Subject: - Initiation of the sunset review investigation concerning imports of “Opal Glassware” originating in or exported from China PR and UAE.

Having regards to the Customs Tariff Act, 1975 as amended from time to time (hereinafter also referred to as the "Act") and 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"), Borosil Limited (hereinafter also referred to as the "applicant" or the "petitioner") has filed an application before the Designated Authority (hereinafter also referred to as the "Authority") seeking initiation of sunset review investigation in respect of the anti-dumping duty imposed on the imports of "Opal Glassware" (hereinafter referred to as the "subject goods" or the "product under consideration"), originating in or exported from China PR and UAE (hereinafter also referred to as the "subject countries").

2. The applicant has alleged that dumping of the subject goods from the subject countries has continued even after the imposition of anti-dumping duty and that there is likelihood of continuation/recurrence of the dumping and the injury in case of cessation of the duties. The applicant has requested for extension of the duties on the imports of the subject goods, originating in or exported from the subject countries.

3. In terms of Section 9A (5) of the Act, 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.
4. The applicant has provided the relevant information in the petition. The petition has been examined for sufficiency of the information and the evidence of the dumping and the consequent injury to justify initiation of investigation. Since the petition is duly documented and contains sufficient prima facie evidence of likelihood of the dumping and the injury if the existing duty is allowed to expire, the Authority initiates the sunset review investigation of the anti-dumping duty already imposed on the imports of the subject goods originating and exported from the subject countries.

A. Background

5. The original anti-dumping investigation concerning imports of the subject goods, originating in or exported from China PR and UAE, was initiated by the Authority vide Notification No. 14/24/2010-DGAD dated 26th August, 2010. The Authority recommended the provisional anti-dumping duty vide preliminary findings Notification No. 14/24/2010-DGAD dated 27th June, 2011, which was imposed by the Central Government vide Notification No. 72/2011-Customs dated 9th August, 2011. The final findings were issued by the Authority vide Notification No. 14/24/2010-DGAD dated 25th August, 2011 whereby the Authority found the subject goods were being dumped in India and causing the injury to the domestic industry. On the basis of the recommendations made by the Authority in the final findings, definitive anti-dumping duty was imposed by the Central Government vide Notification No. 103/2011-Customs dated 23rd November, 2011 for a period of five years.

6. A sunset review investigation was initiated by the Authority vide Notification No. 15/4/2016-DGAD dated 8th July, 2016. The final findings were issued by the Authority vide Notification No. 15/4/2016-DGAD dated 3rd July, 2017, whereby the Authority found the need to recommend continued imposition of the duties. On the basis of the recommendations made by the Authority in the final findings, the anti-dumping duty was continued by the Central Government vide Notification 37/2017-Customs (ADD) dated 9th August, 2017 for a period of five years. The existing duties will expire on 8th August, 2022.

B. Product under consideration

7. The scope of the product under consideration in the original investigation was as follows –

"The product under consideration in the present investigation is Opal Glassware of all types. Under the Customs Tariff Act, the product has been described as glassware (in general) of a kind used for table, kitchen, toilet, office, indoor decoration or similar purposes. The scope of the
8. The product under consideration is classified under chapter 70 under tariff item 7013 4900 of the Customs Tariff Act, 1975. While different kinds of glasswares are classifiable under Customs sub-heading 7013, the scope of the product under consideration for the purpose of present investigation is limited to ‘opal glasswares’ of a kind used for table, kitchen, office or similar purposes. All the other products falling under Custom sub-heading 7013 are beyond the scope of the product under consideration in the present investigation. The customs classification is indicative only and in no way binding on the scope of the investigation.

9. The present investigation being a sunset review investigation, as per the settled jurisprudence and the past practices of the Authority, the product under consideration remains the same as defined in the original investigation.

C. Like article

10. The applicant has claimed that the product under consideration has been investigated in the past and there are no known differences between the goods produced by the domestic industry and the goods exported from the subject countries to India. It has been stated that there are no significant differences in the subject goods produced by the applicant and those exported from the subject countries. The subject goods produced by the domestic industry are comparable to the imported goods from the subject countries in terms of technical specifications, manufacturing process & technology, functions & uses, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. For the purpose of the present investigation, the subject goods produced by the applicant are being treated as ‘Like Article’ to the subject goods being imported from the subject countries.

D. Domestic industry & standing

11. The application has been filed by Borosil Limited and the application is supported by La Opala RG Limited and Cello Plast, which are the other two domestic producers of the subject goods. The applicant has claimed that it has neither imported the subject goods from the subject countries nor is related to any exporter or the producer of the subject goods in the subject countries or any importer of the product under consideration in India.

