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**File No 6/24/2019-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: 1st October, 2019

INITIATION NOTIFICATION

Case No. (O.I.) 17/2019

Subject: Initiation of Anti-Dumping Investigation concerning imports of "Polyethylene Terephthalate" originating in or exported from China PR.

F. No. 6/24/2019-DGTR: Whereas M/s IVL Dhunseri Petrochem Industries Private Limited and M/s Reliance Industries Limited (hereinafter referred to as the “applicants”) have jointly filed an application through TPM Consultants 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 Antidumping 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 (including imposition of interim duty) on imports of "Polyethylene Terephthalate" originating in or exported from China PR (also referred to as the “subject country”).

A. Product under consideration

1. The product under consideration is “virgin polyethylene terephthalate (PET) resin”, defined as “polyethylene terephthalate resin having an intrinsic viscosity of 0.72 decilitres per gram or higher”. The scope of product under consideration does not include recycled PET resin. PET Resin is used for the manufacturing of preforms, which are then converted into PET bottle and jars for the storage of mineral water, carbonated soft drinks, edible oils, pharmaceutical products etc.
2. PET resin is classified under the codes 39076100 and 39076910. However, prior to 2nd February, 2017, the goods were classifiable under the codes 39076010 and 39076020. The Customs classification is indicative only and not binding on the scope of present investigation.

B. Like article

3. The applicants have claimed that there is no known difference between the subject goods exported from the subject country and that produced by the domestic industry. Subject goods produced by the domestic industry and imported from the subject country are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers use the two interchangeably. The applicants have further claimed that the two are technically and commercially substitutable and, hence, should be treated as like article under the Rules. The Authority has treated the subject goods produced by the domestic industry as 'Like Article' to the subject goods being imported from the subject country.

C. Domestic industry and standing

4. The application has been jointly filed by M/s IVL Dhunseri Petrochem Industries Private Limited and M/s Reliance Industries Limited. M/s IVL Dhunseri Petrochem Industries Private Limited is related to an exporter of the alleged dumped goods. However, considering the small volume of exports by the said related entity, the Authority has considered M/s IVL Dhunseri Petrochem Industries Private Limited as eligible domestic industry within the meaning of Rule 2(b). The Authority has considered that both the applicant producers constitute eligible domestic industry in terms of Rule 2 (b) and the application satisfies the standing requirement under Rule 5(3) of the Rules supra.

D. Country involved

5. The present investigation is in respect of alleged dumping of the product under consideration from People's Republic of China ("China PR").

E. Normal value

6. The applicant has claimed that China PR should be treated as a non-market economy and has determined normal value in accordance with Paras 7 and 8 of Annexure I of the Rules. Normal value has been determined on the basis of cost of production in India, duly adjusted, and after additions for selling, general & administrative expense and reasonable profits.

F. Export price

7. The applicants have claimed export price on the basis of DGCI&S transaction wise import data. The net ex-factory export prices have been determined after due adjustments

towards of ocean freight, marine insurance, port expenses, bank charges, commission, inland freight expenses and VAT difference.

G. Dumping margin

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

H. Evidence of injury and causal link

9. Information furnished by the Applicants has been considered for assessment of injury to the domestic industry. The Applicants have 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 undercutting, price suppression/depression, price underselling, and consequent deterioration in performance of the domestic industry in respect of market share, profitability, cash profits and return on capital employed.
10. There is sufficient prima facie evidence of injury being caused to the domestic industry by dumped imports from the subject country to justify initiation of investigation.

I. Initiation of Anti-Dumping Investigation

11. The Authority finds sufficient prima facie 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, to justify initiation of an anti-dumping investigation to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which if levied, would be adequate to remove the injury to the domestic industry. Accordingly, the Authority hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry in terms of Para 5 of the Rules.

J. Period of Investigation (POI)

12. The applicants have proposed the period September, 2018 to March, 2019 (6 months) as the investigation period. However, the Authority considers it appropriate to consider the period of investigation as the period 1st September, 2018 to 30th June, 2019 (9 months). The injury investigation period shall cover 2016-17, 2017-18, 2018-19 and the period of investigation.

K. Submission of information

13. Known exporters in the subject country, 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 Trade Remedies
Department of Commerce
Ministry of Commerce & Industry
4th Floor, Jeevan Tara Building,
5 Parliament Street, New Delhi – 110001**

14. 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 make a non-confidential version of the same available to the other parties.

L. Time limit

15. Any information relating to the present investigation 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.
16. 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 within 40 days from the date of publication of this Notification. The information must be submitted in hard copies as well as soft copies.

M. Submission of information on non-confidential basis

17. 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

18. 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 (2) copies of the non-confidential version must be submitted by all the interested parties
19. 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
20. 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.
21. 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.
22. 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.

N. Inspection of public file

23. 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.

O. Non-cooperation

24. 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.

P. Sampling

25. In view of the potentially large number of exporting producers from the subject country involved in this proceeding and in order to complete the investigation within the stipulated time limits, the Authority may limit the exporter(s)/ producer(s) to be investigated to a reasonable number by selecting a sample. The sampling shall be carried out, if required, in terms of Rule 17(3) of the Rules.

(Sunil Kumar)
Additional Secretary & Director General