

To be published in Part-I Section-I of the Gazette of India Extraordinary

F. No. No. 6/04/2024-DGTR

Government of India

Department of Commerce

Ministry of Commerce & Industry

(Directorate General of Trade Remedies)

4th Floor, Jeevan Tara Building 5, Parliament Street, New Delhi – 110001

Dated: 26th March 2024

INITIATION NOTIFICATION

CASE No. ADD (OI) – 04/2024

Subject: Initiation of anti-dumping investigation concerning imports of Acetonitrile originating in or exported from China PR, Russia & Taiwan

1. **F. No. 6/04/2024-DGTR:** Having regards to the Customs Tariff Act, 1975 as amended from time to time (hereinafter 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 referred to as the 'Rules'), Alkyl Amines Chemicals Limited (hereinafter referred to as the 'applicant') has filed an application before the Designated Authority (hereinafter referred to as the 'Authority'), for initiation of an anti-dumping investigation on imports of Acetonitrile (hereinafter referred to as the 'product under consideration' or 'subject goods'), originating in or exported from China PR, Russia & Taiwan (hereinafter referred to as the 'subject countries').
2. The applicant has alleged that material injury is being caused to the domestic industry due to the dumped imports, originating in or exported from the subject countries and has requested for the imposition of anti-dumping duties on the imports of the product under consideration from the subject countries.
 - A. **Product under consideration**
3. The product under consideration in the present investigation is '*Acetonitrile*'. Acetonitrile is also known as MeCN (Methyl Cyanide), Cyano methane, Ethane Nitrile, Ethyl Nitrile and Methane Carbonitrile. The product under consideration covers Acetonitrile known by any name. The product under consideration is produced and sold in the form of a clear and colourless liquid.
4. The product under consideration does not have a dedicated tariff code. The product under consideration is however imported under Chapter 29 of the Customs Tariff Act, 1975 under subheading 292690 of the Tariff Classification.

5. The product is imported with different purities. Purity of the product under consideration is nothing but the content of Acetonitrile in the imported solution. First, low purity Acetonitrile is produced, and it is then processed to make high purity Acetonitrile. The low purity Acetonitrile of various ranges are imported to India by importers who then undertake a small distillation process to convert into high purity Acetonitrile (99.9%). For the purpose of the investigation, Acetonitrile imported in different purities has been converted to arrive at Acetonitrile of 99.9% purity.
6. The parties to the present investigation may provide their comments on the product under consideration and propose PCNs (with justification), if any, within 15 days of circulation of the receipt of intimation of initiation of the investigation.

B. Like article

7. The domestic industry has submitted that there are no significant differences in the product produced by the domestic industry and exported from the subject countries and both are like articles. The product produced by the domestic industry and imported from the subject countries are comparable in terms of essential product characteristics such as physical and chemical characteristics, manufacturing process & technology, functions & usage, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers can use and have been using the two interchangeably. The two are technically and commercially substitutable, and hence, should be treated as 'like article' under the Rules. Thus, for the purposes of initiation of the present investigation, the product produced by the domestic industry has been *prima facie* considered as like article to the product being imported from the subject countries.

C. Domestic industry & standing

8. The application has been filed by Alkyl Amines Chemicals Limited. Balaji Amines Limited and Jindal Speciality Chemicals have supported the application. It has been stated that it has not imported the product under consideration from the subject countries and is not related to any exporters in the subject countries nor to any importers in India.
9. Based on the information provided, it is seen that the applicant constitutes '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(3) of the Rules.

D. Subject countries

10. The subject countries in the present investigation are China PR, Russia & Taiwan.

E. Period of investigation

11. The period of investigation (POI) for the investigation is from 1st October 2022 to 30th September 2023 (12 months). The injury examination period is 1st April 2020 to 31st March 2021, 1st April 2021 to 31st March 2022, 1st April 2022 to 31st March 2023, and the POI.

F. Dumping margin computation

a. Normal Value for China PR

12. The domestic industry has cited and relied upon Article 15(a) (i) of China's Accession Protocol and has claimed that China PR should be treated as a non-market economy and that producers from China PR should be directed to demonstrate that market economy conditions prevail in the industry with regard to the production and sales of the product under consideration. Unless the producers from China PR show that such market economy conditions prevail, their normal value should be determined in accordance with Para 7 and 8 of Annexure-I to the Anti-Dumping Rules, 1995.
13. The domestic industry has submitted that data relating to cost and price in market economy third country is not available at this stage and therefore, the domestic industry claimed normal value based on best estimates of the cost of production in India duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin. The normal value claimed by the domestic industry has been considered for the purpose of initiation.

b. Normal Value for Russia & Taiwan

14. The domestic industry has claimed that it does not have access to any evidence of selling price in the subject countries. Therefore, the domestic industry has proposed to the normal value based on the best estimates of cost of production, duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin. The normal value claimed by the domestic industry has been considered for the purpose of initiation.

d. Export Price

15. The export price of the product under consideration has been determined by considering the CIF price of the product under consideration as reported in DGCI&S data. Adjustments have been claimed for ocean freight, marine insurance, commission, bank charges, port expenses and inland freight expenses. There is sufficient *prima facie* evidence with regard to the net export prices for the subject countries.

e. Dumping Margin

16. The normal value and the export price have been compared at the ex-factory level, which *prima facie* establishes that the dumping margin is above the *de minimis* level with respect

to the product under consideration imported from the subject countries. Thus, there is sufficient *prima facie* evidence that the product under consideration from the subject countries is being dumped in the domestic market by the exporters from the subject countries.

