

To be published in Part-1 Section I of the Gazette of India Extraordinary

Case No. (Sunset Review)- 21/2018

Government of India

Ministry of Commerce & Industry

Department of Commerce

Directorate General of Trade Remedies

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

Dated: 10th January, 2019

INITIATION NOTIFICATION

Subject: Initiation of a Sunset Review investigation (SSR) concerning import of Electrical Insulators from China PR.

1. F. No.7/44/2018-DGTR: 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). On the basis of Preliminary Findings dated 1st July, 2014, the authority recommended imposition of provisional anti-dumping duties which was imposed vide Custom notification No. 40/2014-customs(ADD) dated 16th September 2014 by Ministry of Finance(MoF). The final duty was recommended on 4th March, 2015 by the authority which was imposed by the MoF vide Notification No. 11/2015-Customs (ADD) dated 11th April, 2015 for a period of five years from the date of provisional duty imposed. The duty imposed would expire on 15th September, 2019.
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. The present petition has been filed by M/s Aditya Birla Insulators (A unit of Grasim Industries Ltd.), M/s Insulators and Electricals Company and M/s Modern Insulators Ltd., seeking initiation of sunset review and extension of present anti-dumping duties on imports of ***Electrical Insulators*** from China PR, 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.

A. Product Under Consideration (PUC)

4. The product under consideration in the present investigation is same as the previous investigation. The product under consideration is as follows:

“the scope of product under consideration for the purpose of present investigation is electrical insulators of glass or porcelain/ceramic, whether assembled or unassembled. However, (a) telephone or telegraph insulators of voltage rating up to 1 KV, (b) electrical or electronic appliances/device insulators of voltage rating up to 1 KV, and (c) composite insulators are excluded from the scope of present investigation. Further, it is clarified that bushings and voltage transformers are beyond the scope of the product under consideration and proposed measures.”

5. Subject goods are classified under chapter 85 of Customs Tariff Act, 1975 under the sub-heading 8546 and subheading 854610 and 854620 of the Tariff Classification. The product has also been imported under chapter 98 under project category imports. The custom classification is indicative only and not binding on the scope of investigation.
6. The investigation being a sunset review investigation, PUC remains the same as defined in the previously concluded investigation. The unit of measurement is MT as in the original investigation.

B. Like Article

7. Petitioners have claimed that there is no known difference in the product produced by the petitioner and exported from the subject country. The PUC produced by the domestic industry are comparable in terms of physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods with the subject goods imported from the subject country. The goods produced by the petitioners are technically and commercially substitutable with goods imported from the subject countries. The consumers are using the two interchangeably.
8. The Designated Authority has determined in the previous investigations that the subject goods imported from subject countries and the one produced by the domestic industry are like article. Since this being the review investigations, the PUC is the same as the one determined by the Authority in the previous investigations. In view of the above, the subject goods produced by the petitioners should be treated as a like article to the goods imported from the subject country within the meaning of the Anti-dumping Rules for this investigation as well.

C. Subject countries

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

D. Domestic Industry & Standing

10. The present petition has been filed by M/s Aditya Birla Insulators (A unit of Grasim Industries Ltd.), M/s Insulators and Electricals Company and M/s Modern Insulators Ltd., and (herein after referred as petitioners) seeking initiation of sunset review and extension of present anti-dumping duties on imports of **Electrical Insulators** from

China PR .The petitioners have provided relevant information in the petition which has been examined for consideration of initiation.

11. Apart from the petitioners, there are some other producers who operate in both organised and unorganised sector. The petitioners have provided the details of Indian production as per **Indian Electrical & Electronics Manufacturers' Association (IEEMA)**. IEEMA is an association of electrical equipment producers and has a fully dedicated insulator division to look into the long-term interests of the industry in the Country.
12. Production by Petitioners constitute 83.88% of Indian production and therefore may be considered as constituting major proportion in the Indian production. The petitioners therefore satisfy the requirement of standing to file the present petition and constitute "Domestic Industry" within the meaning of the Rules.

E. Initiation of Sunset Review Investigation

13. . 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.

F. Period of Investigation (POI)

14. The petitioner had proposed POI from 1st April 2017 to 30th June 2018. However, the Authority has decided that the period of investigation (POI) for the present investigation is 1st April 2017 to 30th September 2018 (18 months) with a view to obtain most recent data and the injury investigation period has been considered as the period 2014-15, 2015-16, and 2016-17. The data beyond POI may also be examined to determine the likelihood of dumping and injury.

G. Procedure

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

H. Time Limit

16. 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 below 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.

17. 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.

I. Submission of Information

18. The known exporters in the subject countries, the Government of the subject countries 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 Director General,
Directorate General of Anti-Dumping & Allied Duties,
Ministry of Commerce & Industry,
Department of Commerce
4th Floor, Jeevan Tara Building,
5, Parliament Street, New Delhi -110001.

19. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner (downloadable from the website of the authority at www.dgtr.gov.in within the time limit set out above. 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.

20. 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 labour, 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.

J. Submission of Information on Confidential/ Non-confidential Basis

21. 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. The interested parties are required to follow guidelines contained in TN 10/2018 dated 7th September, 2018 of this Directorate.
22. 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.
23. 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.
24. 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.
25. 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.
26. 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.

K. Inspection of Public File

27. 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.

L. 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.

(Sunil Kumar)
Additional Secretary & Director General