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**F. No. 6/36/2020-DGTR  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
(Directorate General of Trade Remedies)  
4th Floor, Jeevan Tara Building, 5, Parliament Street, New Delhi -110001**

Dated: 16<sup>th</sup> December, 2021

**NOTIFICATION**

**FINAL FINDING**

**Case No. AD-OI-30/2020**

**Subject: Anti-dumping investigation concerning imports of “Caustic Soda” originating in or exported from Japan, Iran, Qatar and Oman.**

F.No. 6/36/2020-DGTR-Having regard 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”) thereof.

**A. BACKGROUND OF THE CASE**

1. The Designated Authority (hereinafter referred to as the “Authority”) received an application from Alkali Manufacturers Association of India (AMAI) (hereinafter also referred to as the “Applicant”) requesting initiation of anti-dumping investigation under the Act and the Rules on imports of “Caustic Soda”, (hereinafter also referred to as the “subject goods” or the “product under consideration”) originating in or exported from Japan, Iran, Qatar and Oman (hereinafter also referred to as the “subject countries”). The following members of AMAI, that are the producers of the product under consideration

in India (“Applicant domestic producers”) provided the prescribed information in the application –

- i. Grasim Industries Limited
  - ii. Gujarat Alkalies and Chemicals Limited
  - iii. DCW Limited
  - iv. SIEL Chemical Complex
2. On the basis of a duly substantiated application filed and sufficient prima facie evidence submitted by the applicant, the Authority issued a public notice vide Notification No. 6/36/2020-DGTR dated 17<sup>th</sup> December 2020, published in the Gazette of India, initiating the subject investigation in accordance with Section 9A of the Act read with Rule 5 of the Rules to determine the existence, degree and effect of the alleged dumping of the subject goods originating in or exported from subject countries and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the alleged injury to the domestic industry.

## **B. PROCEDURE**

3. The procedure described below has been followed with regard to the subject investigation:
- a. The Authority notified the Embassies of the subject countries in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance with Rule 5(5).
  - b. The Authority issued a public notice dated 17<sup>th</sup> December 2020 published in the Gazette of India Extraordinary, initiating an anti-dumping investigation concerning imports of subject goods from subject countries in accordance with Rule 6(1).
  - c. The Authority sent a copy of the initiation notification dated 17<sup>th</sup> December 2020, to the Embassies of the subject countries in India, the known producers and exporters from the subject countries, known importers and users in India, user associations and other interested parties, as per the details made available by the applicant. The interested parties were advised to provide relevant information in

the form and manner prescribed and make their submissions known in writing within the prescribed time-limit.

- d. The Authority also provided a copy of the non-confidential version of the application to the known producers/exporters and to the Embassies of the subject countries in India in accordance with Rule 6(3) of the Rules.
- e. The Embassies of the subject countries in India were also requested to advise the exporters/producers from their country to respond to the questionnaire within the prescribed time limit. A copy of the letter and questionnaire sent to the producers/exporters was also sent to the Embassies of the subject countries along with the details of the known producers/exporters from the subject countries in accordance with Rule 6 (2)
- f. The Authority, upon request made by the interested parties, granted extension of time to the interested parties to file their Questionnaire Responses. Vide communication dated 19<sup>th</sup> January 2021, the time was extended up to 19<sup>th</sup> February 2021.
- g. The Authority sent questionnaires to the following known producers/exporters in the subject countries in accordance with Rule 6(4) of the Rules:
  - i. Arvand Petrochemicals Company, Iran
  - ii. Asahi Kasei Chemical Corporation, Japan
  - iii. Asahi Glass Company Seimi Chemical Co. Ltd.
  - iv. Tokuyama Corporation
  - v. Shin-Etsu Chemical Company Limited
  - vi. Mitsui & Company Limited
  - vii. Kaneka Corp
  - viii. Tosoh Organic Chemical Company Limited, Japan
  - ix. Oman Chlorine SAOG, Oman
  - x. Qatar Vinyl Company, Qatar
  - xi. Aryan Sana Company Limited
  - xii. Behan Chemical Company
  - xiii. National Petrochemical Company
- h. In response to the above notification, the following producers/exporters and their related exporters/traders have responded and submitted exporters' questionnaire responses and/or legal submissions:
  - i. Arvand Petrochemicals Company, Iran

- ii. Eastern Trading International FZE, UAE
  - iii. Golden International FZE, UAE
  - iv. Kriscon DMCC, UAE
  - v. Trio Energy DMCC, UAE
  - vi. AGC Inc., Japan
  - vii. Hokkaido Soda Co. Limited, Japan
  - viii. Kashima Chlorine and Alkali Co. Limited, Japan
  - ix. Mitsubishi Corporation, Japan
  - x. Mitsui and Co. Limited, Japan
  - xi. Shin-Etsu Chemical Co. Limited, Japan
  - xii. Tohoku Tosoh Chemical Limited, Japan
  - xiii. Tosoh Corporation, Japan
  - xiv. Tosoh Nikkemi Corporation, Japan
  - xv. Qatar Chemical and Petrochemical Marketing and Distribution Company  
(Muntajat) Q.P.J.S.C, Qatar
  - xvi. Qatar Vinyl Company, Qatar
  - xvii. Tricon Energy Limited
- i. The Authority sent questionnaires to the following known importers and users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules.
- i. Abhay Chemicals Limited
  - ii. Albright Wilson Chemicals Limited
  - iii. Adani Wilmar Limited
  - iv. Adani Exports Limited
  - v. Arvind Mills Limited
  - vi. Birla Cellulose Limited
  - vii. Bilag Industries Pvt Ltd
  - viii. Central Pulp Mills Limited
  - ix. CJ Shah and Co.
  - x. Cyanides and Chemicals Company
  - xi. Daurala Organic Limited
  - xii. Deepak Nitrite Limited
  - xiii. Godrej Soaps Limited

- xiv. Gujarat Narmada Fertilizer and Chemicals Limited
- xv. Gujarat State Fertilizer and Chemicals Limited
- xvi. Hindustan Lever Limited
- xvii. Hindustan Link & Resins Limited
- xviii. Hitsu Industries Limited
- xix. Indian Oil Corporation Limited
- xx. Indian Farmer Fertilizer Coop. Limited
- xxi. Jaysynth Dyechem Limited
- xxii. Libra Foams
- xxiii. Link Pharma Ltd
- xxiv. Meghmani Organics Limited
- xxv. Narmada Chemature Petrochemicals Limited
- xxvi. National Aluminum Company Limited
- xxvii. Nirma Limited
- xxviii. Pab Chemicals (P) Limited
- xxix. Rama Newsprints and Papers Limited
- xxx. Rubamin Limited
- xxxi. Sabero Organics Limited
- xxxii. Shri Ramchandra Straw Products Limited
- xxxiii. Torrent Gujarat Biotech Limited
- xxxiv. Transpek Silox Industries Limited
- xxxv. Vedanta Limited (Aluminum Division)
- j. In response to the above notification, Vedanta Limited has responded and submitted user questionnaire responses and legal submissions.
- k. Deepak Nitrite Limited, Gujarat Credo Alumina Chemicals Pvt Ltd had requested to register as interested parties but they have neither filed any questionnaire response nor any legal submissions.
- l. NALCO had informed that in case of domestic tender for procurement of Caustic Soda, anti-dumping duty will not have any impact. Hence, there is no relevance of NALCO to participate in the present investigation.
- m. Embassy of Oman stated in their letter dated 11-01-2021 that “According to the Oman, General Directorate Custom, and the National Center of Statistic, there is

no evidence or data available to prove that existence of any exports of product under investigation exported from Oman to the Republic of India. They have further added that according to the provisions of Anti-dumping agreement of WTO, the applicant shall contain sufficient information in their application, which does not meet the requirement particularly for Oman.” For these reasons, they requested to reconsider and exclude Oman from the investigation.

- n. The Authority sent a copy of the initiation notification dated 17<sup>th</sup> December 2020 to the following known other Indian producers of the subject goods in India:
- i. Atul Ltd.
  - ii. Century Rayon – Chemical Plant
  - iii. Chemfab Alkalis ltd.
  - iv. Chemplast Sanmar Ltd.
  - v. DCM Shriram Ltd.
  - vi. Durgapur Chemicals Ltd.
  - vii. Grasim Fluorochemicals Ltd.
  - viii. Kutch Chemicals Industries Ltd.
  - ix. Lords Chloro Alkali Ltd.
  - x. Meghmani Finechem Ltd.
  - xi. Nirma Ltd.
  - xii. Orient Paper Mills (Caustic Soda Unit)
  - xiii. Punjab Alkalies & Chemicals Ltd.
  - xiv. Reliance Industries Ltd.
  - xv. Tamil Nadu Petroproducts Ltd.
  - xvi. Tata Chemicals Ltd.
  - xvii. The Travancore Cochin Chemical Ltd.
  - xviii. TGV SRAAC Ltd.
  - xix. The Andhra Sugars Ltd.
  - xx. UPL Ltd.
- o. No responses and legal submissions have been received with reference to above mentioned notification.
- p. The Authority sent a copy of the initiation notification dated 17<sup>th</sup> December 2020 to the following known Associations of the subject goods in India:
- i. All India Biotech Association
  - ii. All India Distillers Association