G. Allegation of Injury and causal Link

17. The domestic industry has provided *prima facie* evidence with respect to the injury suffered by the domestic industry because of the dumped imports. The volume of the subject imports from the subject countries has increased in absolute as well as relative terms. The price undercutting from the subject countries is positive. The price suppression and depression caused by dumped imports have been preventing the domestic industry from increasing its prices to recover the full cost and achieve a reasonable rate of return and has suffered losses. It has also been claimed that because of the dumped imports from the subject countries, the production and capacity utilization of the domestic industry are significantly below its installed capacity. The market share of the domestic industry has declined in the period of investigation. There is sufficient *prima facie* evidence of material injury being caused to the domestic industry due to dumped imports from the subject countries to justify the initiation of the anti-dumping investigation.

H. Initiation of anti-dumping investigation

18. On the basis of the duly substantiated written application submitted by the domestic industry and having reached satisfaction based on the *prima facie* evidence submitted by the domestic industry concerning the dumping of the product under consideration originating in or exported from the subject countries, the consequential injury to the domestic industry as a result of the alleged dumping of the product under consideration and the causal link between such injury and the dumped imports, and in accordance with Section 9A of the Act read with Rule 5 of the AD Rules, the Authority, hereby, initiates an anti-dumping investigation to determine the existence, degree, and effect of the dumping with respect to the product under consideration originating in or exported from the subject countries and to recommend the appropriate amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

I. Procedure

19. The provisions stipulated in Rule 6 of the Anti-Dumping Rules shall be followed in this investigation.

J. Submission of information

20. All communication should be sent to the Designated Authority via email at email addresses jd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to adv11-dgtr@gov.in. It

must be ensured that the narrative part of the submission is in searchable PDF/MS-Word format and data files are in MS-Excel format.

21. The known producers/exporters in the subject countries, the government of the subject countries through its embassy in India, and the importers and users in India who are known to be associated with the product under consideration are being informed separately to enable them to file all the relevant information within the time limits mentioned in this initiation notification. All such information must be filed in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority.
22. Any other interested party may also make a submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
23. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other interested parties.
24. Interested parties are further directed to regularly visit the official website of the Directorate General of Trade Remedies (<https://www.dgtr.gov.in/>) to stay updated and apprised with the information as well as further processes related to the investigation.

K. Time limit

25. Any information relating to the present investigation should be sent to the Designated Authority via email at email address jd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to adv11-dgtr@gov.in within 30 days from the date on which the non-confidential version of the documents filed by the domestic industry would be circulated by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting countries as per Rule 6(4) of the Rules. If no information is received within the stipulated time limit or the information received is incomplete, the Authority may record its findings based on the facts available on record and in accordance with the Rules.
26. 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 within the above time limit as stipulated in this notification.
27. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 6(4) of the AD Rules, 1995 and such request must come within the time stipulated in this notification.

L. Submission of information on confidential basis

28. Where any party to the present investigation makes confidential submissions or provides information on a confidential basis before the Authority, such party is required to simultaneously submit a non-confidential version of such information in terms of Rule 7(2) of the Rules and in accordance with the relevant trade notices issued by the Authority in this regard.
29. Such submissions must be clearly marked as 'confidential' or 'non-confidential' at the top of each page. Any submission that has been made to the Authority without such markings shall be treated as 'non-confidential' information by the Authority, and the Authority shall be at liberty to allow other interested parties to inspect such submissions.
30. The confidential version shall contain all information which is, by nature, confidential, and/or other information, which the supplier of such information claims as confidential. For the information which is claimed to be confidential by nature, or the information on which confidentiality is claimed because of other reasons, 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.
31. The non-confidential version of the information filed by the interested parties should be a replica of the confidential version with the confidential information preferably indexed or blanked out (where indexation is not possible) and such information must be appropriately and adequately summarized depending upon the information on which confidentiality is claimed.
32. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on a confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons containing a sufficient and adequate explanation in terms of Rule 7 of the Rules, 1995, and appropriate trade notices issued by the Authority, as to why such summarization is not possible, must be provided to the satisfaction of the Authority.
33. The interested parties can offer their comments on the issues of confidentiality claimed by the other interested parties within 7 days from the date of circulation of the non-confidential version of the documents.
34. Any submission made without a meaningful non-confidential version thereof or a sufficient and adequate cause statement in terms of Rule 7 of the Rules, and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.

35. 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 if 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.
36. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorisation of the party providing such information.

M. Inspection of public file

37. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties.

N. Non-cooperation

38. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period or within the time stipulated by the Authority in this initiation notification, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings based on the facts available and make such recommendations to the Central Government as it deems fit.


(Anant Swarup)
Designated Authority