

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

F. No. 7/10/2024 - DGTR
Government of India, Department of Commerce
Ministry of Commerce & Industry
(Directorate (General of Trade Remedies)
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Date: 24th September, 2024

INITIATION NOTIFICATION

Case No. – ADD (SSR) 03/2024

Subject: Initiation of sunset review investigation concerning imports of Aniline from China PR.

1. F. No. 7/10/2024 - 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"), Gujarat Narmada Valley Fertilizers & Chemicals Limited (hereinafter referred to as the "applicant") has filed an application before the Designated Authority (hereinafter also referred to as the "Authority") for initiation of the sunset review investigation of antidumping duty on the imports of Aniline (hereinafter referred to as the "subject goods" or "product under consideration") originating in or exported from China PR (hereinafter referred to as "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 into imports of product under consideration from China was initiated by the Authority on 24th January 2020. Following a request by the applicant and a thorough preliminary examination, the Authority, through Notification No. 6/42/2019-DGTR, dated 12th June 2021, recommended imposition of provisional

anti-dumping duty. Subsequently, the Ministry of Finance imposed provisional duties vide Customs Notification No. 20/2020-Customs (ADD) dated 29th July 2020.

4. After an elaborate investigation, the Authority concluded that the imports of the product under consideration from the subject country had caused injury to the domestic industry. Consequently, through final findings No. 6/42/2019-DGTR, dated 20th January 2021, the Designated Authority confirmed the preliminary finding and recommended imposition of measures for a period of 5 years. The Ministry of Finance imposed duties vide Notification No. 08/2021-Customs (ADD), dated 19th February 2021.
5. Thereafter a mid-term review was initiated on the request of the user industry to examine whether there is a need for continued imposition of anti-dumping duty on the subject goods originating in or exported from China PR. The Authority vide F. No. 7/25/2022 - DGTR dated 11th December 2023 concluded that there was a continued need for imposition of anti-dumping duty. The present measures are in force till 28th July 2025.

B. Product under consideration (PUC)

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

The product under consideration for the purpose of present investigation is "Aniline" which is also known as "Aniline Oil". Aniline is a transparent, oily liquid and is a primary amine compound. Its colour transforms to light pale-yellow liquid when freshly distilled. Its colour darkens when exposed to light or air. Aniline is a basic organic chemical, essential for vital industries such as drugs, pharmaceuticals, dyes and dye intermediates.

7. The present application being a sunset review investigation, the product under consideration remains the same as defined in the original final finding notification.
8. The product under consideration is classified under the Chapter Heading 29 under the tariff code 2921 41 10. The customs classification is only indicative and is not binding on the scope of the product under consideration. The product is traded on weight basis and the prescribed unit of measurement is MT.

C. Like article

9. The applicant has claimed that there is no significant difference in the product produced by it and the one exported from the subject country. The product produced by the domestic industry and imported from the subject country are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & 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 antidumping duty. The issue of like article has already been examined by the Authority in the original investigation as well. The product produced by the domestic industry is like article to the product under consideration produced and imported from subject country.

D. Domestic industry and standing

10. The application has been filed by Gujarat Narmada Valley Fertilizers & Chemicals Limited. There is another producer - R. K. Synthesis Limited, the supporter of application. The applicant has stated that it has not imported the product under consideration from the subject country and is not related to any producer or exporter of the product under consideration from the subject country. The production of applicant constitutes major share in the total Indian production.
11. In view of the same, and based on information available on record, the Authority is satisfied that the applicant constitutes domestic industry within the meaning of Rule 2(b) and the application has been made 'by or on behalf of the domestic industry'. Further, the application satisfies the requirements of standing in terms of Rule 5(3), even though the requirements of Rule 5(3) are not applicable in sunset review application.