- iii. All India Federation of Master Printers
  - iv. All India Flat Glass Manufacturers Association
  - v. All India Plastics Manufacturers Association
  - vi. All India Starch Manufacturers Association Private Limited
  - vii. Chemicals and Petrochemicals Manufacturers Association
  - viii. Compound Livestock Feed Manufacturers Association
  - ix. Fertilizer Association of India
  - x. Federation of Indian Mineral Industries
  - xi. Confederation of Indian Alcoholic Beverage Companies
  - xii. Indian Chemicals Manufacturers Association
  - xiii. Indian Drug Manufacturers Association
  - xiv. Indian Paper Manufacturers Association
  - xv. Indian Sugar Mills Association
  - xvi. Organization of Pharmaceuticals Producers of India
  - xvii. Soybean Processors Association of India
- q. In response to the above notification Federation of Indian Mineral Industries has responded and stated that they are neither the user nor the importer of Caustic Soda and as such will not be participating in the investigation.
- r. In accordance with Rule 6(6) of the Rules, the Authority provided an opportunity to the interested parties to present their views orally in a public hearing held through video conferencing on 12<sup>th</sup> July 2021. The parties, which presented their views in the oral hearing, were requested to file written submissions by 19.07.2021 of the views expressed orally, followed by rejoinder submissions by 26.07.2021, if any. The parties shared their non-confidential submissions with the other interested parties and were advised to offer their rebuttals.
- s. A list of all interested parties was uploaded on 23.02.2021 on the DGTR 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 was not accessible physically due to the ongoing global pandemic.
- t. The period of investigation (POI) for the purpose of the present investigation is 1<sup>st</sup> October 2019 – 30<sup>th</sup> September 2020 (12 months). The injury examination period has been considered as the period from 1<sup>st</sup> April 2017 – 31<sup>st</sup> March 2018, 1<sup>st</sup> April

2018 - 31<sup>st</sup> March 2019, 1<sup>st</sup> April 2019 - 31<sup>st</sup> March 2020, and the period of investigation.

- u. The Authority obtained transaction-wise import data from the Directorate General of Commercial Intelligence and Statistics (DGCI&S) for the subject goods for the injury period, including the period of investigation, and analyzed the data after due examination of the transactions.
- v. Further information was sought from the applicant to the extent deemed necessary. Verification of the data provided by the domestic industry was conducted to the extent considered necessary for the purpose of the present investigation.
- w. The non-injurious price (hereinafter referred to as “NIP”) has been determined based on the optimum cost of production and cost to make & sell the subject goods in India as per the information furnished by the domestic industry and in accordance with Generally Accepted Accounting Principles (GAAP) and Annexure III to the Rules. Such non-injurious price has been considered to ascertain whether anti-dumping duty lower than the dumping margin would be sufficient to remove injury to the domestic industry.
- x. The submissions made by the interested parties, arguments raised, and information provided by various interested parties during the course of the investigation, to the extent the same are supported with evidence and considered relevant to the present investigation, have been considered.
- y. The information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claims. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted, and such information has been considered as confidential and not disclosed to the other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.
- z. A disclosure statement was issued to the interested parties on 03.12.2021 and the interested parties were allowed time up to 10.12.2021 to comment on the same. The comments on Disclosure Statement received from the interested parties have been considered, to the extent found relevant, in this final finding notification.
- aa. Wherever an interested party has refused access to, or has otherwise not provided necessary information during the course of investigation, or has significantly



impeded the investigation, the Authority considered such interested parties as non-cooperative and recorded the views/observations on the basis of the facts available.

- bb. ‘\*\*\*’ in this final finding represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- cc. The exchange rate adopted by the Authority for the subject investigation is US \$1= Rs. 74.38.

## C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

- 4. At the stage of initiation, the product under consideration was defined as-

*“3. The product under consideration in the petition is Caustic Soda or Sodium Hydroxide, in all forms. Caustic Soda is chemically known as NaOH or Sodium Hydroxide. It is a soapy, strongly Alkaline odorless liquid widely used in diverse industrial sectors, either as a raw material or as an auxiliary chemical. Caustic Soda is produced in two forms, lye and solids. Solids can be in the form of flakes, prills, granules or any other form.*

*4. Caustic Soda is produced in two forms, i.e., lye and solids by three technology processes, i.e., mercury cell process, diaphragm process and membrane process. Liquid form can be converted into solid and the solid form can be reconverted in liquid with ease and without any change in the chemical properties of the product. The solid form has ease of storage and transportation whereas the liquid form has easy solubility. For end use both the forms are substitutable and interchangeable.*

*5. Caustic Soda is classified under Chapter 28 of the Customs Tariff Act, 1975 under Customs head 2815.11 and 2815.12. As per ITC 8-digit classification, the product is classified under the Custom Heading 28151110, 28151190 and 28151200. The customs classification is indicative only and is not binding on the scope of the product under consideration.”*

### C.1. Submissions by other interested parties

5. The following submissions have been made by the other interested parties with regard to the scope of the product under consideration and like article:
  - a. The petitioner has failed to explain the reason for inclusion of caustic soda flake in the product under consideration when the same was not imported during the period of investigation and is not like product to caustic soda lye.

### **C.2. Submissions by the domestic industry**

6. The following submissions have been made by the domestic industry with regard to the product under consideration and like article:
  - a. The product under consideration is Sodium Hydroxide (NaOH) commonly known as Caustic Soda, which is produced in two forms, lye and solids by three technology processes i.e., mercury cell process, diaphragm process and membrane process.
  - b. The product under consideration is classified under the tariff codes 2815 1110, 2815 1190 and 2815 1200.
  - c. Lye and flake are only forms for caustic soda and are not different products. Both are used for the same applications, are produced using the same technology and are thus, like articles. Further, caustic soda flakes have not been imported from the subject countries while the same have been produced by the domestic industry and thus cannot be excluded from the scope of the product under consideration, as held by the Authority in various cases.
  - d. The domestic industry has produced like article to the imported goods.

### **C.3. Examination by the Authority**

7. The product under consideration in the present investigation is Caustic Soda or Sodium Hydroxide, in all forms. Caustic Soda is chemically known as NaOH or Sodium Hydroxide. It is a soapy, strongly alkaline odorless liquid widely used as a raw material or as an auxiliary chemical in diverse industrial sectors such as pulp and paper, newsprint, viscose yarn and fibre, aluminum, cotton, textiles, soaps, detergent, dyestuff, pharmaceuticals, etc. Caustic Soda is produced in two forms, lye and solids. Solids can be in the form of flakes, prills, granules or any other form.

8. Caustic Soda is produced in two forms, i.e., lye and solids by three technology processes, i.e., mercury cell process, diaphragm process and membrane process. Liquid form can be converted into solids and the solid form can be reconverted in liquid with ease and without any change in the chemical properties of the product. The solid form has ease of storage and transportation whereas the liquid form has easy solubility. For end use both the forms are substitutable and interchangeable.
9. The product under consideration is classified under Chapter 28 of the Customs Tariff Act, 1975 under tariff codes 2815 1110, 2815 1190 and 2815 1200. The customs classification is indicative only and is not binding on the scope of the product under consideration.
10. With regards to the argument of the other interested parties that there exists no reason for inclusion of caustic soda flake in the scope of product under consideration when the same has not been imported into India, it is noted that it is a well-established practice of the Authority to exclude any product from the scope of the product under consideration only if such product has been imported into the country, but not been produced by the domestic industry. In the present situation, caustic soda flakes have not been imported from the subject countries, but have been produced by the domestic industry and foreign producers. Further, caustic soda lye and caustic soda solids are not different products but merely different forms of the same product, as held by the Hon'ble CESTAT in Alkali Manufacturers' Association of India vs Designated Authority –

*"13. It is pleaded that the proceeding initiated by Designated Authority are void ab initio as caustic soda lye, caustic soda flakers, prills and granules have been taken as one product. We find that according to Rule 2(d), "like article" means an article which is identical or alike in all respects to article under investigation or being dumped in India or in the absence of such an article other article which although not alike in all respects but characteristics closely resembling those of articles under investigation. In the present case the application for imposing Anti-Dumping duty was in respect of Sodium Hydroxide commonly known as caustic soda. The goods produced by the domestic industry are like article to the goods produced, originating in or exported from the subject countries and both are used*

in interchangeably. Same technology is applied for production of caustic soda throughout the world. Therefore, irrespective of the form, the sodium hydroxide is one product and it has been correctly taken as one product by the Designated Authority. The investigation is for caustic soda falling under chapter 28 of the Customs Tariff Act. The sub-headings 28151110, 28151190 and 28151200 are for levy of customs duty. For the Anti-Dumping duty, the form is immaterial as the Anti-Dumping duty was proposed on sodium hydroxide i.e., caustic soda irrespective of its form in the application filed by M/s AMAI on behalf of the domestic industry.”

11. Thus, it is well established that caustic soda lye and caustic soda solids, which includes flakes, prills and granules are all forms of caustic soda and are like articles. Accordingly, the product under consideration for the present investigation includes caustic soda in all forms, i.e., lye and solids.
12. As per the information available on record, the Authority notes that the product produced by the domestic industry is like article to product under consideration imported from the subject countries. The product produced by the domestic industry is comparable to the goods imported from subject countries in terms of physical & chemical characteristics, manufacturing process & technology, 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. Thus, the Authority holds that the product manufactured by the domestic industry constitute constitutes like article to the subject goods being imported into India from the subject countries in the terms of Rule 2(d).

