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

No. 7/45/2020-DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
Directorate General of Trade Remedies
Jeevan Tara Building, Parliament Street, New Delhi 110001

Dated 11th February, 2021

INITIATION NOTIFICATION

(MTR Case No. 26/2020)

Subject: Mid-Term Review to review the product scope of definitive countervailing duty imposed on "Welded Stainless Steel Pipes and Tubes" originating in or exported from China PR and Vietnam.

- 1. M/s Kunshan Kinglai Hygienic Materials Co., Ltd. (hereinafter also referred to as the 'Petitioner' or 'Applicant') has filed an application before the Designated Authority (hereinafter referred to as the 'Authority') in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the 'Act') and the Customs Tariff (Identification, Assessment and Collection of Countervailing Duty on subsidized Articles and for Determination of Injury) Rules, 1995 as amended from time to time (hereinafter referred to as the 'Rules') for initiation of limited mid-term review investigation concerning exclusion of specific grades of "Welded Stainless Steel Pipes and Tubes" having ASME-BPE Standards (hereinafter also referred to as subject goods).
- 2. Vide Notification No.6/22/2018-DGAD dated 31.07.2019 imposition of definitive countervailing duty on imports of "Welded Stainless Steel Pipes and Tubes" (hereinafter also referred to as subject goods) originating in or exported from China PR and Vietnam (hereinafter also referred to as subject countries) was recommended by DGTR and the definitive countervailing duty was imposed by the Central Government vide Notification No. 4/2019-Customs (CVD) dated 17/09/2019.

Product under Consideration

- 3. The product under consideration defined in the original investigation is "Welded Stainless Steel Pipes and Tubes". The input material for welded pipes and tubes is stainless steel sheet/skelp/coil/plates which are formed into required shape and welded through suitable welding process. Further, the sheet/skelp/plates can be of different types, depending upon the requirement.
- 4. The product under consideration is classified under Chapter 73 of the Customs Tariff Act, 1975, and further classified under customs sub-heading 73064000,73066100, 73066900, 73061100 and 7306210. The customs classification is indicative only and in no way binding upon the product scope.

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- 5. Applicant has filed limited mid-term review (MTR) and requested for exclusion of specific grade of "Welded Stainless Steel Pipes and Tubes" having the ASME-BPE Standard.
- 6. The present review is therefore only for the limited purpose of investigating the need for excluding above-referred ASME-BPE standards product from the scope of the product under consideration in the original investigation.

Grounds for Review

- 7. The present application for mid-term review has been filed to request appropriate modification in the product covered in the subject anti-subsidy investigation. The applicant has furnished following reasons for seeking review:
 - (a) The applicant is certified by the American Society of Mechanical Engineers (ASME) to produce the specific grades of the subject goods.
 - (b) ASME-BPE standards are specific and unique in nature such as design, materials, construction, surface finish and inspection which in mainly needed for the bioprocessing and pharmaceutical sector to serve high level of hygiene requirements. The said grades are not technically or commercially substitutable.
 - (c) The ASME certified Bioprocessing Equipment (ASME-BPE) are neither produced nor supplied by any of the producers in India.

Procedure

8. Having regard to the information provided by the applicant indicating circumstances necessitating a review of the measure in force, a mid-term review of the Final Findings notified vide No.6/22/2018- DGAD dated 31.07.2019 and the definitive anti-subsidy duty imposed by Customs Notification No. 4/2019 Customs dated 17.09.2019 limited to the scope and specification of the product under anti-subsidy measures in force is considered appropriate, in terms of the provision of Section 9(A) of Customs Tariff (Amendment) Act 1995 read with Rule 23 supra. It is noted that the applicant M/s Kunshan Kinglai Hygienic Materials Co., Ltd. has provided prima facie evidence to establish the need for mid-term review. Accordingly, the Authority initiates a midterm review of definitive Anti-Subsidy Duty imposed on "Welded Stainless Steel Pipes and Tubes" originating in or exported from the China PR and Vietnam, limited to the product scope of the said anti-subsidy duty. The review covers limited aspects of Notification No. 6/22/2018-DGAD dated 31.07.2019 read with Customs Notification No. 4/2019- Customs dated 17.09.2019.

Countries involved

9. The countries involved in the present investigations is China PR & Vietnam.

Period of Investigation

10. Since the petition is for limited purpose of exclusion of a certain type of product (ASME-BPE Standard) under consideration, the Authority does not consider it necessary to evaluate either the quantum of dumping and injury margin and therefore stipulation of POI is not required.



Submission of Information

- 11. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent by email at email address adg12-dgtr@gov.in, adv13-dgtr@gov.in, jd12-dgtr@gov.in and dd16-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.
- 12. The known producers/exporters in the subject countries, Government of the subject countries 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.
- 13. 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.
- 14. 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.
- 15. Interested parties are further advised to keep a regular watch on the official website http://www.dgtr.gov.in/ for any updated information with respect to this investigation.

Time Limit

- 16. Any information relating to the present investigation should be sent by email at the email addresses adg12-dgtr@gov.in, adv13-dgtr@gov.in, jd12-dgtr@gov.in and dd16-dgtr@gov.in. within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. 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.
- 17. 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.

Submission of information on confidential basis

- 18. 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 8(2) of the Rules. Failure to adhere to the above may lead to rejection of the response / submissions.
- 19. 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.
- 20. 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.

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- 21. 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 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.
- 22. 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.
- 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 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.
- 24. 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.
- 25. 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

26. A list of all registered interested parties will be uploaded on 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 since the public file will not be accessible physically due to ongoing global pandemic.

Non-cooperation

27. 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