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**14/05/2016-DGAD  
Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
(Directorate General of Anti-Dumping & Allied Duties)  
Jeevan Tara Building, 5- Parliament Street, New Delhi**

Dated: 13<sup>th</sup> October, 2016

**INITIATION NOTIFICATION**

**Subject: Anti-Dumping investigation concerning imports of Ceramic Tablewares and Kitchen wares, excluding knives and toilet items, originating in or exported from China PR**

**No. 14/05/2016-DGAD:** All India Pottery Manufacturers' Association (AIPMA) and the Indian Ceramic Society (herein referred as petitioners/ petitioner associations) has filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter also referred to as the Act) and 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 to as the Rules) for initiation of anti-dumping investigation and imposition of anti-dumping duty concerning imports of Ceramic tableware and kitchenware, originating in or exported from China.

2. And whereas, the Authority prima facie finds that sufficient evidence of dumping of the subject goods, originating in or exported from the subject country, 'injury' to the domestic industry and causal link between the alleged dumping and 'injury' exist to justify initiation of an anti-dumping investigation; the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of Rule 5 of the Rules, to determine the existence, degree and effect of alleged dumping and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the 'injury' to the domestic industry.

**Domestic Industry & Standing**

3. The petition has been filed by All India Pottery Manufacturers' Association (AIPMA) and the Indian Ceramic Society (herein referred as petitioners/ petitioner associations) on behalf of domestic producers of the PUC in India. Some of the Indian Producers i.e. (a) Clay

Craft (I) Pvt. Limited, (b) Ceramic Tableware Pvt. Ltd., (c) Bharat Potteries Ltd. and (d) M/s. UP Ceramics & Potteries Pvt. Ltd. (referred as petitioners/ petitioner companies) have provided the necessary costing and financial information. The petition has been supported by a number of other producers, namely, Yashvi Enterprise, Anil Ceramic, Samrat Ceramics, Raghuvir (India) Limited, Marvel Ceramics Private Limited, Sea Shell Ceramics (India) Private Limited, Mudrika Ceramics (I) Ltd., Shan Tablewares Private Limited, Feather Touch Ceramics Private Limited, Oasis Ceramics Private Limited and Tata Ceramics Limited..

4. The total Indian production has been estimated on the basis of data given by Central Glass & Ceramic Research Institute (CSIR). They have mentioned details of producers of the product in the organized sector as well as in the unorganized sector.

5. Further, the petitioner companies have certified that they have neither imported the product under consideration from subject country, nor are they related to any exporter of the product under consideration in subject country or to an importer in India.

6. As per the evidence available on record, the production of the petitioner companies accounts for a major proportion in the gross domestic production of the like article. The Authority, therefore, determines that the petitioner constitutes eligible domestic industry within the meaning of Rule 2 (b) of the Anti-Dumping Rules and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra.

### **Product under consideration**

7. The product under consideration in the present petition is defined as “Ceramic table wares and kitchen wares, excluding knives and toilet items” (hereinafter referred to as ‘subject goods’).

8. The petitioners have further clarified that bone china, stoneware and porcelain-ware all constitute ceramic products and therefore the product under consideration includes kitchenware and tableware of bone china, stone and porcelain. Ceramic tableware and kitchenware products are used for the purpose of eating, drinking and serving food and beverages and for decoration in homes and hotels. The PUC is available in various shape and sizes and it has been decided to take the unit of measurement in weight terms for various analyses during the process of investigation.

9. Product under consideration is classified under Chapter 69 of the Customs Tariff Act, imports are taking place under various subheadings under HS code 6911 and 6912. Customs classification is, in any case, indicative and not binding on the scope of the product under consideration in the present investigation.

### **Like Article**

10. Petitioners have claimed that the goods produced by the domestic industry and the products imported from the subject country are like article. Product under consideration produced by the domestic industry in general and imported from the subject country are comparable in terms of characteristics such as physical characteristics, product specifications, manufacturing process & technology, functions & uses, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. The consumers have used (and are using) the two interchangeably.

11. The applicant has further claimed that two are technically and commercially substitutable and, hence, should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the Authority treats the subject goods produced by the applicant in India as 'Like Article' to the subject goods being imported from the subject country.

### **Country/(ies) involved**

12. The present investigation is in respect of alleged dumping of the product under consideration from China (referred to as the subject country).

### **Normal Value**

13. Applicant has claimed that China should be treated as a non-market economy and normal value in case of China should be determined in accordance with para-7 and 8 of Annexure I of the Rules. The applicant has claimed normal value for China PR on the basis of cost of production in India, duly adjusted. In terms of Para 8 in Annexure 1 to the Rules it is presumed that the producers of the subject goods in China PR are operating under non market economy conditions.

14. In view of the above non-market economy presumption and subject to rebuttal of the same by the responding exporters from China PR, normal value of the subject goods in China PR has been estimated in terms of Para 7 of Annexure 1 to the Rules.

### **Export Price**

15. Petitioners have determined export price on the basis of transaction wise import data procured from DGCI&S to assess the volume and value of subject imports in India. Price adjustments have been claimed on account of ocean freight, marine insurance, commission, port expenses, inland freight, bank charges, and adjustment for VAT to arrive at the net export price.

### **Dumping Margin**

16. The normal value has been compared with the export price at ex-factory level. There is sufficient prima facie evidence that the normal value of the subject goods in the subject country are higher than the ex-factory export price, indicating, that the subject goods are being dumped into the Indian market by the exporters from the subject country. The dumping margin is estimated to be above de minimis.

### **Injury and Causal Link**

17. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to production and consumption in India, price suppression, price underselling and consequent significant adverse impact in terms of profits, return on capital employed, and cash flow to the domestic industry. There is sufficient prima facie evidence of the 'injury' being suffered by the domestic industry caused by dumped imports from subject country to justify initiation of an antidumping investigation.

### **Period of Investigation (POI)**

18. Petitioners proposed the period of investigation from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016 (12 months). However, for the purpose of analyzing injury, the data of previous three years, i.e. April 2012-March 2013, April 2013-March 2014, April 2014-March 2015 and the proposed period of investigation has been considered.

### **Submission of information**

19. The known exporters in the subject country, the Government of the subject country through their 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:

**The Designated Authority,  
Directorate General of Anti-Dumping & Allied Duties,  
Ministry of Commerce & Industry, Department of Commerce  
4th Floor, Jeevan Tara Building, 5 Parliament Street,  
New Delhi -110001.**

20. 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**

21. Any information relating to the present investigation 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.

22. 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 Antidumping measures within 40 days from the date of initiation of this investigation.

### **Submission of Information on Non-Confidential basis**

23. In case confidentiality is claimed on any part of the questionnaire's 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.

24. 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 five (05) copies of the non-confidential version must be submitted by all the interested parties.

25. 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.

26. 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.

27. 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.

28. 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**

29. In terms of rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

### **Non-cooperation**

30. 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.

**(A.K. Bhalla)**  
**Additional Secretary & Designated Authority**