#### **D. SCOPE OF THE DOMESTIC INDUSTRY & STANDING**

##### **D.1. Submissions by other interested parties**

13. The following submissions have been made by the other interested parties with regard to the scope of domestic industry and standing:

- a. The present application must be rejected on account of wrongful declarations made by the applicant regarding imports of subject goods. In cases such as DASDA and persulphates, the Authority took a lenient view, which is not appropriate.
- b. Contrary to the declaration given by Grasim that they have not imported the subject goods, they have in fact imported the subject goods from Qatar.
- c. Related party of Grasim, Utkal Alumina International Limited (Utkal) has also imported the subject goods from Japanese mills in significant quantities, thus making Grasim ineligible to constitute domestic industry. Utkal is a wholly owned subsidiary of Hindalco Industries Limited which also holds 4.9% of shares in Grasim, thus, both companies directly or indirectly being controlled by a third person as per Explanation (i)(b) to Rule 2 (b) of the Rules and as per Trade Notice No. 9/2018.
- d. Imports made by Utkal are in substantial quantities, around 64,535 MT and the same could not have been omitted by the petitioners erroneously and such alleged error affects the prima facie determination of standing at the time of initiation.
- e. With the exclusion of Grasim, the share of remaining domestic producers is only 19.7% and they do not meet the requirement of Rule 5(3) of the Rules. Further, despite the petitioner being AMAI, they cannot be allowed to alter the composition of the domestic industry at this stage.
- f. Supporters to the petition have not fulfilled the requirements of Trade Notice Nos. 13/2018 and 14/2018 and as such, the support letters so filed must be disregarded, as was also done in the sunset review concerning imports of Caustic Soda from China PR and Korea RP.
- g. Since the supporters did not file the requisite costing and injury formats in the present case, they cannot be allowed to file such information at this stage to remedy the lack of standing as held by the Authority in the mid-term review investigation concerning Caustic Soda from Saudi Arabia, Korea RP and USA, Caustic Soda from Thailand, Chinese Taipei and Norway and the terminated investigation concerning MEG from Kuwait, Oman, Saudi Arabia, UAE and Singapore wherein the supporter was not recognized as they provided data after initiation of investigation.
- h. AMAI has failed to provide documents prescribed for applicant associations, including copy of registration certificate, by-laws, memorandum of association, list of members, details of managing structure, copy of the minutes of the meeting in

which it was resolved that the association will file the anti-dumping petition in its petition and list of members which supported or opposed the resolution. The Authority has recognized that applicants must meet these requirements, in the findings concerning imports of Newsprint.

- i. The petitioner has filed revised statement of Indian products at four instances based on the AMAI Industries Review Reports, which have not been shared with exporters to makes meaningful comments on the same. It is also not clear how the production figures have been revised from the previous petition if they are based on the AMAI Industries Review Reports.
- j. Grasim had falsely stated in the Petition that it has not imported the PUC from subject countries and that it is not related to an Indian importer of the PUC. Contrary to the same, Grasim has imported PUC from subject countries during the injury period including the POI. Only after the interested parties raised the issue of false declaration against the domestic industry, the domestic industry, as an afterthought, in its post-hearing submissions (i.e., after six months since initiation) claimed that viscose staple fibre segment of Grasim has imported PUC from subject countries during the POI. Regardless of whether the operations of these segments are distinct, the imports made by Grasim are to be judged as a whole and Grasim was under an obligation to conduct the necessary due diligence and disclose these imports at the time of making of the application to initiate an investigation. The failure to disclose such imports in the application has affected the determination of "domestic industry" and standing under the Anti-dumping Rules.
- k. Due to the false declaration made in the petition, the DGTR prior to the initiation could not have assessed if the quantum of imports made by the domestic industry were made in minor quantities from subject countries or were insignificant when compared to the total Indian production and the total imports into the country so as to prima facie decide that "participating companies constitute eligible domestic industry in terms of Rule 2 (b)... of the Rules," in the initiation notification. This has consequently affected the prima facie determination of injury to the domestic industry on account of subject imports prior to the initiation.
- l. The DGTR cannot allow the domestic industry, at the belated stage of the investigation (i.e., vide its' post hearing submission and letter dated 6th October 2021), to rectify its false declaration in the petition (on which the initiation is based)

as it will further lead to a violation of due process. The threshold of evidence and participation must be applied uniformly for domestic producers and opposing interested parties – if a producer from the subject countries were to try and file its questionnaire response at a belated stage, the DGTR would reject its response – indeed this has been the case in numerous investigations. Like in the case of Anti-dumping investigation concerning imports of "New pneumatic radial tyres of rubber for buses and lorries, with or without tubes and/or flaps" originating in or exported from Thailand, Final Findings dated 27 November 2020, must categorically reject domestic industry's belated information (which was germane to initiation) filed after 6 months from initiation and hold Grasim non-cooperative / ineligible to constitute domestic industry.

- m. Both Grasim and Utkal are related parties under Rule 2 (b) of the AD Rules read with the Trade Notice no. 09/2018 as they have common directors and shareholders.
- n. Grasim and other related entities (i.e., Utkal and Hindalco) have made significant volume of imports in the period – POI, prior to the POI and post the POI – 25-30% in the POI in total imports and 35-40% in subject imports in the POI.
- o. Given that Grasim is ineligible to qualify as domestic industry, its production must be excluded from eligible production. The remaining producers having a share of only 19.72 percent, which is less than 25% of total production are not domestic industry do not have a requisite standing under Rule 2 (b) read with Rule 5 of the AD Rules.
- p. Without prejudice, if Grasim is considered an eligible constituent of the domestic industry, the DGTR ought to hold that injury, if any, to the domestic industry is self-inflicted and cannot be attributed to imports from the subject countries.

#### **D.2. Submissions by the domestic industry**

- 14. The following submissions have been made by the domestic industry with regard to the scope of domestic industry and standing:
  - a. The application has been filed by the Alkali Manufacturers Association of India (AMAI), which represents the entirety of the Indian industry. 4 domestic producers have participated in the investigation while 15 producers have extended their support.

- b. The four participating domestic producers, namely DCW Limited, Grasim Industries Limited, Gujarat Alkalies and Chemical Limited and SIEL Chemical Complex, account for 43.90% of the total domestic production.
- c. While the viscose staple fiber segment of Grasim imported negligible volume of the product under consideration from one of the subject countries, the fact was unknown to the caustic soda segment as Grasim has multiple business segments which operate separately and are not involved in each other's day-to-day operation.
- d. The imports made by the viscose staple fiber segment of Grasim are negligible in volume when compared to the total imports, total demand as well as the domestic production and sales of Grasim. Accordingly, it does not warrant the exclusion of Grasim from the scope of the domestic industry.
- e. Rule 2 (b) of the Anti-dumping Rules provides that an importing domestic producer is not automatically excluded from the scope of domestic industry and the same is to be determined on a case-to-case basis.
- f. Since Grasim is one of the largest producers of the subject goods in the country, has not benefitted from dumping, has expanded their capacity over the period and their imports are less than 1% of the total domestic production, the producer should not be excluded from the scope of domestic industry.
- g. Grasim and Utkal Alumina International Limited are not related entities as per the Explanation to Rule 2 (b) since the two are operationally independent, both companies do not control each other, both are not controlled by any third party and work under two completely separate management. Therefore, they are not related, as per the principles laid down by the Authority in Circular Weaving Machines from China PR and by the European Commission in tungsten carbide and fused tungsten carbide from China PR.
- h. Contrary to the allegations of the other interested parties, mere 4.9% shareholding of Hindalco, the parent company of Utkal, in Grasim cannot mean that the two are related as by such logic, many large public limited companies having common investors would be considered as related, including Grasim and Vedanta Limited, both of which have common investors.
- i. The Authority in the case of Circular Weaving Machines from China PR observed that the legal or operational control between a domestic producer and importer is



essential to determine a relationship and thus, a mere shareholding of less than 5% in the present case cannot imply a relationship.

- j. Grasim has submitted a certificate declaring that they are not related to Hindalco Limited and further, the annual reports of both the companies show that they are not related as per IndAS or the Companies Act.
- k. Since Utkal Alumina International Limited is not a related company of Grasim, the imports made by them does not impact the standing of the domestic industry.
- l. Even if, Grasim is excluded from the scope of domestic industry, the application is supported by domestic producers whose collective output accounts for 25% of total domestic production. thereby satisfying the requirements of Rule 5(3). Further, since the product is captively consumed, such captive consumption is required to be excluded for determining standing as per previously established position.
- m. Contrary to the claims of the other interested parties, the Authority had accepted the support letters filed in the sunset review concerning Caustic Soda from China PR and Korea RP. Further, the Authority has considered support letters even though the supporters did not file information as required under Trade Notice 13/2018.
- n. The exporters, importers and users are routinely participating in investigations without filing responses and thus, not providing support information in the prescribed format cannot be a ground for rejecting support.
- o. The data related to Indian production changed 3 times since initially, the information was based on the AMAI Industry Review Report 2019-20, which was then adjusted for loss of production owing to Covid-19 and was later changed due to updation of period of investigation which was also adjusted for loss of production.

### **D.3. Examination by the Authority**

15. Rule 2(b) of the Rules defines domestic industry as under:

*“(b) “domestic industry” means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those whose*

*collective output of the said article constitutes a major proportion of the total domestic production of that article except when such producers are related to the exporters or importers of the alleged dumped article or are themselves importers thereof in such case the term 'domestic industry' may be construed as referring to the rest of the producers".*

16. The present application has been filed by the Alkali Manufacturers' Association of India (AMAI) on behalf of its members. The following members of the Association have participated in the present investigation –
  - a. DCW Limited
  - b. Grasim Industries Limited
  - c. Gujarat Alkalies and Chemicals Limited
  - d. SIEL Chemical Complex
  
17. The following members of the Association have supported the present investigation and filed support letters in this regard –
  - I. Chemfab Alkalies Limited
  - II. Chemplast Sanmar Limited
  - III. DCM Shriram Limited
  - IV. Gujarat Fluorochemicals Limited
  - V. Lords Chloro Alkali Limited
  - VI. Meghmani Finechem Limited
  - VII. Nirma Limited
  - VIII. Orient Paper Mills
  - IX. Punjab Alkalies & Chemicals Limited
  - X. Tamilnadu Petroproducts Limited
  - XI. TATA Chemicals Limited
  - XII. TGV SRAAC Limited
  - XIII. The Andhra Sugars Limited
  - XIV. The Travancore – Cochin Chemicals Limited
  
18. During the course of the investigation, it has been brought to the notice of the Authority that Grasim Industries Limited ("Grasim") has imported the subject goods from one of

the subject countries and is also related to an importer of the subject goods. Accordingly, the other interested parties have claimed that Grasim must be excluded from the scope of domestic industry. The applicant domestic producer also reported the fact at the time of oral hearing and thereafter in its post hearing written submissions.

