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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: 24th April 2017

**INITIATION NOTIFICATION
SSR – 10/2017**

(Sunset Review)

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

F. No. 15/16/2016-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 “Viscose Filament Yarn” (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. 14/23/2004- DGAD dated 7th April 2005. The final finding was published vide Notification No.14/23/2004-DGAD dated 4th April 2006 and definitive anti-dumping duty was imposed by the Central Government vide Notification No. 45/2006 - CUS dated 24th May 2006. A Mid-Term review was initiated by the Authority vide Notification No. 15/8/2007, the final finding for which was published by the Authority vide Notification 15/8/2007-DGAD dated 22nd May 2009 and customs notification was issued vide Notification No. 81/2009-CUS dated 13th July 2009. The First Sunset Review was initiated vide Notification No. 15/23/2010- DGAD dated 25th February 2011 and the final findings were published by the Authority vide Notification No.15/23/2010-DGAD dated 24th February 2012. Customs notification was issued by the Central Government vide Notification No. 23/2012 – CUS dated 4th May 2012.

3. Whereas, a petition has been filed by M/s Kesoram Rayon (Unit of Cygnet Industries Ltd, a wholly owned subsidiary of Kesoram industries Ltd.) and M/s Indian Rayon (a Unit of Aditya Birla Nuvo Limited) (*hereinafter referred to as Petitioners*), as the domestic industry for the product under consideration, seeking extension of antidumping duty in force. M/s Century Rayon (a division of Century Textiles and Industries Limited) has supported the petition . The petition is in the form and manner

prescribed by the Designated Authority under Rule 5, containing relevant information for the present purposes.

A. Country involved

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

B. Product under Consideration and Like Article

5. The product under consideration in the present investigation is “Viscose Filament Yarn upto 150 denier”. The product is classified under Chapter 54 of the Customs Tariff Act under various Customs Sub-headings, Nos. 54033100, 54033200, 54033300, 54034110, 54034120, 54034130, 54034140, 54034150, 54034160, 54034170, 54034180 and 54034190. Customs classification is indicative in nature and not binding on the scope of the investigation.

6. The Authority described product under consideration as follows in the final findings of the original investigation,

“the product under consideration in this investigation is Viscose Rayon Filament Yarn up to 150 deniers (and +- 4% permissible variation thereof) including mono filament yarn of less than 67 decitex also known as viscose filament yarn or VFY, Rayon Filament Yarn, Art Silk Yarn, Cellulose Yarn or Rayon Yarn and includes all yarns made of 100% viscose yarns such as dyed yarn, flat yarn, microfilament micro yarn, twisted yarn (with the exclusion of embroidered yarn), doubled/ multiple ply yarn etc of VFY unless specifically excluded in this paragraph (also referred to as subject goods herein after).

7. The Authority issued a clarification with regard to embroidered yarn, wherein the Authority had stated, inter-alia, as follows

The products which were excluded from the scope of ADD earlier are as follows-

- i. Embroidered yarn - this is clearly “dyed viscose rayon embroidered thread”*
- ii. Sewing thread,*
- iii. Fur yarn,*
- iv. Fire retardant yarn,*
- v. Engineered yarn,*
- vi. Air texturized yarn,*

“Embroidered yarn/thread” is a yarn that is manufactured or hand spun specifically for embroidery and other forms of needlework. It is a finished product wound on support which is ready to use for embroidery applications. Embroidery Yarn is produced by the process of dyeing, reeling, twisting, hanking or core winding, finished product quality checking, grading and packing of raw yarn”

8. Since the present investigation is a sunset review investigation, the scope of the product under consideration is the same as that of the previously concluded investigation and subsequently issued clarification. The Authority shall consider whether the scope of the product under consideration requires any further clarification. The interested parties may provide relevant information within the time limits prescribed in this notification.

C. Like Article

9. 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;

10. Petitioners have claimed that there is no known difference in subject goods exported from subject country and that produced by the domestic industry. Both the products have comparable characteristics in terms of parameters such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification, etc.

D. Domestic Industry & Standing

11. M/s Kesoram Rayon and M/s Indian Rayon have provided required information as domestic industry. Petitioner Companies have claimed that they have not imported the product under consideration from China during the POI and qualify to be treated as "domestic industry" within the meaning of Rules. M/s Century Rayon has supported the petition. The Authority has considered the petitioner companies as domestic industry within the meaning of Rule 2(b) of the Rules and the application satisfies the criteria of standing in terms of Rule 5 of the Rules supra.

E. Initiation of sunset review

12. In view of the duly substantiated application filed and in accordance with Section 9A(5) of the Act, read with Rule 23 of the Anti-dumping Rules, the Authority hereby initiates 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.

F. Period of Investigation

13. The period of investigation (POI) in the petition is April 2015 – September 2016 (18 months) for the purpose of present investigation. The injury investigation period will however cover the periods April 2012-March 2013, April 2013-March 2014, April 2014 - March 2015 and the POI.

However, to make the required analysis on more updated data, the Authority has considered the period from 1st April, 2016 to 31st March 2017 (12 months) as the investigation period. The

injury investigation period has been considered and proposed to cover the periods Apr'13-Mar'14, Apr'14-Mar'15, Apr'15-Mar'16 and the period of investigation.

G. Procedure

14. The present sunset review covers all aspects of the final findings of the original and sunset review investigation findings published vide Notification No. 14/03/2004 dated 4th April 2006 for the original investigation and Notification No. 15/23/2010 dated 24th February 2012 for the previously concluded sunset review investigation.

15. 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.

H. Submission of Information

16. 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
Ministry of Commerce and Industry
Department of Commerce
Directorate General of Anti-Dumping and Allied Duties
4th Floor, Jeevan Tara Building
5, Parliament Street, New Delhi – 110001

17. 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.

I. Time Limit

18. 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.

19. 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.

J. Submission of information on confidential basis

20. 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.

21. 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.

22. 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.

23. 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.

24. 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.

25. 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.

K. Inspection of public file

26. 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.

L. Non-cooperation

27. 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.

(Dr. Inder Jit Singh)
Designated Authority