

Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Anti-Dumping & Allied Duties),
New Delhi

Dated 28 April, 2017

INITIATION NOTIFICATION

**Case No.SSR-07/2017
(Sunset Review)**

Subject: Initiation of Sunset Review Investigation of Anti-dumping duty on import of Partially Oriented Yarn (POY), originating in or exported from China PR.

No 07/01/2017-DGAD Having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Designated Authority (herein after referred to as Authority) recommended imposition of Anti-Dumping Duty on imports of Partially Oriented Yarn (POY), (hereinafter referred to as subject goods) originating in or exported from China PR (hereinafter referred to as subject Country). The final findings notification of the Authority was published vide notification 14/10/2005-DGAD dated 8th June, 2007. On the basis of the findings, definitive anti-dumping duties on the subject goods imported from subject countries were imposed by the Department of Revenue vide notifications No. 92/2007 dated 03.08.2007.

2. Subsequently, the Authority initiated a sunset review of the above anti-dumping duty vide notification dated 11th February, 2011 and recommended continued imposition of definitive anti-dumping duties on the imports of the subject goods originating in or exported from the above country vide Final Finding Notification No. 15/27/2010- DGAD dated 10th February, 2012. The duties were extended vide Customs Notification No. 22/2012-Customs (ADD) dated 2nd May 2012 for a further period of 5 years i.e., until 1st May 2017.

3. WHEREAS in terms of Section 9A(5) the Customs Tariff (Amendment) Act 1995 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 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.

4. And whereas, a petition has been filed by M/s Reliance Industries Limited (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 Partially Oriented Yarn (POY) for extending the duties for a further period of five years, alleging likelihood of continuation or recurrence of dumping and injury of the above goods originating in or exported from China.

Product under Consideration

5. Product under consideration is Partially Oriented Yarn, generally known as POY. It falls under the Customs Tariff Heading 5402.42 of ITC (HS) Classifications of Export and Import Items. It is the yarn of Polyester and is an intermediate, which is subject to further processing, for example, texturising or draw twisting, to make it suitable for weaving or knitting into

fabrics.

6. Present investigation, being a sunset review of the duty in force, the products under consideration would remain the same as has been defined in the original 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 request for the sunset review has been filed by M/s Reliance Industries Limited duly supported by M/s Indo Rama Synthetics (India) Ltd, M/s JBF Industries Limited, M/s Garden Silk Mills Ltd, and M/s Alok Industries Limited. The participating companies and the supporters account for a major proportion of the domestic production of the subject goods. Therefore, the application is deemed to have been made by or on behalf of the domestic industry and the above participating companies have been treated as the domestic industry under Rule 2(b) of the Anti-dumping Rules for the purpose of injury investigation.

Country involved

9. The duties are in force against the People's Republic of China. Therefore, this sunset review will cover the duty in force on the subject goods originating in or exported from the China.

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 country, imposed vide Customs Notification No. 22/2012-Cus dated 2nd May 2012, shall lead to continuation or recurrence of dumping of the subject goods from the subject country 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 country.

Procedure

11. The review will cover all aspects of Final Finding Notification No. 15/27/2010-DGAD dated 10th February 2012 recommending continuation of anti-dumping duty on import of Saccharin originating in or 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 was proposed as January 2016 to December 2016 (12 months) by the petitioner. However, the Authority considers it more appropriate to carry out the investigations taking into account the period of investigation as April 1, 2016 to March 31, 2017 (12 months). For the purpose of analyzing injury data, the data of previous three previous years, i.e., 2013-14, 2014-15, 2015-16 and the POI will be considered.

Submission of Information

14. The known exporters in the subject country, the Government of the subject country through its embassy/representatives in India, the importers and users in India known to be concerned with the subject goods and the domestic industry in India are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Designated Authority at the following address:

The Designated Authority
Directorate General of Anti-Dumping and Allied Duties
Ministry of Commerce and Industry,
Department of Commerce
Room No. 15, 4th Floor Jeevan Tara Building,
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 make a non-confidential version of the same available to the other parties.

16. While submitting the questionnaire response, producers/exporters in the subject country may have to demonstrate prevalence of market condition related to manufacture, production, and sales of subject good in the domestic market and in export to India and other countries. For this purpose, the producer/exporter, may 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 without significant state interference and weather cost of major inputs substantially reflect market value.
- b. Production costs and financial situation does not suffer for any distortion.
- c. The producer/exporter are subject to bankruptcy and property law which guarantees legal certainty and stability for the operation of the firms.
- d. Change rate conversions are carried out at the market rate.

Time Limits

17. Any information relating to the present review 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 for continuation, or otherwise, of the anti-dumping measures, within 40 days from the date of initiation of this investigation.

Submission of Information on Confidential Basis

19. In case confidentiality is claimed on any part of the questionnaire 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 five (05) copies 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 recommendations to the Central Government as deemed fit.

(Dr. Inder Jit Singh)
Additional Secretary & Designated Authority