19. In this regard, the Authority notes that Rule 2(b) provides that the domestic producers which are related to the exporters or importers or which themselves are importers of the allegedly dumped goods may be excluded from the scope of domestic industry. Thus, the usage of the word ‘may’ under Rule 2(b) indicates that producers related to exporters or importers as well as importing producers are not automatically excluded from being part of the domestic industry. The Authority has discretion to determine on the inclusion or exclusion of such producers within the scope of the domestic industry, on a case-to-case basis after making all due considerations in this regard.
20. The Authority notes that during the oral hearing as well as in its written submissions, Grasim has admitted that its viscose staple fibre segment has imported the subject goods. Grasim has claimed that such fact was unknown to the caustic soda segment and has submitted that each of their segments operate as separate business units for all practical purposes and are not involved in the day-to-day operations of each other. Each segment is controlled individually by an “Operating Decisions Maker” and there are rare occasions when the businesses of each segments converge.
21. Irrespective of the degree of independence between the different segments of Grasim, the Authority notes that such imports constitute imports by Grasim. Therefore, the Authority has examined whether such imports justify the exclusion of Grasim from the scope of the domestic industry.
22. The Authority has referred to the available jurisprudence in the subject matter which provide for the examination of following circumstances to determine whether a domestic producer importing subject goods or related to an importer of subject goods should be included or excluded –
  - a. if the domestic producer is predominantly an importer and not a manufacturer of the product in India, they can be excluded.

- b. if a domestic producer has shielded itself from the effects of dumping by resorting to imports or exports to a related party, they should be excluded.
- c. if a domestic producer has participated in some way in the dumping practices or has otherwise unduly benefitted from it, they must be excluded.
- d. if the inclusion of a domestic producer would distort the injury findings, they must be excluded.
- e. if a domestic producer does not co-operate with the Authority, such producer can be deemed ineligible.

23. The Authority also notes that, “A Handbook of Anti-Dumping Investigations”, by Jorge Miranda, Judith Czako and Johann Human, co-published by World Trade Organization & Cambridge University Press., 2003, mentions the following criteria applied by the other WTO members in such situations –

- a. The percentage of domestic production of the product in question that is accounted for by the related producers.
- b. Whether imports of the product in question by the related producers allow them to benefit, or serve to shield them, from the effects of dumping.
- c. Whether exclusion of the related parties would unduly skew the data for the remaining member of the industry.
- d. The level or long-term nature of the commitment shown by the producers to the domestic production, as opposed to the importing activities.
- e. The ratio of imports shipments to domestic production for the related producers.

24. Considering the established legal position on the concerned issue, the Authority has evaluated the imports made by Grasim. It is noted that Grasim is the largest producer of the subject goods. In fact, Grasim accounts for more than 25% of the total domestic production in the country. Grasim has also expanded its capacities over the period, which shows that the producer has a long-term commitment to domestic production. The focus of the producer has not shifted from production to importation. In this regard, the Authority has taken note of the volume of imports made by Grasim in relation to total demand, its sales and production.

Particulars	POI (MT)	Imports in relation %	Imports in relation % Range
Imports	***		
Subject imports	***	***	<2%
Demand	***	***	<1%
Production of Grasim	***	***	<1%
Sales of Grasim	***	***	<1%

Since the imports made by Grasim constitute less than 1% of its sales, it is evident that the principal business of Grasim continues to be domestic production, and not importation.

25. The Authority further notes that Grasim is the largest producer, with plants located in different regions. Its operations are directly affected by the imports of the product under consideration. Therefore, the exclusion of the producer would skew the injury analysis.
26. It is also noted that Grasim has not benefitted from the present dumping since the producer has suffered decline in performance. Finally, the volume of imports made by Grasim is insignificant when compared to the total imports and demand in India as well as its production and sales, thereby implying that the major activity of the company is manufacturing of the subject goods and not importation of the goods.
27. In this regard the Authority makes reference to the decision of the Hon'ble Calcutta High Court in Gujarat Fertilizers & Chemicals Limited vs Additional Secretary and Designated Authority [2012 (286) ELT 348 (Cal.)] wherein it was held as under –

*“14. Thus, it is very clear that the definition of the importer as mentioned in Rule 2(b) has to be understood in the context of protecting indigenous industry producing same material. Here we notice on fact of course going by the statement made in the complaint of the appellant made to the appropriate authority that nearly 15% of its total production is imported by it and that too casually and to meet customer's demand during the time when the production was disrupted, and*

*this quantity of import is very insignificant portion of the total import from the same exporting countries. According to us realistic and logical meaning should be the person who is carrying on business of import exclusively for trading purpose is the importer under the said Rule. We have examined the object clause of the Memorandum of Association of the appellant and nowhere we find that it carries on business principally, of import of Melamine. It is carrying on business amongst other of manufacturing of heavy chemicals of every description, whether required for civil, commercial or military defense purposes. We record the learned Trial Judge did not decide with examination of object clause of Memorandum of Association. We think this exercise is paramount and without the same the appellant could not be held to be importer in the sense as it is intended by the said Rule.* [Emphasis supplied]

Thus, the High Court held that where the principal business of the producer is not importation, it should not be excluded from the scope of domestic industry. This has also been a consistent practice of the Authority wherein producers whose focus remains on production and those who have negligible volume of imports, are included within the scope of the domestic industry. The Authority notes the practice adopted in the case of concerning imports of Nylon Filament Yarn (Multi filament) from European Union and Vietnam [F. No. 14/33/2016-DGAD, dated 6<sup>th</sup> August 2018] and concerning imports of Methyl Ethyl Ketone from China PR, Japan, South Africa and Taiwan [F. No. 14/26/2016-DGAD, dated 1<sup>st</sup> February 2018].

28. The Authority notes that Grasim had not declared that they have imported the subject goods from the subject countries, at the stage of petition. While the Authority considers that such omission on the part of the company was not appropriate, in light of their significant commitment to production, negligible volumes of these import, the fact that non-disclosure of the fact has not caused any undue benefit or prejudice either to the company, the applicant domestic industry or to the opposing interested parties, the Authority finds that no adverse implications should flow from such non-disclosure. It is also noted that the Authority would not have treated Grasim as ineligible, in the facts of the present case, had it disclosed such imports at the time of initiation. The Authority would have treated the company eligible even in that situation. The Authority notes that

even when production volume of Grasim is far more than other applicant domestic producers, there are three other domestic producers of the product who are co-applicant with Grasim; and it would not be fair to these other domestic producers to deny exercise of discretion in the facts and circumstances of the present case. The Authority considers it equally relevant that when a substantial question of dumping causing injury is involved, a technical requirement of declaration of imports by an applicant company should not prevent the Authority from making a determination, particularly when it is clear that the company in any case meets the eligibility requirements.

29. Therefore, in view of the well-established jurisprudence in this regard, past practice of the Authority, the volume of imports, the volume of production & sale by Grasim, the Authority does not find it appropriate to exclude Grasim from the scope of domestic industry.
30. It has also been alleged by the other interested parties that a related company of Grasim, Utkal Alumina International Limited (Utkal) has imported the subject goods from one of the subject countries. Utkal is a subsidiary of Hindalco Industries Limited (Hindalco). The domestic industry has claimed that Grasim is not related to Hindalco or Utkal.
31. Under the provisions of Rule 2(b) of the Anti-Dumping Rules, an entity shall be considered as related to a domestic producer in the following situations.

*“Producers shall be deemed to be related to exporters or importers only if, -*  
*a) one of them directly or indirectly controls the other; or*  
*b) both of them are directly or indirectly controlled by a third person; or*  
*c) together they directly or indirectly control a third person subject to the condition that are grounds for believing or suspecting that the effect of the relationship is such as to cause the producers to behave differently from non-related producers.”*

The Rule further provides that a producer shall be deemed to control the other when it is in a position to exercise restraint or direction over the other.

*“a producer shall be deemed to control another producer when the former is legally or operationally in a position to exercise restraint or direction over the latter.”*

Having regard to the definition of relationship above, the Authority has examined the alleged relationship between Grasim and Utkal.

32. Grasim has furnished a duly signed certificate declaring that they are not related to Utkal or Hindalco. Further, the annual reports of both Grasim and Hindalco do not list either company as related parties under the Companies Act. The interested parties have contended that Hindalco holds 4.9% of shares in Grasim, which makes them related parties. However, the Authority notes that a shareholding of merely 4.9% cannot be considered as allowing an entity to exercise legal or operational direction or restraint over another entity. It cannot be considered that Hindalco / Utkal directly or indirectly control Grasim, or vice-versa. The Authority further notes that both the companies have two common Directors on their Boards. However, both of these directors are non-executive directors, implying that they are not engaged in the day-to-day operations of the either company. Therefore, it cannot be considered that such directors exercise legal or operations control or restraint over the operations of Grasim and Hindalco / Utkal. The Authority further notes that in case of Grasim, the majority shareholding of 58.88% is held by the public. In case of Hindalco, the public holds 65.26%. Any individual promoter, which has holding in both Grasim and Hindalco, does not have a shareholding of more than 20%. The largest shareholding in the promoter group is of Birla Group Holdings Private Limited, which holds 19.04% shareholding in Grasim and 10.19% shareholding in Hindalco. Such low shareholding cannot be considered as conferring ability to exercise legal or operational direction or restraint on such shareholder. Accordingly, it cannot be considered that Hindalco / Utkal and Grasim are directly or indirectly controlled by a third person. The Authority also notes that there is no evidence that Hindalco / Utkal and Grasim together exercise control (direct or indirect) over a third person. Therefore, it is noted that Grasim is not related to Hindalco Industries Limited, and by extension, its subsidiary Utkal.
33. After careful consideration of the aforementioned facts, the Authority holds that Grasim Industries Limited is eligible to be considered as a part of the domestic industry.



