

F. No. 6/05/2025-DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
IV Floor, Jeevan Tara Building 5, Parliament Street, New Delhi – 110 001

Dated: 25th March 2025

INITIATION NOTIFICATION

CASE No. AD (OI) – 05/2025

Subject: Initiation of anti-dumping investigation concerning imports of “Ethylene Diamine” originating in or exported from China PR, European Union, Kingdom of Saudi Arabia and Taiwan - *reg.*

1. **F. No. No. 6/05/2025-DGTR** – Having regards to the Customs Tariff Act, 1975 as amended from time to time (*hereinafter referred 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 referred to as the ‘Rules’*), M/s Balaji Speciality Chemicals Limited (*hereinafter referred to as the ‘applicant’ or “petitioner”*) has filed an application before the Designated Authority (*hereinafter referred to as the ‘Authority’*), for initiation of an anti-dumping investigation on imports of “Ethylene Diamine” (*hereinafter referred to as the ‘product under consideration’ or ‘subject goods’ or ‘PUC’*), originating in or exported from China PR, European Union, Kingdom of Saudi Arabia and Taiwan (*hereinafter referred to as the ‘subject countries’*).
2. The applicant has alleged that material injury is being caused due to the dumped imports of the subject goods from the subject countries and has requested for the imposition of the anti-dumping duties on the imports of the subject goods, originating in or exported from the subject countries.

A. PRODUCT UNDER CONSIDERATION

3. The product under consideration (PUC) in the present investigation is ‘**Ethylene Diamine**’, abbreviated as “**EDA**”. The product is a clear colour less liquid. It has a freezing point at 11 °C and a boiling point of 117 °C.
4. EDA is a chemical with two reactive amine groups, making it an essential ingredient in various industrial processes. EDA is primarily used in the production of chemicals such as specialty compounds, fungicides, agrochemicals, coatings, and polymers. Further, the product is widely utilized in industries such as agrochemicals, pharmaceuticals, and etc.
5. EDA is classified under Chapter 29 *viz.*, “**Organic chemicals**” of the Customs Tariff Act, 1975 under sub-heading 2921 21 of the tariff classification. The applicant has stated that EDA is imported under the HS code 2921 21 00. The customs classification is indicative only and is not binding on the scope of the product under consideration.
6. The applicant has not proposed any PCN methodology. The parties to the present investigation may provide their comments, on the scope of the PUC and propose PCNs, if any, within 15 days from the date of initiation of this investigation.

B. LIKE ARTICLE

7. The applicant has submitted that there are no significant differences in the product produced by the applicant and those exported from the subject countries, and both are like articles. The product produced by the applicant and those imported from the subject countries are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & usage, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers can use and have been using the two interchangeably. The two are technically and commercially substitutable, and hence, should be treated as 'like article' under the Rules.
8. Thus, for the purposes of initiation of the present investigation, the product produced by the applicant has been *prima facie* considered as like article to the product being imported from the subject countries.

C. DOMESTIC INDUSTRY & STANDING

9. The application has been filed by M/s Balaji Speciality Chemicals Limited. Apart from the applicant, there is another producer namely M/s Diamines & Chemicals Limited. The applicant has claimed that the M/s Diamines & Chemicals Limited is not undertaking any production. In this regard, a communication was sent to M/s Diamines & Chemicals Limited, but no response has been received.
10. The applicant has further certified that they have not imported the subject goods nor related to the exporters from the subject countries or importers in India.
11. Based on the information provided, it is seen that the applicant constitutes 'domestic industry' within the meaning of Rule 2(b) of the Rules, and the application satisfies the criteria of standing in terms of Rule 5(3) of the Rules.

D. SUBJECT COUNTRY(IES)

12. The subject countries in the present investigation are China PR, European Union, Kingdom of Saudi Arabia and Taiwan.

E. PERIOD OF INVESTIGATION

13. The period of investigation (POI) for the investigation is from 1st October, 2023 to 30th September, 2024 (12 months). The injury investigation period will cover the period 1st April, 2021 to 31st March, 2022, 1st April, 2022 to 31st March, 2023, 1st April, 2023 to 31st March, 2024 and the POI.

F. BASIS OF ALLEGED DUMPING

i. Normal value for China PR

14. The applicant has cited and relied upon Article 15(a) (i) of China's Accession Protocol and has claimed 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 product under consideration. Unless the producers from China PR show that such market economy conditions prevail, their normal value should be determined in accordance with Para 7 and 8 of Annexure-I to the Anti-Dumping Rules, 1995.
15. The applicant has submitted that data relating to cost and price in market economy third country is not available. As regards the price at which the product under consideration has been sold from the market economy third country to any other

country, including India, the applicant submitted the export price from majority of the countries is below the estimated cost of production. Therefore, the applicant could not determine normal value based on export price from any other country. The applicant has therefore claimed normal value on the basis of its export price of EDA from India. The applicant has also provided information on normal value as per its cost of production in India, duly adjusted to include a reasonable profit margin. For the purpose of initiation, the Authority has considered normal value based on cost of production with reasonable adjustments for SGA expenses and profit in India.

ii. Normal value for European Union

16. The applicant has claimed normal value based on the intra European Union prices as per Euro Stat. The applicant has claimed that this is the price at which the product is traded for consumption in European Union. For the purpose of initiation, the Authority has considered normal value as proposed by the applicant.

iii. Normal value for Kingdom of Saudi Arabia

17. The applicant has claimed that they do not have access to any evidence of selling price in the Kingdom of Saudi Arabia. Therefore, applicant has determined the normal value based on the best estimates of cost of production in India, duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin. For the purpose of initiation, the Authority has considered normal value based on cost of production in India.