E. Subject country

12. The subject country in the present investigation is China PR.

F. Normal value

China PR

13. The applicant has submitted that China PR should be treated as a non-market economy and that producers from China PR should be directed to demonstrate that market economy conditions prevail in the industry with regard to the production and sales of the subject goods. Unless the producers from China PR show that such market economy conditions prevail, their normal value should be determined in accordance with Para 7 of Annexure-I to the Anti-Dumping Rules, 1995.
14. Therefore, for the purpose of initiation of this investigation, the normal value has been constructed based on the estimates of the cost of production of the applicant duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin.

G. Export price

15. The export price of the subject goods from the subject country has been estimated by considering transaction-wise import data provided by Directorate General of Systems. The Authority has, thereafter, made necessary adjustments to arrive at the net export price.

H. Current dumping and dumping margin.

16. The normal value and the export price have been compared at the ex-factory level, which *prima facie* establishes that the dumping margin is above the *de minimis* level with respect to the subject goods imported from the subject country. Thus, there is sufficient *prima facie* evidence that the product under consideration from the subject country is being dumped in the domestic market of India by the exporters from the subject country.

I. Injury and likelihood of recurrence of dumping and injury.

17. The volume of imports from the subject country has increased over the injury period in absolute as well as relative terms. The market share of the applicant has declined. The applicant has also provided information on capacity expansion in the subject country, third country dumping and third country injurious exports as the basis to establish the likelihood of injury. The volume and price of imports and the performance of the applicant over the injury period shows that the applicant is vulnerable to injury due to the dumped imports.
18. The information provided by the applicant, *prima facie*, shows recurrence of dumping from the subject country and the likelihood of injury to the domestic industry in case of cessation of the anti-dumping duties. However, in order to examine the likelihood of injury to the domestic industry in case of cessation of the anti-dumping duties, the authority may seek post POI data from applicant domestic industry and the other interested parties for examination.

J. Initiation of sunset review investigation

19. 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.

K. Period of investigation (POI)

20. The period of investigation (POI) for the present investigation is 1st April 2023 to 31st March 2024. The injury period for the investigation will cover the periods 2020-21, 2021-22, 2022-23 and the period of investigation.

L. Procedure

21. The sunset review investigation will cover all aspects of the original final findings published vide Notification No. 6/42/2019-DGTR dated 20th January, 2021 recommending the imposition of anti-dumping duty on the imports of subject goods originating in or exported from the subject country, and of mid term review final findings published vide Notification No. 7/25/2022-DGTR dated 11th December, 2023.
22. 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.

M. Submission of information

23. All the communication should be sent to the Designated Authority via email at email address dir11-dgtr@gov.in and dd16-dgtr@gov.in with a copy to adv13-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.
24. The known producers/ 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 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.
25. 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.
26. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other interested parties.
27. 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.

N. Time limit

28. Any information relating to the present investigation should be sent to the Authority via email at the email addresses dir11-dgtr@gov.in and dd16-dgtr@gov.in with a copy to adv13-dgtr@gov.in. within thirty days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. It may, however, be noted that in terms of explanation of the said Rules, the notice calling for information and other documents shall be deemed to have received within one week from the date on which it was sent by the 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.

29. 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.

O. Submission on information on confidential basis

30. 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.
31. 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.
32. 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.
33. 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 is 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.
34. 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 sufficient and adequate explanation in terms of Rule 7 of the Rules, and appropriate trade notices issued by the Authority, as to why such summarization is not possible must be provided to the satisfaction of the Authority.
35. The interested parties can offer their comments on the issues of confidentiality claimed by the domestic industry within 7 days of the receipt of the non-confidential version of

the documents in terms of para 28 of this notification.


36. Any submission made without a meaningful non-confidential version thereof or without a sufficient and adequate cause statement in terms of Rule 7 of the Anti-Dumping Duty Rules, 1995 and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.
37. 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 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.

P. Inspection of public file

38. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties. Failure to circulate nonconfidential version of submissions/response/information might lead to consideration of an interested party as non-cooperative.

Q. Non-cooperation

39. In case where an interested party refuses access to or otherwise does not provide necessary information within a reasonable period, or significantly impedes the review 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.


(Darpan Jain)
Designated Authority