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**F. No. 07/18//2022-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: 30<sup>th</sup> September, 2022

**INITIATION NOTIFICATION**  
**(Case No. AD (SSR) 07//2022)**

**Subject: Initiation of sunset review investigation of anti-dumping duty on the imports of Ceramic Rollers originating in or exported from China PR.**

1. F. No. 07/18/2022-DGTR- Having regards to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to 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 to as the “Rules” or the “Anti-Dumping Rules”), Futura Ceramics Private Limited (hereinafter referred to as the “applicant” or “petitioner” or “domestic industry”) has filed an application before the Designated Authority (hereinafter also referred to as the “Authority”) for sunset review investigation of anti-dumping duty on imports of "Ceramic Rollers" (hereinafter referred to as the “subject goods” or the “product under consideration” or the “PUC) originating in or exported from China PR (hereinafter referred to as the “subject country”).
  2. In terms of Section 9A, (5) of the Act, the anti-dumping duty imposed shall, unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition and the Authority is required to review whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury. In accordance with the same, the Authority is required to review, on the basis of a duly substantiated request made by or on behalf of the domestic industry as to whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury.
- A. Background of previous investigation**
3. The original anti-dumping investigation concerning imports of the subject goods from the subject country was initiated by the Authority *vide* notification No.14/52/2016-DGAD on 19<sup>th</sup> April 2017. The Authority issued the final finding *vide* notification No. 14/47/2016-DGAD dated 26<sup>th</sup> March 2018, recommending the imposition of definitive anti-dumping duties, which were imposed by the Central Government *vide* Notification No. 27/2018-

Customs (ADD), dated 17<sup>th</sup> May 2018. The said duties were levied for a period of 5 years and are set to expire on 16<sup>th</sup> May 2023.

**B. Product under consideration**

4. The product under consideration in the present investigation is the same as defined in the original investigation which is as follows:

*“The product under consideration in the present petition is “Ceramic Rollers” or “Rollers” (also known as Ceramic pipes or tubes in market parlance) and is used in Roller Hearth Kilns to transport tiles from one end of the kiln to the other end. By rotating around themselves the rollers allow the tiles to be transported from one end to the other. The Ceramic Rollers are also used in Industries that make S.S. (Stainless Steel) Strips/ Patta to manufacture Stainless Steel Utensils. It is classified under Chapter 69 of the Customs Tariff Act.*

5. The present petition being for sunset review investigation, as per the settled jurisprudence and the past practices of the Authority, the product under consideration remains the same as defined in the original final finding notification.

**C. Like Article**

6. The applicant has claimed that there are no significant differences in the product produced by the domestic industry and the one exported from the subject country. The product produced by the domestic industry and those imported from the subject country are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process and technology, functions and uses, product specifications, pricing, distribution and marketing, and tariff classification of the goods. The two are technically and commercially substitutable and are used by consumers interchangeably. Further, the present application is for sunset review investigation for the continued imposition of anti-dumping duty. The issue of like article has been examined by the Authority in the previous investigations as well. The product imported from the subject country is ‘like article’ to the product produced by the domestic industry.

**D. Domestic industry and standing**

7. The application has been filed by Futura Ceramics Private Limited. The applicant has claimed to be the sole producer of the subject goods in India. The applicant has further certified that it has not imported the subject goods nor is related to the exporters from the subject country or importers in India. The applicant has certified that it not related to any exporter or producer of the subject goods in China PR or an importer in India, either directly or indirectly within the meaning of Rule 2(b) of Anti-Dumping Rules. However, the applicant has imported small volumes of the subject goods from the European Union.

The Authority has examined the imports made by the applicant. It *prima facie* appears that the imports volumes by the applicant are small and not a significant amount. The applicant may be considered as constituting 'domestic industry' as defined under Rule 2(b) of the Anti-Dumping Rules. The application satisfies the requirements of Rule 5(3) of the Anti-Dumping Rules.

8. In view of the same and based on the information available on record, the Authority is satisfied that the application has been made 'by or on behalf of the domestic industry' and satisfies the requirements of standing in terms of Rule 5(3).

**E. Subject country**

9. The country involved in the present sunset review investigation is China PR.

**F. Likelihood of continuation or recurrence of dumping**

Normal value

10. The applicant has cited and relied upon Article 15(a) (i) of China's Accession Protocol. The applicant has claimed that producers in China PR must be asked to demonstrate that market economy conditions prevail in the industry producing the subject goods with regard to the manufacture, production and sale of the product under consideration. It has been stated by the applicant that in case the responding Chinese producers are not able to demonstrate that their costs and price information are market driven, the normal value should be calculated in terms of provisions of para 7 and 8 of Annexure I to the Rules. The normal value has accordingly been determined in terms of Para 7 of Annexure I to the Rules.
11. The applicant had proposed to determine the normal value on the basis of export price from the European Union to India. Alternatively, the applicant has proposed computation of normal value on the basis of price payable in India based on the cost of production in India and after addition for selling, general & administrative expenses and reasonable profits. The Authority has, for the purpose of this initiation, considered the normal value for China PR based on cost of production and after addition for selling, general & administrative expenses and reasonable profits.