34. With regards to the arguments of the other interested parties regarding the change in statement of India production at four instances, it is noted that the applicant has provided appropriate reasoning for revision of Indian production figures at every instance which has been considered fitting for the purpose. The applicant has explained that while it initially considered production for an entire year based on the data for 2019-20, it revised the data to adjust for loss of production suffered as result of lockdown due to Covid-19 pandemic. Upon initiation, the applicant submitted revised data due to the change in the period of investigation. The letters filed for revising such figures as submitted to the Authority, have also been shared with other interested parties in the public file circulated by the applicant providing them with an opportunity to comment on the same.
35. The other interested parties have contended that the support letters filed by the supporters may be disregarded on account of non-filing of the relevant information in terms of Trade Notices 13/2018 and 14/2018. However, as per its consistent practice, the Authority has considered the support offered by the other domestic producers.
36. It is noted that, pursuant to arguments in this regard, the applicant association has submitted all relevant documents, including registration certificate, memorandum and articles of association, list of members and minutes of meeting wherein the motions to file the present application was passed. Thus, the arguments of the other interested in this regard need no further examination.
37. The applicant producers collectively account for a major proportion, that is 43.90% of the total domestic production. In view of the above, and after due examination, the Authority holds that the applicant domestic producers constitute domestic industry under Rule 2(b) of the Rules. Further, the applicant domestic producers along with the supporters account for 94.95% of the total domestic production. Since the producers expressing support to the application account for more than 25% of the domestic production and more than 50% of the production of those producers expressing support or opposition, the application satisfies the criteria of standing in terms of Rule 5(3) of the Rules.

## **E. CONFIDENTIALITY**

### **E.1. Submissions by other interested parties**

38. The following submissions have been made by the other interested parties with regards to confidentiality:

- a. The petitioner has provided transaction-wise import data in PDF format. As noted by the CESTAT in *Exotic Décor vs. Designated Authority*, the same was required to be provided in Excel format.
- b. In the event that the DGTR chooses not to provide data in the excel format to the interested parties, reasons to do so must be provided as the interested parties also have a right to seek a reasoned order under the principles of natural justice.
- c. The Petitioner has not responded to the allegations made by the cooperating producers from Japan and Qatar on confidentiality with respect to parameters such as volume and value of production by all other producers except domestic industry, R & D expenses, funds raised, and interest and finance costs etc. Hence, Petitioner must be deemed to have accepted the allegations made by the Exporters from Qatar and Japan.
- d. The disclosure of aggregate data regarding profitability would in no manner prejudice the Domestic Industry as it is mathematically impossible for any party to calculate the associated costs, sales realization and selling prices, which are only provided as trends or even the individual profitability of the domestic producers. Hence, the Domestic Industry's claims on this issue ought to be rejected.
- e. The petitioner has claimed excessive confidentiality inconsistent with Trade Notice 10/2018 and failed to disclose (i) value of production by other producers (ii) average industry norms for capacity utilization, productivity per day, inventory and PBIT (iii) actual sales value, sales realization per unit, PBIT, interest and depreciation (iv) R&D expenses and funds raised (vi) cost of sales and selling price per unit and (v) trend of export price per unit.

### **E.2. Submissions by the domestic industry**

39. The following submissions have been made by the domestic industry with regards to confidentiality:

- a. The other interested parties have claimed complete confidentiality regarding list of owners and shareholders, channel of marketing and distribution and the adjustments claimed to normal value and export price. Further, information available in the public domain has also been claimed confidential.
- b. The producers / exporters have violated Trade Notice 10/2018 by claiming confidentiality regarding broad stage-wise manufacturing process, names of related parties engaged in production and sale of product under consideration, inventories, productivity, etc.
- c. The questionnaire responses submitted by the other interested parties fail to disclose whether all entities forming part of channel of distribution have participated in the investigation or not.
- d. The domestic industry has justified the confidentiality claimed by it. Disclosure of actual costs, prices and profits would adversely impact the petitioning domestic producers in inter-se competition, competition with other producers, and their ability to negotiate prices with their customers.
- e. Transaction-wise import data is provided in PDF format as required under Trade Notice 7/2018. Further, the CESTAT order in Exotic Décor v. Designated Authority, was issued when the Authority did not authorize interested parties to obtain data directly from DGCI&S but now the Authority authorizes all the interested parties to obtain such data.
- f. Domestic industry has disclosed that they are unaware of the average industry norms for productivity, inventory and return on investment.
- g. Information regarding R&D expenses and fund raised being for the company as whole and not attributable to product under consideration, is as per the balance sheet of the petitioner.
- h. The information relating to export price is irrelevant to the injury analysis and thus no prejudice can be caused by non-disclosure.

### **E.3. Examination by the Authority**

40. On confidentiality of information, Rule 7 of the Rules provides as follows:

*“Confidential information:*

*(1) Notwithstanding anything contained in sub-rules (2), (3) and (7) of rule 6, sub-rule (2) of rule 12, sub-rule (4) of rule 15 and sub-rule (4) of rule 17, the copies of applications received under sub-rule (1) of rule 5, or any other information provided to the designated authority on a confidential basis by any party in the course of investigation, shall, upon the designated authority being satisfied as to its confidentiality, be treated as such by it and no such information shall be disclosed to any other party without specific authorization of the party providing such information.*

*(2) The designated authority may require the parties providing information on confidential basis to furnish non-confidential summary thereof and if, in the opinion of a party providing such information, such information is not susceptible of summary, such party may submit to the designated authority a statement of reasons why summarization is not possible.*

*(3) Notwithstanding anything contained in sub-rule (2), if the designated authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorise its disclosure in a generalized or summary form, it may disregard such information.”*

41. The Authority made available non-confidential version of the information provided by various interested parties to all interested parties through the public file containing non-confidential version of evidences submitted by various interested parties for inspection as per for inspection as per Rule 6(7) of the Rules.

42. The Hon'ble Supreme Court in Reliance Industries relied on its decision in Sterlite Industries (India) Ltd. V. Designated Authority. Sterlite Industries had emphasized upon the importance of confidentiality. In para 3 of said decision it was reaffirmed that:

*“3. ... confidentiality under Rule 7 is not something which must be automatically assumed. Of course, in such cases there is need for confidentiality as otherwise trade competitors would obtain confidential*

*information which they cannot otherwise get. But whether information supplied is required to be kept confidential has to be considered on a case-to-case basis. It is for the Designated Authority to decide whether a particular material is required to be kept confidential.”*

43. Accordingly, the Authority examined the information provided by the domestic industry and other interested parties on a confidential basis for sufficiency of such claims in accordance with Rule 7 of the AD Rules. On being satisfied, the Authority accepted the confidentiality claims, wherever warranted and such information has been considered confidential. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non confidential version of the information filed on confidential basis.
  
44. With regards to DGCI&S data, the Authority notes that the data has been shared with interested parties relating to volume & value of imports from exporting countries into India. Further, the applicant has provided a complete list of transaction wise import data. It is also noted that any interested party can obtain data independently from the DGCI&S and lodge its own counter claim based on the data so received. The Authority holds that procedure for sharing and procuring import data has been laid down in the Trade Notice 07/2018 dated 15<sup>th</sup> March 2018. It provides that (i) the sorted import data relied upon by the domestic industry can be shared in hard copy & (ii) interested parties can seek authorization from the Authority for seeking raw transaction by transaction import data from DGCI&S. Hard copy of the sorted import data was made accessible to the interested parties based upon declaration/undertaking as per prescribed format. The interested parties who requested for procurement of import data from DGCI&S and provided undertaking as per Trade Notice 07/2018 were also granted authorization to obtain import data in excel file from DGCI&S. The Authority thus notes that the procedure now being applied is consistent, uniform across parties and investigations and provides adequate opportunity to the interested parties to defend their interests.

45. As regards the confidentiality claims of the domestic industry, the Authority notes that the domestic industry has submitted that the disclosure of sales value, sales realization, cost of sales, profit, etc. would adversely impact the applicant domestic producers
46. With regards the contention that the domestic industry has failed to disclose value of production of other producers, it is noted that such information is the proprietary information of other producers, Further, with regards the R&D expenses and funds raised, the Authority notes that such information is not product specific and can easily be accessed from the financial statements of the petitioning domestic producers. It has also been contended that the domestic industry has not shared the average industry norms for productivity, inventory and return on investment. However, the domestic industry has submitted that it is not aware of such norms and hence the same have not been shared.

## **F. MISCELLANEOUS**

### **F.1. Submissions by other interested parties**

47. The following miscellaneous submissions have been made by the other interested parties:
  - a. The DGTR in Anti-Dumping investigation concerning imports of “Newsprint in rolls or sheets, excluding glazed newsprint” originating in or exported from Australia, Canada, European Union, Hong Kong, Russia, Singapore and United Arab Emirates, final findings dated 19 January 2021 has recognized that an applicant association is required to meet the instructions circulated by the DGTR vide F.No. 14/44/2016-DGAD. The DGTR is therefore requested to direct AMAI to file these documents and until and unless this information is made available, the DGTR must not proceed with the investigation.
  - b. The POI (1<sup>st</sup> October 2019 to 30<sup>th</sup> September 2020) determined by the DGTR is not appropriate to assess the injury, as the period was impacted due to Covid-19, especially in terms of the demand and prices.
  - c. There exists difference in the volume of imports placed on record by the petitioner and as submitted in the questionnaire response, which could be due to the wrong identification of caustic soda on the basis of LMT or DMT. Such discrepancies require proper scrutiny.

