

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

**File No. 7/33/2020-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: 25<sup>th</sup> September, 2020

**INITIATION NOTIFICATION**  
**Case No.-AD-AC-05/2020**

**Subject: Initiation of Anti-Circumvention investigation concerning alleged circumvention of anti-dumping duty imposed on imports of “Ceramic Tableware and Kitchenware, excluding knives and toilet items” originating in or exported from China PR, by imports of “Ceramic Tableware and Kitchenware, excluding Knives and Toilet Items” from Malaysia.**

Ceramic Tableware & Kitchenware Manufacturers Association (hereinafter referred to as the “Applicant” or “Applicant association”) has filed an application before the Designated Authority (hereinafter also referred to as the “Authority”), on behalf of the domestic industry, in accordance with the Customs Tariff Act, 1975 as amended from time to time (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”), alleging that anti-dumping duties imposed on imports of “Ceramic Tableware and Kitchenware, excluding knives and toilet items” (hereinafter also referred to as “product under consideration” or “PUC” or “subject goods”), originating in or exported from China PR (hereinafter also referred to as the “subject country”) are being circumvented by way of imports of “Ceramic Tableware and Kitchenware, excluding knives and toilet items” produced and exported from Malaysia.

**A. Background**

1. The Designated Authority, in an antidumping investigation, vide its Final Findings Notification F.No.14/05/2016-DGAD dated 8th December, 2017, (“Original investigation”) had earlier recommended the imposition of anti-dumping duty on the imports of “Ceramic Tableware and Kitchenware, excluding knives and toilet items” originating in or exported from China PR, and the definitive anti-dumping duty was

imposed by the Ministry of Finance, vide Notification No. 4/2018-Customs (ADD) dated 21st February 2018.

#### **B. Product under consideration (PUC)**

2. The product under consideration in the present investigation, is same as defined in the original investigation i.e. “Ceramic table wares and kitchen wares, excluding knives and toilet items” (also referred to as ‘product under consideration’ or PUC or Subject goods). 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.
3. Ceramic tableware and kitchenware products are used for the purpose of eating, drinking and serving food and beverages in homes and hotels.

#### **C. Product under Investigation (PUI)**

4. The Product under Investigation which is allegedly circumventing the anti-dumping duty in force on imports of subject goods from China PR is, “Ceramic table wares and kitchen wares, excluding knives and toilet items” exported from Malaysia ( “also referred to as “Product Under Investigation” or “PUI” ) classified under subheading no. 6911 and 6912 of the Customs Tariff Act. However, Customs classifications are indicative only and, in no way, binding on the scope of the investigations.

#### **D. Domestic Industry**

5. The application has been filed by Ceramic Tableware & Kitchenware Manufacturers Association. M/s Clay craft India Pvt Ltd and M/s Ceramic Tableware Pvt Limited, members of the Applicant association have expressly supported the application. On the basis of the information available, the Authority is satisfied that the application has been made ‘by or on behalf of the domestic industry’ in terms of Rule 2 (b) and Rule 5(3) of the Rules.

#### **E. Existing Measures being Circumvented**

6. The existing anti-dumping measures were recommended on imports of subject goods from China PR by the Designated Authority vide Notification No.14/05/2016-DGAD dated 8<sup>th</sup> December 2017 and Anti-dumping duties were imposed by the Ministry of Finance vide Notification No. 4/2018-Customs (ADD) dated 21<sup>st</sup> February 2018. The existing measure on PUC is in force till 11<sup>th</sup> June 2022.

## **F. Grounds for Alleged Circumvention:**

7. The application for anti-circumvention investigation has been filed seeking extension of existing anti-dumping duty levied on PUC vide Custom Notification No. 4/2018-Customs (ADD) dated 21<sup>st</sup> February 2018; to PUI from Malaysia, which is allegedly circumventing the existing anti-dumping duty. The applicant has furnished reasons/ evidence for seeking anti-circumvention investigation which, *inter alia*, includes:
  - a) Significant changes in the pattern of trade involving exports from the subject country and country under investigation whereby imports from China PR have declined whereas that from subject country have increased significantly from 2017-18.
  - b) Exports are being mostly consigned from Malaysia, via exporters that are not producers of the subject goods.
  - c) There is also evidence of non-availment of concessions under both Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA) and the ASEAN-India Free Trade Agreement (AIFTA) indicating that the requirement of value addition is not being fulfilled by the exporters in Malaysia.
  - d) The request contains sufficient *prima facie* evidence that the prices of the product under investigation are also dumped.
  - e) The imports of PUI are undercutting the prices of the domestic industry.
8. The Applicant has requested retrospective imposition of Anti-dumping duty circumventing products i.e. PUI from the date of initiation of investigation.
9. The Authority on the basis of *prima facie* evidence provided by the Applicant notes that there is a change in the pattern of trade wherein imports of PUI from Malaysia are increased to significant level since 2017-18 without any sufficient cause or economic justification thereby undermining the remedial effects of the existing anti-dumping measure imposed on imports of PUC from China PR.

## **G. Initiation**

10. On the basis of the duly substantiated application by the Applicant regarding imports from Malaysia and having satisfied itself on the change in pattern of trade, and the imports undermining of the remedial effect of the existing AD measure, the Authority hereby initiates an Anti-Circumvention investigation in accordance with Section 9A (1A) of the Act and Rules 25 & 26 of the Rules to consider extension of existing anti-dumping duty on imports from China PR to the PUI imported from Malaysia from the date of initiation of this investigation in accordance with the Rule 27 (3) of the Rules. The Authority therefore recommends provisional assessment on all imports of the PUI i.e. Ceramic Tableware and Kitchenware, excluding knives and toilet items from Malaysia till the completion of this review.

## **H. Period of Investigation:**

11. The period of investigation (POI) for the present investigation is April 2019- March 2020 (12 Months) and the injury period will cover the periods 2016-17, 2017-18, 2018-19 and the POI.

## **I. Circumventing Country**

12. The country involved in this anti-circumvention investigation is Malaysia (“Circumventing Country”).

## **J. Submission of Information**

13. 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 [adg13-dgtr@gov.in](mailto:adg13-dgtr@gov.in) , [adv11-dgtr@gov.in](mailto:adv11-dgtr@gov.in), [dir16-dgr@gov.in](mailto:dir16-dgr@gov.in) and [dd13-dgtr@gov.in](mailto:dd13-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.
14. The known exporters, Government through its 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
15. 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 19 above.
16. 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.

## **K. Time Limit**

17. Any information relating to the present investigation should be sent in writing so as to reach the Authority at the email address [adg13-dgtr@gov.in](mailto:adg13-dgtr@gov.in), [adv11-dgtr@gov.in](mailto:adv11-dgtr@gov.in), [dir16-dgtr@gov.in](mailto:dir16-dgtr@gov.in) and [dd13-dgtr@gov.in](mailto:dd13-dgtr@gov.in) within thirty days from the date of receipt of the notice as per Rule 6(4) of the 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
18. 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.

## **L. Submission of Information on Confidential Basis**

19. 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.
20. 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.
21. 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.
22. 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 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.
23. 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.
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 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.
25. 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.
26. 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.

**M. Inspection of Public File**

27. 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.

**N. Non-Cooperation**

28. 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.

**(B B Swain)**  
**Special Secretary & Designated Authority**