Export price

12. The applicant has claimed the CIF price reported as per market intelligence for determination of export price. However, for the purpose initiation, the Authority has relied on the information provided by the applicant for computation of export price. The price has been adjusted with ocean freight, marine insurance, commission, inland freight expenses, port expenses and bank charges.

### Dumping margin

13. Considering the normal value and export price determined as above, dumping margin has been determined, in accordance with Section 9 A(1)(a) of the Customs Tariff Act, 1975. It is noted that dumping margin is not only above *de minimis* level, but also significant. There is *prima facie* evidence that normal value of the subject goods is significantly higher than the net export prices, indicating that the subject goods originating in or exported from the subject country are being exported at dumped prices, thus, indicating continued dumping so as to justify initiation of the present investigation.

### **G. Likelihood of injury**

14. There is *prima facie* evidence of dumping and consequent injury on account of increase in imports, significant share of imports in the Indian demand, suppressing effect of imports, losses suffered by domestic industry, low capacity utilization and low market and share of domestic industry despite the anti-dumping duty currently in force. The information provided by the applicant, *prima facie*, shows continuation of dumping of subject goods from the subject country, and continuation of injury to domestic industry in case of cessation of the anti-dumping duty.

### **H. Initiation of sunset review investigation**

15. And therefore, on the basis of the duly substantiated application of the applicant, and having satisfied itself, on the basis of the *prima facie* evidence submitted by the applicant, substantiating the likelihood of continuation/ recurrence of dumping and injury, and in accordance with Section 9A(5) of the Act read with Rule 23 (1B) of the 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.

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

16. The period of investigation (POI) for the present investigation is April 2021 to March 2022. The injury investigation period will cover the periods 2018-19, 2019-20, 2020-21 and the period of investigation. The data beyond period of investigation may also be examined to determine the likelihood of dumping and injury.

### **J. Procedure**

17. The present review covers all aspects of the final findings of the original investigations published vide Notification No. 14/47/2016-DGAD dated 26<sup>th</sup> March 2018. The

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

**K. Submission of information**

18. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Designated Authority via email at email address [adg15-dgtr@gov.in](mailto:adg15-dgtr@gov.in), [adv11-dgtr@gov.in](mailto:adv11-dgtr@gov.in), [jd13-dgtr@gov.in](mailto:jd13-dgtr@gov.in) and [dd15-dgtr@gov.in](mailto:dd15-dgtr@gov.in). It should be ensured that the narrative part of the submission is in searchable PDF/ MS Word format and data files are in MS Excel format.
19. The known exporters, their Government through their Embassy in India, the importers, and users in India known to be concerned with the subject goods and the domestic industry are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time-limit set out below.
20. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below on the email address mentioned in Para 18 above.
21. 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.
22. Interested parties are further advised to keep a regular watch on the official website of the Designated Authority <http://www.dgtr.gov.in/> for any updated information with respect to this investigation.

**L. Time Limit**

23. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses [adg15-dgtr@gov.in](mailto:adg15-dgtr@gov.in), [adv11-dgtr@gov.in](mailto:adv11-dgtr@gov.in), [jd13-dgtr@gov.in](mailto:jd13-dgtr@gov.in) and [dd15-dgtr@gov.in](mailto:dd15-dgtr@gov.in). within thirty (30) days from the date of receipt of the notice as per Rule 6(4) of the Anti-Dumping Rules. It may, however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received within one week from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country. 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 Rules.
24. 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.

**M. Submission of information on confidential basis**

25. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same in terms of Rule 7(2) of the Rules and the Trade Notices issued in this regard. Failure to adhere to the above may lead to rejection of the response / submissions.
26. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file confidential and non-confidential versions separately.
27. The "confidential" or "non-confidential" submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
28. The confidential version shall contain all the information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which are 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.
29. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and 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, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority. The other interested parties can offer their comments on the confidentiality claimed within 7 days of receiving the non-confidential version of the document.
30. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied the request for confidentiality is not warranted or if the supplier of the information is that either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.

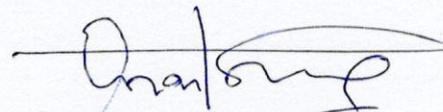
31. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.
32. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorisation of the party providing such information.

**N. Inspection of Public File**

33. In terms of Rule 6(7) of the Rules, any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties. The modality of maintaining public file in electronic mode is being worked out.

**O. Non-cooperation**

34. In case where an interested party refuses access to or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.



(Anant Swarup)

**Joint Secretary & Designated Authority**