12. As per the evidence available on record, the applicant producer accounts for a major proportion in the domestic production of the like article in India. On the basis of the information available, the Authority notes that the applicant
constitutes eligible domestic industry in terms of Rule 2 (b) of the Rules.

E. Subject Countries

13. The subject countries involved in the present sunset review investigation are China PR and UAE.

F. Period of Investigation (POI)

14. The period of investigation in the present investigation is the period from 1st April, 2020 to 31st March, 2021 (12 months). The injury analysis period will cover the period of investigation and the preceding three years 2017-18, 2018-19 and 2019-2020.

G. Normal Value in China PR

15. The applicant has claimed that China PR should be treated as a non-market economy and the normal value should be determined in accordance with Para 7 of Annexure – I to the anti-dumping Rules. The applicant has submitted that France should be considered as an appropriate market economy third country for the purpose of determining the normal value for China PR. Due to unavailability of information regarding the price of the subject country in the surrogate country, the applicant has claimed the normal value for China PR considering price of exports of the subject goods from France to India. The normal value claimed by the applicant has been considered for the purpose of initiation. The interested parties may offer comments with regard to selection of France as the appropriate third country.

H. Normal Value for UAE

16. The applicant has claimed that efforts were made to get information/evidence of the price of the subject goods in the domestic market of the subject country. The applicant has been able to get information/evidence of price of subject goods in the domestic market of UAE based on the online selling prices of the subject goods. The applicant claimed that since these are retail prices, the same have been adjusted for retail margins, local taxes and other expenses. While the local taxes are based on prevalent taxation system in UAE as known to the applicant, all other adjustments have been made based on the applicant’s experience of the trade.

17. For the purpose of initiation, the Authority has considered the normal value as claimed by the applicant.
18. The export price of the subject imports has been determined based on the Directorate General of Commercial Intelligence and Statistics (DGCI&S) transaction-wise import data. The price adjustments have been made for ocean freight, marine insurance, commission, inland freight expenses, port expenses and bank charges.

I. Dumping Margin

19. The normal value and the export price have been compared at ex-factory level, which prima facie show that the dumping margin determined is not only above the de-minimis level but also significant. There is sufficient prima facie evidence that the product under consideration is being dumped into the Indian market, thereby indicating likelihood of continued dumping so as to justify initiation of the investigation.

J. Likelihood of continuation / recurrence of injury

20. There is prima facie evidence of likelihood of continuation/recurrence of dumping and the injury to the domestic industry in the event of cessation of duty, considering the continued dumping of the subject goods; significant volume of the imports; low price of the subject imports; freely disposable present capacity with the foreign producers and export orientation of the exporters. It is prima facie noted that there is likelihood of continuation/recurrence of the dumping and the injury to the domestic industry in the event of cessation of the anti-dumping duty.

K. Initiation of sunset review investigation

21. On the basis of the duly substantiated written application filed by and on behalf of the domestic industry, and having satisfied itself on the basis of the prima facie evidence submitted by the domestic industry, substantiating likelihood of continuation/recurrence of the dumping and the injury, and in accordance with Section 9A(5) of the Act read with Rule 23(1B) of the Rules, the Authority, hereby, initiates the 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 countries and to examine whether the expiry of such duties is likely to lead to the continuation or recurrence of the dumping and the injury to the domestic industry.

L. Procedure

22. The review investigation will cover all the aspects of the final findings published

23. 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

24. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Authority via email at the email addresses adg15-dgtr@gov.in, adv13-dgtr@gov.in, jd11-dgtr@gov.in, and jd13-dgtr@gov.in.

25. The known producers/exporters in the subject countries, their governments through their Embassies in India, the importers and users in India known to be connected 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 below.

26. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within in the time limit set out below.

27. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to other interested parties.

N. Time Limit

28. In view of the special circumstances arising out of COVID-19 pandemic, any information relating to the present investigation should be sent to the Authority via email at the email addresses adg15-dgtr@gov.in, adv13-dgtr@gov.in, jd11-dgtr@gov.in, and jd13-dgtr@gov.in within 30 days from the date of the 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 Rules, the notice calling for information and other documents shall be deemed to be have been 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 finding on the basis of the facts available on records 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 investigation and file their questionnaire response/submissions within the above time limit.

O. Submission of 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 a 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 statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

35. 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.

36. 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.

37. 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.

P. Inspection of Public File

38. 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.

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 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.

(Anant Swarup)
Joint Secretary & Designated Authority