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GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
DIRECTORATE GENERAL OF ANTI-DUMPING & ALLIED DUTIES
UDYOG BHAVAN, NEW DELHI

Date: 13th January, 2014

NOTIFICATION

**Final Findings
(Sunset Review)**

Subject: - Sunset Review (SSR) Investigation in respect of imports of Flexible Slabstock Polyol, originating in or exported from USA and Japan.

No. 15/15/2012-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 (hereinafter referred to as the AD Rules), the Designated Authority (hereinafter referred to as the Authority) had initiated the original investigation concerning imports of Flexible Slabstock Polyol (hereinafter referred as the subject goods), originating in or exported from USA, Japan, Singapore and European Union vide Notification No 41/1/2001-DGAD dated 21st September, 2001. The Final Findings in the original investigation were issued by the Authority vide Notification No 41/1/2001-DGAD dated 19th September, 2002, recommending imposition of definitive duties on the imports of the subject goods originating in or exported from USA, Japan, Singapore and European Union. On the basis of the said recommendations made by the Authority in the said Final Findings, definitive anti-dumping duty was imposed by the Central Government on the imports of the subject goods, originating in or exported from USA, Japan, Singapore and European Union vide Customs Notification No 120/2002-Customs dated 31st October, 2002.

2. Whereas, the first Sunset Review of the anti-dumping duty imposed by the Central Government on the imports of the subject goods, originating in or exported from USA, Japan, Singapore and European Union was initiated by the Authority vide Notification No.15/25/2006-DGAD dated 27th December 2006 and the Final Findings recommending continued imposition of anti-dumping duties on the imports of the subject goods from USA, Japan and Singapore was issued by the Authority vide Final Findings Notification No 15/25/2006-DGAD dated 26th December 2007 (amended by the Authority vide Notification No 15/25/2006-DGAD dated 10th January, 2008). The continued imposition of definitive anti-dumping duties on the imports of the subject goods from USA, Japan and Singapore was

notified by the Central Government vide Customs Notification No 15/2008-Customs dated 5th February 2008.

3. Whereas, M/s Manali Petrochemicals Ltd, Chennai, on behalf of the domestic industry, had filed an application before the Authority in accordance with the Act and the Rules, alleging likelihood of continuation or recurrence of dumping of the subject goods, originating in or exported from USA and Japan and consequent injury to the domestic industry and requested the Authority for second Sunset Review of the anti-dumping duty imposed by the Central Government on the imports of the subject goods, originating in or exported from USA and Japan vide Customs Notification No 15/2008-Customs dated 5th February 2008. As claimed by M/s Manali Petrochemicals Ltd, they are the sole producer of the subject goods in India and, therefore, constitute the domestic industry within the meaning of the Rules. In view of the duly substantiated application filed by M/s Manali Petrochemicals Ltd and in accordance with Section 9 A (5) of the Act, read with Rule 23 of the Anti-dumping Rules, the Authority initiated a sunset review investigation vide Notification No 15/15/2012-DGAD dated 24th January, 2013 to review the need for continued imposition of the duties in force in respect of the subject goods, originating in or exported from USA and Japan and to examine whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry. The antidumping duty as notified vide Notification No 15/2008-Customs dated 5th February 2008 was extended by the Central Government up to 4th February, 2014, vide Notification No 1/2013-Customs (ADD) dated 4th February, 2013.

Product under consideration

4. The product involved in the original investigation, the first sunset review investigation and the second sunset review investigations is Flexible Slabstock Polyol. The product is a clear viscous liquid of molecular weight 3000-4000, manufactured by polymerization of propylene oxide and ethylene oxide with a triol chain starter. It is a polyether and on reaction with catalysts and additives yields polyurethane foams used in upholstery, mattresses, pillows, bolsters, transport seating and packaging. Flexible Slabstock Polyol is transported in tankers and stored in steel drums. The product under consideration is classified under the category "Plastics and articles thereof" in Chapter 39 of the Customs Tariff Act, 1975 and further under 3907.20 as per Customs Classification.

Period of Investigation

5. The Period of Investigation (POI) for the purpose of the present review is from 1st October, 2011 to 30th September, 2012 (12 months). However, injury analysis shall cover the years 2009-10, 2010-11, 2011-12 and the POI.

Subsequent Events after Initiation

6. M/s Manali Petrochemicals Ltd, the domestic industry, submitted letter to the Authority through their authorized legal representative stating that the situation with regard to

the imports of the subject goods from USA and Japan has undergone significant changes since the initiation of the sunset review investigation and, therefore, they would like to withdraw their application of sunset review for extension of the duties.

Conclusions and Recommendations

7. On the basis of the said letters by the domestic industry informing the Authority that they would like to withdraw their application of sunset review for extension of the duties in respect of the imports of the subject goods originating in or exported from USA and Japan, the Authority concludes that there is no need for further investigation in the present sunset review and recommends discontinuation of anti dumping duty on the imports of Flexible Slabstock Polyol, originating in or exported from USA and Japan as recommended by the Authority in the Final Findings issued vide Notification No 15/25/2006-DGAD dated 26th December 2007 (amended by the Authority vide Notification No 15/25/2006-DGAD dated 10th January, 2008) and imposed by the Central Government vide Customs Notification No 15/2008-Customs dated 5th February 2008 and further extended by the Central Government up to 4th February, 2014 vide Notification No 1/2013-Customs (ADD) dated 4th February, 2013.

J S Deepak
Designated Authority

