

15/01/2011-DGAD  
Government of India  
Ministry of Commerce & industry  
Directorate general of Anti Dumping & Allied Duties  
Udyog Bhawan, New Delhi

Dated the 10<sup>th</sup> February 2011

**Initiation Notification**  
**(Mid Term Review)**

**Sub:- Initiation of Mid Term Review of the anti-dumping duty imposed on imports of Phenol originating in or exported from USA and Chinese Taipei.**

No 15/01/2011-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. 14/5/2006-DGAD dated 7<sup>th</sup> January, 2008, the Designated Authority (herein after referred to as 'the Authority') notified its final findings recommending definitive antidumping duty on import of Phenol (hereinafter referred to as 'subject goods') originating in or exported from Chinese Taipei (hereinafter referred to as 'subject country') USA and Korea RP

2. And WHEREAS definitive antidumping duty was imposed on the subject goods vide Customs Notification No: 30/2008-Customs dated 3<sup>rd</sup> March, 2008.

3. And WHEREAS two petitions for Mid Term Review has been received by the Authority from M/s Formosa Chemical & Fibre Corporation, an exporter of Phenol from Chinese Taipei and M/s Century Plyboards (I) Ltd., an importer of Phenol, substantiating the need for Mid Term Review of the anti dumping duty earlier imposed.

**Product under Consideration**

4. The Product under Consideration, as in the original investigation and also in the present review application is Phenol. As per the original investigation carried out by the Designated Authority, the product has been defined as under

“The product under consideration is Phenol originating in or exported from USA, Korea-RP and Taiwan. Phenol is a basic organic chemical normally classified under Chapter 29 of the Customs Tariff Act. The product is marketed in two forms – bulk and packed. Bulk sales are normally in loose form, whereas packed consignments can be of much smaller container loads and generally packed in drums. Phenol is used in Phenol Formaldehyde Resins, Laminates, Plywood, Particle Boards, Bisphenol-A, Alkyl Phenols,

Pharmaceuticals, Diphenyl Oxide etc. This product is classified under Customs Tariff heading no. 2907.11 and 2707.99 as per Indian Trade Classification.

However, the said Customs classification is indicative only and in no way binding on the scope of the present investigation.

### **Grounds for Review**

5. M/s Formosa Chemical & Fibre Corporation (FCFC), Chinese Taipei and M/s Century Plyboards (I) Ltd., an importer of Phenol have listed the following grounds for changed circumstances review :

- a) Basic Raw Material Benzene/ Propylene prices have shown an increase during the proposed period of investigation as compared to the original investigation.
- b) There is an increase in export price of subject material to India as compared to the original investigation in respect of exports from Chinese Taipei and USA.
- c) De minimus Dumping Margin has been claimed by the applicant exporter (FCFC) during the proposed period of investigation.
- d) Domestic sales price in India has also been claimed to have shown significant increase as compared to the original investigation. It has been claimed that domestic industries performance has changed significantly for the better since the original investigations. It has further been claimed that injury margin on account of subject goods import from USA and Chinese Taipei have become negative.

This change in circumstances has been considered significant and appropriate to initiate a midterm review.

### **Country (ies) Involved**

6. The countries involved in the present investigation are Chinese Taipei and USA.

### **Initiation**

7. Having regard to the positive information provided by the applicants indicating the changed circumstances necessitating a review of the measure in force, the Designated Authority now considers that a mid-term review of the Anti-dumping Duty is appropriate in view of the changed circumstances, in terms of the provision of section 9A(5) of the Customs tariff (Amendment) Act 1995 as amended read with Rule 23 of the Anti dumping rules.

Having decided to review the Final Findings notified vide Notification No.- 14/5/2006-DGAD dated 7<sup>th</sup> January, 2008, the Authority hereby initiates the investigations in terms

of the Rules, to review whether continued imposition of the anti dumping duties on imports of Phenol originating in or exported from the Chinese Taipei and USA is necessary to offset dumping, whether the injury would be likely to continue or recur if the duties were removed or varied, or both.

### **Procedure**

8. 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.

- a) The review will cover all aspects of Notification No 14/5/2006-DGAD dated 7<sup>th</sup> January 2008 in so far as they pertain to USA and Chinese Taipei. .
- b) The countries involved in this investigation are Chinese Taipei and USA.
- c) Provisions of Rules 6,7,8,9,10,11,16,17,18,19 and 20 of the Anti-Dumping Rules supra shall be *mutatis mutandis* applied in this review.

### **Period of Investigation**

9.. The period of investigation (POI) for the purpose of this review will be 1<sup>st</sup> January 2010 to 31<sup>st</sup> December 2010. However, injury analysis shall cover the years from 2007-08, 2008-09, 2009-10 and POI.

### **Submission of Information**

10.The exporters in the subject country, their government through their Embassy in India/representatives, the importers and users in India known to be concerned 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:

**The Designated Authority,  
Ministry of Commerce & Industry, Department of Commerce,  
Directorate General of Anti-Dumping & Allied Duties, (DGAD),  
Room No. 216-C, Udyog Bhavan,  
New Delhi-110011**

11. 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**

12. 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 Designated Authority may record its findings on the basis of the facts available on record in accordance with the AD Rules.

### **Non-confidential summary**

13. All interested parties must provide a non-confidential summary of any information provided on a confidential basis in terms of Anti-Dumping Rule 7(2), which will be subject to acceptance in terms of Rules 7(1) and 7(2) of the AD Rules.

### **Inspection of Public File**

14. In terms of Rules 6(7), 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.

(P.K Chaudhery)

Designated Authority