

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

**F.No. 7/31/2021-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: 10th February, 2022

INITIATION NOTIFICATION

(Case No. ADD-SSR 25/2021)

Subject: Initiation of sunset review investigation concerning imports of Styrene Butadiene Rubber originating in or exported from European Union, Korea RP and Thailand.

1. M/s Reliance Industries Limited (hereinafter referred to as the “applicant”) has filed an application before the Designated Authority (hereinafter also referred to as the “Authority”) in accordance with Customs Tariff Act, 1975 as amended from time to time (herein also referred to as the “Act”) and Customs Tariff (Identification, Assessment and Collection of Antidumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 thereof, as amended from time to time (hereinafter also referred to as the “Rules” or “AD Rules”) for sunset review investigation of antidumping duty on imports of “Styrene Butadiene Rubber” (hereinafter referred to as the “subject goods” or “product under consideration”) originating in or exported from European Union, Korea RP and Thailand (hereinafter referred to as “subject countries”).
2. The applicant has claimed that dumping of subject goods has continued from European Union and Korea RP even after imposition of antidumping duty and there is a likelihood of recurrence of injury to the domestic industry in an event of cessation of anti-dumping duties from European Union, Korea RP and Thailand.

A. Background of previous investigation

3. The original anti-dumping investigation concerning imports of the subject goods from the subject countries was initiated by the Authority vide notification No. 14/10/2015-DGAD on 14th January 2016. In the same matter, the final finding was issued vide notification No. 14/10/2015-DGAD dated 12th July 2017 confirming imposition of definitive anti-dumping duties on imports of the subject goods from the subject countries, which were implemented vide Notification No. 43/2017-Customs (ADD) dated 30th August 2017. The said duties were levied for a period of 5 years and are set to expire on 29th August 2022.

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-

a) The product under consideration in the present investigation is Styrene Butadiene Rubber; (SBR) of 1500 and 1700 series only of synthetic rubbers derived from two monomers styrene and butadiene. These materials have good abrasion resistance and aging stability when protected by additives. Solution SBR grades are outside the scope of investigation.

b) Compared to natural rubber, SBR has better process ability, homogeneity, heat aging and abrasion resistance, but is inferior in terms of elongation, hot tear strength, hysteresis, resilience and tensile strength. The major demand of SBR is in the automotive sector in manufacture of tyres.

c) The product is classified under Customs Tariff heading No. 400219. However, the said Customs classification is indicative only and in no way binding on the scope of the present investigation.

C. Like article

5. The applicant has claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. It has been further stated that there is no significant difference in the subject goods produced by the domestic industry and those exported from the subject countries. The applicant has claimed that subject goods produced by the domestic industry and imported from the subject countries are comparable in terms of physical & chemical characteristics, manufacturing process & technology (there is no other known technology for production world over), functions and uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. The consumers have used and are using the two interchangeably. For the purpose of the present investigation, the subject goods produced by the applicant are being treated as “like article” of the subject goods imported from the subject countries.

D. Domestic Industry and Standing

6. The application has been filed by M/s Reliance Industries Limited. There is one more producer of the subject goods namely, M/s Indian Synthetic Rubber Private Limited (ISRPL). The applicant has stated that it is a major producer of the subject goods. The applicant has further claimed that it has not imported the subject goods nor is related to the exporters from the subject countries or importers in India.
7. It is seen from the information on record that the production of applicant constitutes a major proportion in Indian production of the subject goods in India. On the basis of the information available, the Authority notes that the application has been made by or on behalf of the domestic industry in terms of the provisions contained in Rule 2(b) and Rule 5(3) of the Rules.

E. Subject countries

8. The countries involved in the present sunset review investigations are European Union, Korea RP and Thailand.

F. Dumping Margin

i. Normal Value

9. The applicant has relied on the prices published by the leading trade journals IHS Markit and the International Commodity Intelligence Services for the purpose of determination of normal value. The same has been considered for normal value for the purpose of initiation.

ii. Export Price

10. The applicant has claimed export prices on the basis of Directorate General of Commercial Intelligence and Statistics (DGCI&S) transaction wise import data. Price adjustments have been made on account of ocean freight, marine insurance, commission, port expenses and inland freight expenses.

iii. Dumping Margin

11. The normal value and the export price have been compared at ex-factory level, which prima facie shows dumping margin is not only above the de-minimis level in respect of European Union and Korea RP. There is sufficient prima facie evidence that the PUC from European Union and Korea RP is being dumped into the Indian market.

G. Likelihood of continuation or recurrence of injury

12. The information furnished by the applicant has been considered for assessment of injury to the domestic industry. The volume of imports of the subject goods from the subject countries has increased in the period of investigation in absolute terms and relative terms and are much below the selling price of the applicant. The applicant has stated that its performance has improved in the period of investigation, but it is due to a temporary situation caused by Covid. Further, the data provided by the applicant on the third countries dumping, price attractiveness of the Indian market, injurious exports to other countries, export orientation of the producers in the subject countries, also prima facie indicate a likelihood of dumping and injury on cessation of the anti-dumping duty. The Authority would examine the same in the course of the investigation.

H. Initiation of sunset review investigation

13. Having satisfied itself on the basis of the positive prima facie evidence submitted by the domestic industry substantiating the need for a review, the Authority hereby initiates a Sunset Review in accordance with Section 9 A (5) of the Act, read with Rule 23 of Antidumping Rules, 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 duty is likely to lead to recurrence of dumping and injury to the domestic industry.

I. Period of Investigation (POI)

14. The applicant has proposed the period of investigation as July 2020 to June 2021 (period of 12 months) in the application. However, the Authority has considered period of

investigation as October 2020 to September 2021 (period of 12 months). Therefore, the period of investigation (POI) for the present investigation is October 2020 to September 2021. 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

15. The present review covers all aspects of the final findings of the original investigations published vide Notification No 14/10/2015-DGAD dated 12th July 2017, 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

16. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Designated Authority via email at email address adg13-dgtr@gov.in, adv12-dgtr@gov.in, dd13-dgtr@gov.in and ad12-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.
17. The known exporters, their Government through their Embassies 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.
18. 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.
19. 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.
20. 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.

L. Time Limit

21. 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, dd13-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.

22. 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

23. 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.
24. 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.
25. 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.
26. 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.
27. 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
28. 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.
29. 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.

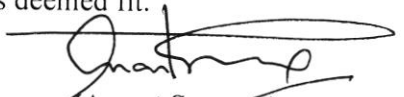
30. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

N. Inspection of Public File

31. 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

32. 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