lead to continuation or recurrence of dumping and injury to domestic industry in accordance with the Customs Tariff (Amendment) Act, 1995 and AD Rules.

The review covers all aspects of Notification No. 9/1/2001-DGAD dated 5.2.2002. The Authority proposes to consider M/s. Aarti Drugs Ltd., who constitute the major proportion of the production of the subject goods in India, as domestic industry in accordance with the Rules supra.

6. Period of investigation (POI):

The period of investigation (POI) for the purpose of present investigation is 1st April 2005 to 31st March 2006. The injury investigation period will however, cover the period 2002-03, 2003-04, 2004-05 and the period of investigation.

7. Submission of information:

The exporters in the subject Country and their government through their embassies/ representatives in India, the importers and users in India known to be concerned and the domestic industry are requested 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),
Room No. 240, Udyog Bhavan,
New Delhi-110011

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 investigation should be sent in writing so as to reach the Authority at the address mentioned above not later than forty (40) days from the date of publication of this notification, The known exporters and importers, who are being addressed separately, are, however, required to submit the information within (40) forty days from the date of the letter addressed to them.

9. Inspection of information and inspection public file

In terms of Rule 6(7) of the Rules, the interested parties are required to submit non-confidential summary of any confidential information provided to the Authority and if in the opinion of the party providing such information, such information is not susceptible to summarization, a statement of reason thereof, is required to be provided. Any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties. 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.

(Christy L. Fernandez)
Designated Authority