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F. No. 7/12/2022-DGTR

Government of India, Department of Commerce

Ministry of Commerce & Industry

(Directorate General of Trade Remedies)

4th Floor, Jeevan Tara Building,

5, Parliament Street, New Delhi- 110001

Dated: 15th September, 2022

INITIATION NOTIFICATION

(Case No. AD (SSR)-04/2022)

Subject: Initiation of sunset review investigation of anti-dumping duty on the imports of Monoisopropylamine originating in or exported from China PR.

1. F. No. 7/12/2022-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"), M/s Alkyl Amines Chemicals Limited (hereinafter referred to as the "applicant") has filed an application before the Designated Authority (hereinafter also referred to as the "Authority") for sunset review investigation of antidumping duty on imports of "Monoisopropylamine" (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 concerning imports of the subject goods from the subject country was initiated by the Authority vide notification No. 14/46/2016-

DGAD on 15th February 2017. In the same matter, the final finding was issued vide notification No. 14/46/2016 -DGAD dated 12th February 2018 confirming imposition of definitive anti-dumping duties on imports of the subject goods from the subject countries, which were implemented vide Notification No. 14/2018-Cus (ADD), dated 21st March 2018. The said duties were levied for a period of 5 years and are set to expire on 20th March 2023.

B. Product under consideration

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

“The product under consideration is “Monoisopropylamine”, also known as MIPA. Monoisopropylamine is an organic compound, an amine. It is a base, as typical for amines. It is a hygroscopic colourless liquid with ammonia-like odor. Its melting point is –95.2 °C and its boiling point is 32.4 °C. It is miscible with water. It is extremely flammable, with flash point at –37 °C. MIPA is produced in anhydrous (99.5%). Diluted form is obtained by adding water to anhydrous form which concentration level reduced to desired level as per buyer's requirement. It is commercially sold both in anhydrous form and aquatic form depending on the application or end use.”

5. The present petition being for 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 final finding notification.

C. Like Article

6. The applicant has claimed that there is no significant difference in the product produced by the domestic industry 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 anti-dumping duty. The issue of like article has been examined by the Authority in the previous investigation as well. The product produced by the domestic industry is like article to the product under consideration produced and imported from the subject country.

D. Domestic industry and standing

7. The application has been filed by M/s Alkyl Amines Chemicals Limited. The applicant has claimed that they are the sole producer of the subject goods in India. The applicant has further certified that it has not imported the subject goods nor is related to the exporters from the subject country or importers in India.
8. In view of the same, and based on information available on record, the Authority is satisfied that the application has been made 'by or on behalf of the domestic industry' and 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, and the applicant constitutes domestic industry within the meaning of Rule 2(b).

E. Subject country

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

F. Likelihood of continuation or recurrence of dumping

Normal value

10. The applicant has cited and relied upon Article 15(a) (i) of China's Accession Protocol. The applicant has claimed that the producers in China PR must be asked to demonstrate that market economy conditions prevail in the industry producing the subject goods with regard to the manufacture, production and sale of the product under consideration. It has been stated by the applicant that in case the responding Chinese producers are not able to demonstrate that their costs and price information are market driven, the normal value should be calculated in terms of provisions of para 7 and 8 of Annexure I to the Rules. The normal value has accordingly been determined in terms of Para 7 of Annexure I to the Rules.
11. The applicant had proposed to determine normal value on the basis of export price from United States of America. The applicant further supplemented the normal value on the basis of price payable in India based on the cost of production in India and after addition for selling, general & administrative expenses and reasonable profits. Even though the applicant has claimed normal value on the basis of import price from USA, the Authority analysed data received from DG Systems and found much lower volume of imports from USA as compared to volume reported by the petitioner. Therefore, the Authority has, at this stage, and pending investigation, not adopted the import price from USA for the purpose of determination of normal value. The Authority has, for the purpose of this

initiation, considered the constructed normal value for China PR on the basis of best estimates of cost of production of the domestic industry, with reasonable addition for selling, general & administrative expenses, and profits.

12. The interested parties are advised to offer their comments, and make duly substantiated claims with regard to methodology to be adopted for determination of normal value, having regard to the provisions of para-7 and 8 of Annexure-I within the time limits prescribed in this notification.

Export price

13. The applicant has claimed the CIF price reported as per market intelligence for determination of export price. The Authority has, however considered import price as per DG Systems data for computation of export price. The export price has been adjusted with ocean freight, marine insurance, commission, inland freight expenses, port expenses and bank charges.

Dumping margin

14. Considering the normal value and export price determined as above, dumping margin has been determined, in accordance with Section 9 A(1)(a) of the Customs Tariff Act, 1975. It is noted that dumping margin is not only above de minimis level, but also significant. There is prima facie evidence that normal value of the subject goods in the subject country are significantly higher than the net export price, indicating that the subject goods originating in or exported from the subject country are being exported at dumped prices, thus, indicating continued dumping so as to justify initiation of this investigation.

G. Likelihood of continuation or recurrence of injury

15. There is prima facie evidence of continuation of dumping and consequent injury on account of significant share of imports in the Indian demand, price undercutting, low profitability, third countries dumping, price attractiveness of the Indian market, injurious exports to other countries, significant capacities with Chinese producers, capacity expansion, likely suppressing impact of imports and likely injury to the domestic industry in event of cessation of duties. The information provided by the applicant, prima facie, shows continuation of dumping of subject goods from the subject country, and likelihood of injury to domestic industry in case of cessation of the anti-dumping duty.

H. Initiation of sunset review investigation

16. 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.

I. Period of Investigation (POI)

17. The period of investigation (POI) for the present investigation is 1st April 2021 to 31st March 2022 (12 months). The injury investigation period will cover the periods 2018-19, 2019-20, 2020-21 and the period of investigation. The data beyond period of investigation may also be examined to determine the likelihood of dumping and injury.

J. Procedure

18. The present review covers all aspects of the final findings of the original investigation published vide Notification No. 14/46/2016-DGAD dated 12th February 2018 as amended. 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.

K. Submission of information

19. In view of the special circumstances arising out of COVID-I9 pandemic, all communication should be sent to the Designated Authority via email at email address, jd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to adg13-dgtr@gov.in, and adv12-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.
20. The known exporters, their Government 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.
21. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below on the email address mentioned in Para 17 above.
22. 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.

23. Interested parties are further advised to keep a regular watch on the official website of the Designated Authority <https://www.dgtr.gov.in/> for any updated information with respect to this investigation.

L. Time Limit

24. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses adg13-dgtr@gov.in, adv12-dgtr@gov.in, jd12-dgtr@gov.in and ad12-dgtr@gov.in within thirty (30) days from the date of receipt of the notice as per Rule 6(4) of the Anti-Dumping Rules. It may however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received within one week from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting countries. 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.
25. 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.

M. Submission of information on confidential basis

26. 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.
27. 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.
28. 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.

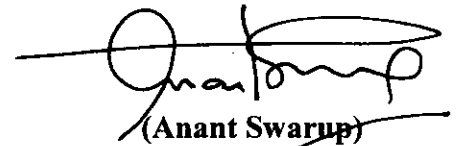
29. The confidential version shall contain all the information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which are claimed to be confidential by nature or the information on which confidentiality is claimed 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.
30. 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. The other interested parties can offer their comments on the confidentiality claimed within 7 days of receiving the non-confidential version of the document.
31. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied 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.
32. 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.
33. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorisation of the party providing such information.

N. Inspection of Public File

34. 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.

O. Non-cooperation

35. 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)
Designated Authority