- d. The country of origin as per the documents submitted by the exporters as well as the bills of entry is only Iran and there is no misreporting of country or origin, as alleged by the petitioner. The exporter is also enclosing bills of entry showing that the country of origin was reported as Iran.
- e. Due to differences in the import volume claimed by the petitioner and as reported by the interested parties, the Authority must consider volume and price of exports as reported by the respondent and not on the import data submitted by the petitioner.
- f. Considering absence of imposition of duties on Korean and Chinese imports despite injury to the domestic industry by the Ministry of Finance, there is no basis for imposition of duties on subject countries which are not causing injury.
- g. The Petitioner should expressly clarify if it has considered DGCI&S data for the purposes of extracting the import data for the POI prior to / post the initiation. It should also clarify if it has considered the DGCI&S data for the quarter April 2019 to June 2020 prior to initiation.
- h. The definitive anti-dumping duty on imports from the subject countries is not warranted in the present case as no duty was imposed on imports of PUC from Korea PR and China PR despite recommendation by the DGTR. In the absence of imposition of duties on Korean and Chinese imports despite likelihood injury to the domestic industry due to imports from Korea RP and China RP, the DGTR has no basis to impose duties on imports from the subject countries, which clearly are not causing injury to the domestic industry in the injury period.

## **F.2. Submissions by the domestic industry**

- 48. The following miscellaneous submissions have been made by the domestic industry.
  - a. As Grasim has no operational control over Utkal, imports made by Utkal should also be subject to anti-dumping duties since such imports are dumped and have caused injury to the domestic industry.
  - b. Contrary to the claims of the interested parties, the domestic industry has used only DMT prices for the purpose of determining the volume of imports from all countries.

- c. The import data from the DGCI&S shows various transactions from UAE bearing the license number issued to Arvand Petrochemicals which casts doubts over the actual imports reported by them.
- d. Unless the exporter establishes that the claims made by it before the Customs authorities and the DGTR are consistent, the Authority should not accept their claim particularly when the volume of exports reported by the exporter materially differs from the volume of exports reported by the domestic industry.

**F.3. Examination by the Authority**

- 49. As regards the concerns raised relating to the difference in the volume of imports reported by the responding producer from Iran and the petitioners, the Authority has called for the import data from DGCI&S and has examined the same to determine the volume of imports made from the subject countries in India. The imports volume has been determined using DMT as the unit of measurement.
  
- 50. It has been highlighted by the domestic industry that the volume of imports from Iran is understated, as the country of origin is misreported in their bills of entry. The Authority has examined the descriptions recorded in the DGCI&S transaction-wise data. It is noted that imports of caustic soda under multiple transactions bearing the BIS license number 4100073874 issued to Arvand Petrochemicals. It has been noted that in DG systems data, the multiple transactions are showing BIS number of Arvand Petrochemicals, in which country of origin have been reported as originating in Oman and United Arab Emirates. The Authority has, therefore, considered imports made under the BIS license issued to Arvand Petrochemicals as imports made from Iran and have included the same in the present injury analysis.
  
- 51. With regard to the doubts relating to the information relied on by the Authority for initiating the present investigation, it is noted that based on the petition filed by the domestic industry dated 17<sup>th</sup> August 2020, the Authority initiated the investigation on 17<sup>th</sup> December 2020 having satisfied itself of the prima facie evidence of dumping, injury and causal link based on information submitted by the applicant in the confidential



version of the application. Post initiation, the domestic industry has filed the non-confidential version of the petition on 22<sup>nd</sup> December 2020.

52. With regards to the contention of the other interested parties that duties cannot be imposed in the present investigation in the absence of imposition of duties on Korean and Chinese imports. The Authority notes that imposition of duties on Korean and Chinese imports by the Ministry of Finance is beyond the scope of the present investigation. It is further noted that the Authority conducted the present investigation based on the data/information provided by the domestic industry and would recommend imposition or non-imposition of duties after satisfying itself that there is sufficient evidence for the same.
53. With regard to the contention that the period of investigation is not appropriate as it was impacted by Covid-19, the Authority notes that period of investigation is not required to be determined in a manner such that there is no injury suffered due to other factors during such period. Under the provisions of para (v) of Annexure – II, the Authority is required to examine whether factors other than dumped imports are at the same time causing injury to the domestic industry, and ensure that the injury caused by such other factors are not attributed to dumped imports. Therefore, merely because the period of investigation may be impacted by Covid-19, does not imply that such period cannot be considered for investigation purposes. In accordance with the provisions of Annexure – II, the Authority has examined whether the domestic industry has suffered injury, in the relevant portion hereinbelow.

## **G. NORMAL VALUE, EXPORT PRICE AND DETERMINATION OF DUMPING MARGIN**

### **G.1. Submissions by other interested parties**

54. The following submissions have been made by the other interested parties with regard to the normal value, export price and dumping margin:

- a. Normal value for Japan determined based on the I Markit Global Chlor Alkali Report is inappropriate since prices published in journals are based on forecasts and are not the prices actually prevailing in the market.
- b. In the case of Dye Stuff Manufacturers Association of India vs Govt. of India, the CESTAT, it was held that normal value cannot be determined based on trade journals.
- c. The domestic industry did not make any efforts to obtain reasonably available information for normal value as it used mirror data as per Trade Map, as against requesting information from Qatar's official statistical source, the Planning and Statistics Authority.
- d. Based on the exporter's questionnaire response filed with the Authority, Italy is not the largest export destination for Qatar, and further, prices of exports to Italy would show no dumping of the product under consideration.
- e. The petitioner has also failed to demonstrate as to how Italy is an appropriate third country since it is not clear how Italy is comparable to Qatar or India as required by the DGTR Manual of SOP except the fact that Italy accounts for the highest volume of exports from Qatar.
- f. The domestic industry has considered freight expenses incurred on shipment from Qatar to India rather than freight expense of shipments from Qatar to Italy.
- g. Individual dumping and injury margin for Arvand Petrochemicals should be based on the information filed by the producer and exporters.
- h. Arvand Petrochemicals has exported only caustic soda lye and the margins should be determined on such basis only.
- i. Normal value determined for Iran based on export price to Georgia is inappropriate as it is a very small economy compared to Iran.
- j. Dumping margin for exporters must be determined based on the information provided in the questionnaire responses submitted to the Authority after making due adjustments to ensure a fair comparison.
- k. The petitioner has failed to provide any evidence regarding adjustments made for marine insurance, commission, bank charges, ports expenses, and inland freight expenses.

## **G.2. Submissions by the domestic industry**

55. The following submissions have been made by the domestic industry with regard to the normal value, export price and dumping margin:
- a. Shin-Etsu Chemical has not disclosed the name of the related / unrelated exporter forming part of their channel of distribution, and as a result, it cannot be determined if the exporter has participated.
  - b. Mitsubishi Corporation has made contradictory claims regarding the domestic sales of the subject goods in Japan casting doubt over the veracity of the information submitted by the exporter.
  - c. IHS Markit Global Chlor Alkali report are not forecasts but prices prevailing during that period and such reports have been relied on by the Authority in the case of Caustic Soda from China PR and Korea RP and Caustic Soda from Chinese Taipei, Indonesia and EU (excluding France).
  - d. The reliance on the Tribunal's decision in Dye Stuff Manufacturers Association of India v. Govt. of India is misplaced as in that case, normal value was determined based on the prices of aniline published in an article in a journal while in the present case, normal value has been determined based on the prices published in IHS Markit, which is a globally renowned market agency which published prices after detailed market research and whose reports has been relied by the Director General in various instances.
  - e. The domestic industry determined the normal value for Qatar based on the price of exports from Qatar to Italy as such exports accounted for a major of exports from Qatar, as per export data obtained from Trade Map and the dumping margin based on such normal value is positive.
  - f. While the other interested parties have alleged that the domestic industry should have sought data from official sources in Qatar to determine normal value, they have neither shown what these official sources are, nor how data obtained from such sources differs with those provided by the domestic industry.
  - g. The US DOC applies five percent test, whether exports are of like products and whether volume of sales is larger than the volume of sales to other countries, to determine the appropriate third country. Since volume of exports to Italy are more than the volume of exports to other countries, Italy was considered as an appropriate

third country and normal value was determined based on price of exports from Qatar to Italy.

- h. There exists not material difference between the freight expenses of shipments from Qatar to Italy and to India. Further, even considering the freight expenses to Italy, the dumping margin would still be significantly positive.
- i. The domestic industry has determined margins considering only imports of caustic soda lye and non-injurious price for lye.
- j. Normal value for Iran was determined based on price of exports from Iran to Georgia since as per Trade Map data, exports from Iran were only made to Georgia and India. Further, there is no relationship between the size of the economy and its price.
- k. The dumping margin may be determined based on the information submitted in the questionnaire responses by the producers / exporter if such information is found to be adequate and accurate. The adjustments made to export price are based on experience of the domestic industry and the consistent practice of the Authority.

