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

4th Floor, Jeevan Tara Building
5 Parliament Street, New Delhi - 110001
Dated the 16th March, 2015

INITIATION NOTIFICATION
(Sunset Review)

Initiation of Sunset Review of Anti-dumping Duty imposed on imports of Coumarin, originating in or exported from China PR.

F.No. 15/26/2014-DGAD - Having regard to the Customs Tariff Act, 1975 as amended in 1995 and thereafter (hereinafter also referred as the Act) and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time (hereinafter also referred as the Rules), the Designated Authority (hereinafter also referred to as the Authority) recommended imposition of anti-dumping duty on imports of "Coumarin" (hereinafter also referred to as the subject goods), originating in or exported from China PR (hereinafter referred to as the subject country).

2. Whereas, the original investigation concerning imports of the subject goods from the subject country was initiated by the Authority vide Notification No. 14/17/2009-DGAD dated 29th January, 2010 and preliminary finding was published by the Authority vide Notification No. No. 14/17/2009-DGAD dated 29th January, 2010. Provisional anti-dumping duty was imposed by the Central Government vide Notification No. 38/2010-Customs dated 23rd March, 2010. The final finding was published by the Authority vide Notification No. 14/17/2009-DGAD dated 7th July 2010 and definitive anti-dumping duty was imposed by the Central Government vide Notification No. 82/2010-Customs dated 20th August, 2010.

3. And whereas, Fragrance and Flavors Association had filed an appeal before CESTAT, challenging the imposition of Anti-dumping duty. The Hon'ble CESTAT vide its order dated 17th June, 2011 set aside the Final Findings and the Customs notification dated 20th August, 2010 and remanded the matter back to Designated

Authority for fresh decision after granting a reasonable opportunity of hearing to the appellant within a period of 6 months. The Authority published the remanded finding vide Notification No. 14/17/2009-DGAD dated 23rd December 2011 and the relevant notification imposing the anti-dumping duty was issued by the Central Government vide Notification No. 12/2012–Customs dated 8th February, 2012.

Whereas, M/s Atlas Fine Chemicals Pvt. Ltd., has filed a duly substantiated application before the Authority, on behalf of the producers of the subject goods in India, 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 China PR and consequent injury to the domestic industry and have requested for review, continuation and enhancement of the anti-dumping duties, imposed on the imports of the subject goods, originating in or exported from the subject country. M/s Atlas Fine Chemicals Pvt. Ltd. has provided required information as domestic industry.

Country involved

4. The country involved in this investigation is China PR.

Product under consideration and Like Article

5. The product under consideration in the original investigation as well as the present sunset review investigation is Coumarin of all types. Coumarin is an aroma chemical, which can be in the form of white crystals, flake or powder. It is used in the preparation of fragrance compounds. In the original investigation, the PUC was defined as follows:

“5. The product under consideration in the present investigation is Coumarin of all types (hereinafter referred as "subject goods"). Coumarin (Chemical Formulae C₉H₆O₂) belongs to the lactone family of chemicals. It is an aroma chemical, which can be in the form of white crystals, flake or powder. It has characteristic odour of newly mown hay and bittersweet somewhat similar to vanilla. Coumarin is used in the preparation of fragrance compounds and those fragrance compounds are used in the production of soaps, detergents, cosmetics, incense sticks, and fine fragrances. It imparts pleasant fragrance and masks unpleasant odors in many other household and industrial products. Coumarin, which was originally a natural product obtained from Tonka beans is now produced synthetically. It can be obtained by two synthetic processes i.e. (i) Starting from phenol to obtain Salicylaldehyde followed by Perkin reaction and (ii) Starting from Ortho-cresol which is also called Raschig method in which Salicylaldehyde is made from Ortho-cresol and then converted into Coumarin. In both the processes Salicylaldehyde and Acetic Anhydride react in the presence of Sodium Acetate in Acetic Acid as catalyst and crude Coumarin is separated from Acetic

Acid by distillation. The crude Coumarin is further purified by several distillations and then crystallized in Methanol. The crystallized product is separated by centrifugation and dried. The main physical specification of Coumarin is its purity, for which the melting point is the indicator.