iv. Normal value of Taiwan

18. The applicant has claimed that they do not have access to any evidence regards to actual selling price of the producers in the domestic market of Taiwan. Further, it is submitted by the applicant that the product has a dedicated code in Taiwan.
19. Therefore, the applicant has proposed to consider import price into Taiwan as normal value. This is the price at which consumer in Taiwan have bought the material from an international supplier and can be considered as a basis for normal value. For the purpose of initiation, the Authority has considered normal value as proposed by the applicant.

v. Export price

20. The export price of the product under consideration has been determined by considering the CIF price of the product under consideration as reported in DGCIS transaction wise import data. Adjustments have been claimed for ocean freight, marine insurance, commission, bank charges, port expenses credit costs and inventory carrying costs.

vi. Dumping margin

21. The normal value and the export price have been compared at the ex-factory level, which *prima facie* establishes that the dumping margin with respect to the product under consideration imported from the subject countries is not only above the *de minimis* level but is also significant. Thus, there is sufficient *prima facie* evidence that the product under consideration is being dumped in the domestic market of India by the exporters from the subject countries.

G. EVIDENCE OF INJURY AND CAUSAL LINK

22. Information furnished by the domestic industry has been considered for assessment of injury to the domestic industry. The domestic industry has furnished *prima facie*

evidence with respect to the injury suffered because of the alleged dumped imports of subject goods from subject countries. The volume of imports has increased in absolute term as well as in relative term. There is positive price undercutting and price depression effect on the prices of the domestic industry. As a result, the domestic industry has incurred severe losses, cash losses, negative PBIT and negative return on capital employed. The increase in the dumped imports of subject goods from subject countries has led to decline in the market share, production and domestic sales of the domestic industry. The landed price of imports is below both the selling price and cost of sales of the domestic industry. There is sufficient *prima facie* evidence of injury being caused to the domestic industry by dumped imports of subject goods from the subject countries.

H. INITIATION OF ANTI-DUMPING INVESTIGATION

23. On the basis of the duly substantiated written application submitted by the applicant and having reached satisfaction based on the *prima facie* evidence submitted by the applicant concerning the dumping of the product under consideration originating in or exported from the subject countries, the consequential injury to the domestic industry as a result of the alleged dumping of the product under consideration and the causal link between such injury and the dumped imports, and in accordance with Section 9A of the Act read with Rule 5 of the AD Rules, the Authority, hereby, initiates an anti-dumping investigation to determine the existence, degree, and effect of the dumping with respect to the product under consideration originating in or exported from subject countries and to recommend the appropriate amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

I. PROCEDURE

24. The provisions stipulated in Rule 6 of the Rules shall be followed in the present investigation.

J. SUBMISSION OF INFORMATION

25. All communication should be sent to the Designated Authority via email at email addresses <dir13-dgtr@gov.in>, <dd19-dgtr@gov.in> and <ad12-dgtr@gov.in> with a copy to <consultant-dgtr@nic.in > and <dir15-dgtr@gov.in>. It must be ensured that the narrative part of the submission is in searchable PDF/MS-Word format and data files are in MS-Excel format.
26. The known producers/exporters in subject countries, the government of subject countries through its Embassy in India, and the importers and users in India who are known to be associated with the product under consideration are being informed separately to enable them to file all the relevant information within the time limits mentioned in this initiation notification. All such information must be filed in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority.
27. Any other interested party may also make a submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
28. 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.
29. Interested parties are further directed to regularly visit the official website of the Directorate General of Trade Remedies (<https://www.dgtr.gov.in/>) to stay updated and apprised with the information as well as further processes related to the investigation.

K. TIME LIMIT

30. Any information relating to the present investigation should be sent to the Designated Authority via email at the following email addresses <dir13-dgtr@gov.in>, <dd19-dgtr@gov.in> and <ad12-dgtr@gov.in> with a copy to <consultant-dgtr@nic.in > and <dir15-dgtr@gov.in> within 30 days from the date on which the non-confidential version of the documents filed by the applicant would be circulated by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country as per Rule 6(4) of the Rules. If no information is received within the stipulated time limit or the information received is incomplete, the Authority may record its findings based on the facts available on record and in accordance with the Rules.
31. 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 as stipulated in this notification.
32. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 6(4) of the AD Rules, 1995 and such request must come within the time stipulated in this notification.

L. SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS

33. Where any party makes any confidential submissions or provides information on a confidential basis before the Authority, such party is required to simultaneously submit a non-confidential version of such information in terms of Rule 7(2) of the Rules and in accordance with the relevant trade notices issued by the Authority in this regard. Failure to adhere to the same may lead to rejection of the response / submissions.
34. Such submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission that has been made to the Authority without such markings shall be treated as "non-confidential" information by the Authority, and the Authority shall be at liberty to allow other interested parties to inspect such submissions.
35. 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 the 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.
36. The non-confidential version of the information filed by the interested parties should be a replica of the confidential version with the confidential information preferably indexed or blanked out (*where indexation is not possible*) and such information must be appropriately summarized depending upon the information on which confidentiality is claimed.
37. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on a 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 as to why such summarization is not possible, must be provided to the satisfaction of the Authority.
38. The interested parties can offer their comments on the issues of confidentiality claimed by the interested parties within 7 days from the date of circulation of the non-confidential version of the submission.

39. Any submission made without a meaningful non-confidential version thereof or a sufficient and adequate cause statement in terms of Rule 7 of the Rules, and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.
40. 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 authorise its disclosure in generalised or summary form, it may disregard such information.

M. INSPECTION OF PUBLIC FILE

41. 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 non-confidential version of submissions might lead to consideration of an interested part as non-cooperative.

N. NON-COOPERATION

42. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period or within the time stipulated by the Authority in this initiation notification, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings based on the facts available and make such recommendations to the Central Government as it deems fit.



(Darpan Jain)
Designated Authority