### **G.3. Examination by the Authority**

56. As per Section 9A(1)(c) of the Act, the normal value in relation to an article means:

*(i) the comparable price, in the ordinary course of trade, for the like article when destined for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6); or*

*when there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be*

*(ii) either –*

*(a) comparable representative price of the like article when exported from the exporting country or territory to an appropriate third country as determined in accordance with the rules made under sub-section (6); or*

*(b) the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6):*

*Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transshipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.*

57. The Authority sent questionnaires to the known producers/exporters from the subject countries, advising them to provide information in the form and manner prescribed by the Authority. The following producers/exporters have co-operated in this investigation by filing the prescribed questionnaire responses:
- i. AGC Inc. (Japan)
  - ii. Hokkaido Soda Co. Limited (Japan)
  - iii. Kashima Chlorine and Alkali Co. Limited (Japan)
  - iv. Mitsubishi Corporation (Japan)
  - v. Mitsui & Company Limited (Japan)
  - vi. Shin-Etsu Chemical Company Limited (Japan)
  - vii. Tosoh Corporation (Japan)
  - viii. Tohoku Tosoh Chemical Co. Limited (Japan)
  - ix. Tosoh Nikkemi Corporation (Japan)
  - x. Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) Q.P.J.S.C, Qatar
  - xi. Qatar Vinyl Company, Qatar
  - xii. Tricon International Limited, USA
  - xiii. Arvand Petrochemicals Company, Iran
  - xiv. Eastern Trading International FZE, UAE
  - xv. Golden International FZE, UAE
  - xvi. Kriscon DMCC, UAE
  - xvii. Trio Energy DMCC, UAE

58. With regards to the contention of other interested parties that normal value for the producers / exporter shall be determined based on the information provided by the producers / exporters in the questionnaire response, the Authority notes that information provided by the producers / exporters in their questionnaire responses is appropriate and thus, normal value has been determined based on the price of subject goods when destined for consumption in the domestic market.
59. As regards the submissions of the interested parties that the normal value at the stage of initiation was not appropriate, it is noted that under Article 5.1 of the WTO Anti-dumping Agreement, the Authority may initiate an investigation based on the application filed by the domestic industry. Further, Article 5.2 of the Agreement provides that such application must contain “information as is reasonably available to the applicant”. Accordingly, the applicant submitted petition demonstrating dumping margin based on the information that was reasonably available to them. Further, at the time of initiation, the Authority is only required to prima facie satisfy itself of the evidence regarding dumping, injury and causal link between the two. The nature of evidence required for the purpose of initiation may not be of the same quality as required for final imposition of duty. Therefore, the Authority does not find that the evidence provided by the applicants with regard to determination of normal value was not appropriate. However, the Authority has now determined normal value for all responding producers based on the questionnaire responses file by them.
60. The interested parties have also claimed that dumping margin and injury margin should be determined having regard to imports of caustic soda lye only. The Authority notes that the dumping and injury margin for the responding producers has been determined taking into consideration the imports of caustic soda lye only.

#### **G.4. Determination of normal value**

##### **G.4.1. Normal value for Japan**

###### **a) Normal value for AGC Inc. and Hokkaido Soda Co. Limited (Producers)**

61. During the POI, two related entities i.e., AGC Inc. (“AGC”) and Hokkaido Soda Co., Ltd. (“HK”) were involved in the production of PUC. The two aforementioned entities have filed their questionnaire responses.

62. The domestic sales made by AGC / HK are in sufficient volumes when compared with exports to India.

63. To determine the normal value, the Authority conducted the ordinary course of trade test to determine profit making domestic sales transactions with reference to the cost of production of the subject goods. Since the profit-making transactions were more than 80%, the Authority has considered all the transactions in the domestic market for the determination of the normal value.

64. AGC / HK have claimed adjustments on account of transportation cost and credit costs. The Authority has accepted adjustments after desk verification of the same. The normal value at ex-factory level has been determined accordingly, and the same is shown in the Dumping Margin Table.

**b) Normal value for Shin-Etsu Chemical Co., Ltd, (“SEC”) (Producer), Kashima Chlorine and Alkali Co., Ltd (“KD”) (Producer), Mitsubishi Corporation (“Mitsubishi”) (Trader) and Mitsui & Co., Ltd. (“Mitsui”) (Trader)**

65. During the POI, two related entities i.e., Shin-Etsu Chemical Co., Ltd (“SEC”) and Kashima Chlorine and Alkali Co., Ltd (“KD”) are involved in the production of PUC. The PUC produced by KD sold through SEC to unrelated traders and users in the domestic market.

66. SEC and KD have filed their questionnaire responses. The Authority notes that domestic sales are in sufficient volumes when compared with exports to India.

67. To determine the normal value, the Authority conducted the ordinary course of trade test to determine profit making domestic sales transactions with reference to the cost of production of the subject goods. Wherever the profit-making transactions were more than 80%, the Authority has considered all the transactions in the domestic market for the

determination of the normal value. The Authority has considered only profitable sales where the profit-making sales are less than 80%.

68. SEC has claimed adjustments on account of inland freight, handling charges, storage cost, miscellaneous expenses, material loss, and credit cost. The Authority has accepted all the adjustments claimed by the SEC. The normal value at ex-factory level for SEC and KD has been determined accordingly, and the same is shown in the Dumping Margin table.

**c) Normal value for Tosoh Corporation (Producer) and Tohoku Tosoh Chemical Co. Limited (Producer / Trader)**

69. During the POI, two related entities i.e., Tosoh Corporation (“Tosoh”) and Tohoku Tosoh Chemical Co., Ltd. (“Tohoku Tosoh”) were involved in the production of PUC. These two entities have sold the PUC to unrelated/related traders and users in the domestic market.

70. Tosoh, Tohoku Tosoh and Tosoh’s related trader Tosoh Nikkemi Corporation have filed their questionnaire responses. During examination of their response, it was noted that their domestic sales are in sufficient volumes when compared with exports to India.

71. To determine the normal value, the Authority conducted the ordinary course of trade test to determine profit making domestic sales transactions with reference to the cost of production of the subject goods. Wherever the profit-making transactions were more than 80%, the Authority has considered all the transactions in the domestic market for the determination of the normal value. The Authority has considered only profitable sales where the profit-making sales are less than 80%.

72. Tosoh / Tohoku Tosoh have claimed adjustments on account of transportation cost, surveyor cost, storage cost, handling cost, insurance cost, credit costs and other costs. The Authority has accepted the adjustments after due desk verification. The normal value at ex-factory level has been determined accordingly, and the same is shown in the Dumping Margin Table below.



**d) Normal value for all non-cooperative producers/exporters from Japan**

73. The normal value and export price for all other non-cooperating producers and exporters of Japan has been determined as per the facts available and the same are mentioned in the Dumping Margin Table.

**G.4.2. Normal value for Iran**

**a) Normal value for Arvand Petrochemical Company (“Arvand”)**

74. Only one producer from Iran, namely Arvand Petrochemical Company, has participated in the present investigation. However, it is noted that the producer has not provided complete response as per prescribed formats and instructions within the stipulated time.

75. Further, the response filed by the producer is deficient and inconsistent. The producer has submitted different information in different unit of measurements. The volumes reported in different part of the responses are also not consistent and does not reconcile with the volumes reported by the exporters who have invoiced the goods to India. The producer has not disclosed complete details of its exports to India. It has not disclosed the shipments exported to India through Oman, which bear the BIS license number allocated to Arvand Petrochemical Company. It is also noted that various worksheets are not inter-linked to establish consistency in the information and response.

76. In view of deficient and inconsistent response filed by the producer much beyond the stipulated time limits, and as per the consistent practice of the Authority, the questionnaire response submitted by Arvand Petrochemical Company is not accepted.

**b) Normal value for all producers/exporters from Iran**

77. Since no other producer from Iran has fully cooperated in the present investigation, and the Authority is unable to use the questionnaire response filed by the sole responding producer for determination of normal value, normal value for all producers in Iran has been determined on the basis of facts available in terms of Rule 6(8) of the Rules. Normal value cannot be determined based on selling price of the product under consideration in

the domestic market in Iran, as there is no publicly available information showing transaction price of sale in the Iranian domestic market. Even when interested parties contended that information with regard to selling prices of the product in Iran is available, the Authority notes that none of the interested parties have provided any information and evidence in this regard. The applicant submitted that the said information is not publicly available and the interested parties have made the submission without any evidence. It is noted that the Iranian authorities do not make their customs data publicly available. It was therefore not feasible to determine export price from Iran to various countries globally. However, Trade Map data shows that the subject goods have been imported into Georgia, which has been reported as imports from Iran. The volume of imports reported by Georgia is largely comparable to the volume of third country exports reported by the responding producer from Iran. This further shows that Arvand has exported only to Georgia. The Authority, therefore, concludes that the imports reported by Georgia represents the sole exports from Iran. Accordingly, the Authority has determined normal value on the basis of prices of exports from Iran to Georgia, available on Trade Map. Such prices have been adjusted for ocean freight, marine insurance, port expenses and inland freight to determine the ex-factory normal value. The normal value so determined is mentioned in the dumping margin table.

#### **G.4.3. Normal value for Oman**

78. The Embassy of Oman has submitted that as per Oman General Customs Data and National Center of Statistics, no exports were made from Oman to India during the present period of investigation and Oman should be excluded from the present investigation. Accordingly, the Authority examined the data procured from DGCI&S as well DG Systems. It is noted that significant imports have been made into India for which the country origin is reported as Oman. Such volume of imports is above 3% of total imports into the country. Thus, imports from Oman cannot be excluded from the present investigation.

79. None of the producers / exporters from Oman have participated in the investigation. Accordingly, the normal value has been determined on the basis of facts available in terms of Rule 6(8) of the Rules. It is noted that Trade Map data shows that the subject goods

have been exported from Oman to India and UAE only. Accordingly, the Authority has determined normal value on the basis of prices of exports from Oman to UAE, available on Trade Map. Such prices have been adjusted for ocean freight, marine insurance, port expenses and inland freight to determine the ex-factory normal value. The normal value so determined is mentioned in the dumping margin table.