6. The product is classified under Chapter 29 (Organic Chemical) of the Customs Tariff Act under Customs Sub-heading No. 2932.21.00. However, customs classification is indicative in nature and not binding on the scope of the investigations.”

6. Since the proposed investigation is a sunset review investigation, the scope of the product under consideration remains the same as that of original investigation. The subject goods fall under Chapter 29 (Organic Chemical) of the Custom Tariff Act under subheading No. 2932.21.00. The Customs classification is, however, indicative only and in no way binding on the scope of the present proposed sunset review investigation.

Like Article

7. Rule 2(d) with regard to like article provides as under: -

"like article" means an article which is identical or alike in all respects to the article under investigation for being dumped in India or in the absence of such article, another article which although not alike in all respects, has characteristics closely resembling those of the articles under investigation;

8. Applicant has claimed that there is no known difference in Coumarin produced by them and exported from the subject country. Coumarin produced by the applicant and imported from the subject country are having comparable characteristics in terms of parameters such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The application filed is for the review, continuation and enhancement of the quantum of the anti-dumping duty in force, and the issue of like article has been already dealt with in the previous investigations. In the earlier investigations the Authority has already held that the subject goods produced by the domestic industry is like article to the same imported from the subject country.

Domestic Industry & Standing

9. M/s Atlas Fine Chemicals Pvt. Ltd has provided required information as domestic industry. As per the information available, the applicant accounts for a major proportion in Indian production of the subject goods and satisfy the requirement of standing to file the present petition. Therefore, the Authority has considered the applicant as

constituting domestic industry within the meaning of the Rule 2(b) of the Rules and the application satisfies the criteria of standing in terms of Rule 5 of the Rules supra.

Initiation of Sunset Review

10. WHEREAS, in view of the duly substantiated application filed and in accordance with Section 9 A (5) of the Act, read with Rule 23 of the Anti-dumping 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, originating in or exported from the subject country 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.

Period of Investigation

11. The period of investigation (POI) for the purpose of the present review is from 1st April, 2013–30th September, 2014 (18 months) and for injury analysis, data of the previous three years, viz., 2010-11, 2011-12, 2012-13.

Procedure

12. The present sunset review covers all aspects of the final findings of the original investigation published vide Notification No. 14/17/2009-DGAD dated 7th July 2010 and the CESTAT remanded Findings Notification No. 14/17/2009-DGAD dated 23rd December 2011.

13. The provisions of Rules 6, 7, 8, 9, 10, 11, 16, 17, 18, 19 and 20 of the Rules supra shall be mutatis mutandis applicable in this review.

Submission of Information

14. The known exporters in the subject country, the Government of the subject country through its embassy in India, the importers and users in India known to be concerned with the product 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
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15. 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. Any party making any confidential submission before the Authority is required to submit a non-confidential version of the same to be made available to the other parties.

Time Limit

16. 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 Authority may record its findings on the basis of the facts available on record in accordance with the Anti-dumping Rules.

17. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses and offer their comments to the domestic industry's application regarding the need to continue or otherwise the Anti-dumping measures within 40 days from the date of initiation of this investigation.

Submission of information on confidential basis

18. In case confidentiality is claimed on any part of the questionnaire 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 and accompanied with soft copies.

19. Information supplied without any confidential marking 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 of the confidential version and two (02) copies of the non-confidential version must be submitted by all the interested parties.

20. 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.

21. 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, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

22. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. 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 authorize its disclosure in generalized or summary form, it may disregard such information.

23. 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 Authority. The 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

24. In terms of rule 6(7) of the Rules, any interested party may inspect the public file containing non-confidential version of the evidences submitted by other interested parties.

Non-cooperation

25. 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 declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

(J. K. Dadoo)
Designated Authority