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**F.No. 7/22/2018-DGAD**

Government of India

Ministry of Commerce & Industry Department of Commerce

Directorate General of Trade Remedies

4th Floor, Jeevan Tara Building, New Delhi-110001

**Dated: 26<sup>th</sup> June, 2018**

**INITIATION NOTIFICATION**

**Case No. (SSR) -12/2018**

**Subject: Initiation of Sunset Review investigation concerning imports of 4, 4 Diamino Stilbene 2, 2 Disulphonic Acid (DASDA) originating in or exported from China PR**

1. **No. 7/22/2018-DGAD-** Having regard to the Customs Tariff Act, 1975 as amended in 1995 (hereinafter referred to as the Act) and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as AD Rules) recommended imposition of definitive anti-dumping duties were imposed vide Notification No. 14/1/2012 – DGAD dated 22nd November, 2013 on imports of 4, 4 Diamino Stilbene 2, 2 Disulphonic Acid (DASDA) from China PR. The same were imposed vide Notification No. 09/2014 Customs (ADD) dated 23<sup>rd</sup> January, 2014.
2. Whereas in terms of Section 9A(5) the Customs Tariff(Amendment) Act 1995 the antidumping 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 above, the Authority is required to review, on the basis of a duly substantial 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.
3. And whereas the Dyestuffs Manufactures Association of India, Mumbai, claiming itself as a representative body of users of the subject goods, submitted an application requesting for initiation of a review of the anti-dumping duties imposed on the imports of the subject goods from the subject country. The Designated Authority, vide Notification No. 15/18/2015-DGAD dated 1st October, 2015, initiated the Mid-term Review (MTR) investigation. After conducting detailed investigation, the Authority revised the anti-dumping duty vide Notification No. 15/18/2015– DGAD dated 26th September, 2016 on imports of 4, 4 Diamino Stilbene 2, 2 Disulphonic Acid (DASDA) from China PR. The same were imposed vide Notification No. 52/2016 Customs (ADD) dated 9th November, 2016.
4. And whereas, a petition has been filed by M/s. Deepak Nitrite Industries Ltd, (hereinafter referred to as petitioner) in accordance with the Act and the Rules, seeking initiation of a sunset review

of the Anti-dumping duty in force on import of “4, 4 Diamino Stilbene 2, 2 Disulphonic Acid (DASDA)”, for extending the duties for a further period of five years, alleging likelihood of continuation or recurrence of dumping and injury of the subject goods originating in or exported from China PR.

### **Product under consideration and like article**

5. The product under consideration is 4, 4 Diamino Stilbene 2, 2 Disulphonic Acid (also referred to as DASDA). It is also known as 2, 2'- (1, 2- Ethylenediyl) bis (5-aminobenzenesulfonic acid), 4, 4'-Diaminostilbene- 2, 2'-Disulfonic Acid, 2, 2'-ethene-1, 2-diylbis (5- amino benzene sulfonic acid), Amsonic Acid and DSD Acid. DASDA is a light yellow color powder/cream, which is used in synthesis of dye stuffs, like optical brightening agents, fluorescent brightening agents, etc.
6. The product under consideration is classified under chapter heading 29215990, although reportedly being imported under a number of other tariff headings such as 29214290, 29222190, 29222990, 29309099, etc. However, the customs classification is indicative only and in no way binding on the scope of this investigation. Since the present investigation being a sunset review investigation, product under consideration remains the same as defined in the previously conducted investigation.
7. Petitioner has submitted that the subject goods produced by them are like article to the goods imported from the subject country in terms of physical and technical characteristics, manufacturing process and technology, functions and uses, product specifications, pricing, distribution and marketing, and tariff classification of the goods. The imported products and the domestically produced goods are technically and commercially substitutable and consumers use them interchangeably.

### **Domestic Industry and Standing**

8. The petition has been filed by M/s. Deepak Nitrite Industries Ltd. Petitioner claims to be the major producers of the product under consideration in the Country. The petitioner has certified that they are not related to producer/exporter of the product under consideration in subject country or have imported the subject good from the subject country during the Period of investigation and therefore is eligible to be treated as “domestic industry” within the meaning of Rules. The Authority has considered the petitioner company as 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 of the Rules supra.

### **Countries Involved**

9. The duties are in force against China PR. Therefore, this sunset review will cover the duty in force on the subject goods originating in or exported from China PR only.

### **Initiation of Sunset Review**

10. Having satisfied itself, on the basis of the positive evidence submitted by the domestic industry, substantiating the likelihood of continuation of dumping and recurrence of injury, the Authority hereby initiates an investigation in accordance with Section 9A (5) of the Act read with Rule 23 of Anti-dumping Rules, to review whether revocation of the duty on imports of the subject goods originating in or exported from the subject countries, shall lead to continuation or recurrence of dumping of the subject goods from the subject countries and continuation or recurrence of injury to the domestic industry, and need for continued imposition of the definitive duty in force against the subject goods originating in or exported from the subject countries.

### **Procedure**

11. The review will cover all aspects of the final findings Notification No 14/1/2012 – DGAD dated 22nd November, 2013 and Notification No. 15/18/2015– DGAD dated 26th September, 2016 recommending imposition of anti-dumping duty on imports of DASDA originating and exported from China PR.
12. The provisions of Rules 6, 7, 8, 9, 10, 11, 16, 17, 18, 19 and 20 of the Rule supra shall be mutatis mutandis applicable in this review.

### **Period of Investigation**

13. The period of investigation is April 2017 to March, 2018 (12 months). The injury investigation period shall cover the periods 2014-15, 2015-16, 2016-17 and the POI.

### **Submission of information**

14. 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 Trade Remedies,  
Department of Commerce Ministry of Commerce & Industry,  
4th Floor, Jeevan Tara Building, 5 Parliament Street,  
New Delhi -110001.**

15. 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 submit a non-confidential version of the same to be made available to the other parties.
16. While submitting questionnaire response, producer/ exporter may have to demonstrate prevalence of market condition related to manufacture, production and sale of subject good in the domestic market and in export to India and other countries. For this purpose, the producer/exporter, may clarify and provide sufficient information on the following:
  - a. Decision in regard to price, cost, input including raw material, cost of technology and labor, output, sales and investment, are made in response to market signal reflecting supply and demand and without significant state interference and weather cost of major inputs substantially reflect market value.
  - b. Production costs and financial situation does not suffer from any distortion.
  - c. The producers/exporters are subject to bankruptcy and property law which guarantees legal certainty and stability for the operation of the firms.
  - d. Exchange rate conversions are carried out at the market rate

#### **Time limit**

17. 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.
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 and offer their comments to the domestic industry's application regarding the need to impose the Antidumping measures within 40 days from the date of initiation of this investigation

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

19. 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.
20. 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 of the non-confidential version must be submitted by all the interested parties.

21. 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.
22. 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.
23. 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.
24. 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**

25. 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**

26. 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 as deemed fit.

(Sunil Kumar)  
Additional Secretary & Designated Authority