#### **G.4.4. Normal value for Qatar**

a) **Qatar Vinyl Company Limited (“QVC”) (Producer), Qatar Chemical and Petrochemical Marketing and Distribution Company (“Muntajat”) Q.P.J.S.C (Trader) , Tricon Energy Limited (“Tricon”) (Trader)**

80. Qatar Vinyl Company Limited (QVC), is involved in the production of PUC. The Authority notes that sales in the domestic market is made through Qatar Chemical and Petrochemical Marketing and Distribution Company (“Muntajat”) Q.P.J.S.C. It is noted that Muntajat procures the PUC from QVC and subsequently sells it in the domestic market and Tricon Energy Limited (“Tricon”) procures the PUC from Muntajat and subsequently sells it to the unrelated Indian customers.

81. QVC, Muntajat and Tricon Energy Limited have filed their questionnaire responses. The Authority notes that domestic sales are in sufficient volumes when compared with exports to India.

82. To determine the normal value, the Authority conducted the ordinary course of trade test to determine profit making domestic sales transactions with reference to the cost of production of the subject goods. Wherever the profit-making transactions were more than 80%, the Authority has considered all the transactions in the domestic market for the determination of the normal value. The Authority has considered only profitable sales where the profit-making sales are less than 80%.

83. Muntajat has claimed adjustments on account of discounts, inland freight, inland insurance, bank charges, credit cost, credit insurance and other expenses. The Authority

has accepted all the adjustments claimed. The normal value at ex-factory level for QVC has been determined accordingly, and the same is shown in the Dumping Margin table.

**b) Normal value for all non-cooperative producers/exporters from Qatar**

84. Normal Value for non-cooperative producer/exporter of Qatar has been taken based on the facts available in accordance with Rule 6(8) of the Rules. The normal value so determined is mentioned in the dumping margin table.

**G.5. Determination of export price**

**G.5.1. Export price for Japan**

**a) Export price for AGC Inc., Hokkaido Soda Co. Limited (Producers) and Mistui & Company Limited (Trader)**

85. The Authority notes that only AGC has exported a quantity of \*\*\*MT to India through its unrelated trader, Mitsui & Co. Ltd., who in turn sold the PUC to unrelated Indian users during the POI.

86. Mitsui & Co. Ltd. has also duly filed their questionnaire responses.

87. The Authority notes that the cooperating entities account for about 100% of the total sales made by AGC to India, whereby the quantity reported by it and its trader has been adopted by the Authority as exports to India by AGC for determining the dumping and injury margin.

88. The channel of exports to India and the quantity exported through this channel is shown in the table below:

Export Channel	Exports to India (MT)	Quantity (%)	Cooperating (Yes/No)
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AGC--->Mitsui--> Indian Users	unrelated	***	100%	Yes
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89. The Authority, while calculating the export price has considered verified actual data of the producer, AGC. AGC has claimed adjustments on account of transportation and credit cost and the same have been allowed.

90. Accordingly, the export price for AGC has been determined and is mentioned in the dumping margin table below.

**b) Export price for Kashima Chlorine and Alkali Co. Limited (Producer), Shin-Etsu Chemical Company Limited (Producer), Mitsui & Company Limited (Trader) and Mitsubishi Corporation (Trader)**

91. The Authority notes that SEC and KD has exported a quantity of \*\*\*MT, through traders namely M/s Mitsui & Co., Ltd and Mitsubishi Corporation, who in turn sold the PUC to unrelated Indian users during the POI. Both Mitsui and Mitsubishi have filed their separate questionnaire responses.

92. The Authority notes that the cooperating entities account for about 100% of the total sales made by SEC to India, whereby the quantity reported by it and its traders has been adopted by the Authority as exports to India by SEC and KD for determining the export price.

93. The Authority, while calculating the export price has considered verified actual data of the producers and trading companies involved in the trade channel. SEC has claimed adjustments on account of surveyor cost, handling charges, demurrage and detention charges, storage cost, and credit cost which have been allowed in determination of export price.

94. Accordingly, the export price for SEC and KD has been determined and the same is shown in the dumping margin table below.

**c) Export price for Tosoh Corporation (Producer), Tohoku Tosoh Chemical Co. Limited (Producer)**

95. The Authority notes that only Tosoh has exported a quantity of \*\*\*MT to India through its unrelated traders, Mitsui & Co. Ltd. and Mitsubishi Corporation, who in turn sold the PUC to unrelated Indian user during the POI.

96. Mitsui & Co. Ltd. and Mitsubishi Corporation who are unrelated traders have duly filed their questionnaire responses.

97. The Authority notes that the cooperating entities account for about 100% of the total sales made by Tosoh to India, whereby the quantity reported by it and its traders has been adopted by the Authority as exports to India by Tosoh for determining the dumping and injury margin.

98. The channel of exports to India and the quantity exported through this channel is shown in the table below:

Export Channel	Exports to India (MT)	Quantity (%)	Cooperating (Yes/No)
Tosoh--->Mitsui-->Unrelated Indian Users	***	***	Yes
Tosoh--->Mitsubishi-->Unrelated Indian Users	***	***	Yes

99. The Authority, while calculating the export price has considered verified actual data of the producer, Tosoh. Tosoh has claimed adjustments on account of surveyor, handling charges, inland freight, storage cost, credit cost and other expenses and the same have been allowed.

100. Accordingly, the export price for Tosoh has been determined based on the weighted average export price of all export's channels to India for which information has been provided.

**d) Export price for all non-cooperative producers/exporters from Japan**

101. Export price for non-cooperative producer/exporter of Japan has been taken based on the basis of facts available in accordance with Rule 6(8) of the Rules. The export price so determined is mentioned in the dumping margin table.

**G.5.2. Export price for Iran**

**a) Export price for Arvand Petrochemical Company (Producer), Trio Energy DMCC, Kriscon DMCC, Golden International FZE and Eastern Trading International FZE (Iran) (Traders)**

102. For reasons explained above, the Authority has considered Arvand Petrochemical Company as non-cooperative. Since no other producer / exporter from Iran has participated in the investigation, the export price has been determined on the basis of facts available. For the purpose, information provided by the DGCI&S has been considered. In determination of export price, the imports from Oman, bearing license number issued to Arvand Petrochemical Company, have also been considered as imports originating from Iran. Further, price adjustments have been carried out on account of ocean freight, marine insurance, commission, port expenses, bank charges on the basis of facts available.

**b) Export price for all producers/exporters from Iran**

103. Export price for producer/exporter of Iran has been taken based on the basis of facts available in accordance with Rule 6(8) of the Rules. For the purpose, information provided by the DGCI&S has been considered. Further, price adjustments have been carried out on account of ocean freight, marine insurance, commission, port expenses,

bank charges on the basis of facts available. The net export price so determined is mentioned in the dumping margin table.

### **G.5.3. Export price for Oman**

104. None of the producers from Oman have participated in the investigation. Accordingly, the export price has been determined on the basis of facts available. For the purpose, information provided by the DGCI&S has been considered. However, the imports bearing license number issued to Arvand Petrochemical Company have not been considered as imports originating from Oman. Further, price adjustments have been carried out on account of ocean freight, marine insurance, commission, port expenses, bank charges on the basis of facts available.

### **G.5.4. Export price for Qatar**

- a) **Qatar Vinyl Company Limited (QVC) O.P.J.S.C (“QVC”) (Producer), Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) O.P.J.S.C (“Muntajat”) and Tricon Energy Limited (“Tricon”) (Trader)**

105. The Authority notes that Muntajat has exported a total quantity of \*\*\*MT, directly to Indian customers and \*\*\*MT through trading companies namely Tricon and Mitsubishi. Both Tricon and Mitsubishi have filed their separate questionnaire responses.

106. The Authority notes that the cooperating entities account for about 100% of the total sales made by Muntajat to India, whereby the quantity reported by it and its traders has been adopted by the Authority as exports to India by QVC and Muntajat for determining the export price.

107. The Authority, while calculating the export price has considered verified actual data of the producers and trading companies involved in the trade channel. The Authority conducted profitability test for the trading companies namely Tricon and Mitsubishi and found that both of the trading companies are profitable. Muntajat claimed adjustments on account of shipping cost, surveyor cost, handling charges, bank charges and credit



insurance expenses. In addition, the Authority also made adjustments SGA expenses and profits of Muntajat to arrive at the ex-factory price at producer's level.

108. Accordingly, the export price for QVC and trading companies has been determined based on the weighted average export price to India, and the same is shown in the dumping margin table below.

**b) Export price for all non-cooperative producers/exporters from Qatar**

109. Export price for non-cooperative producer/exporter of Qatar has been taken based on the lowest export price among the cooperative exporters in accordance with Rule 6(8) of the Rules. The export price so determined is mentioned in the dumping margin table.

**G.6. Determination of dumping margin**

110. The normal value, export price and dumping margins determined in the present investigation for all the subject countries are as follows –

Country	Producer	Normal	Export	Dumping	Dumping	Dumping
		Value	Price	Margin	Margin	Margin
		(USD/MT)	(USD/MT)	(USD/MT)	(%)	(Range)
Japan	AGC Inc.	***	***	***	***	70-80
	Hokkaido Soda Co., Ltd.					
	Tosoh Corporation	***	***	***	***	70-80
	Tohoku Tosoh Chemical Co., Ltd.					
	Kashima Chlorine and Alkali Co., Ltd.	***	***	***	***	70-80
	Shin-Etsu Chemical Co., Ltd					
	Other producers and exporters	***	***	***	***	140-150
Iran	All producers and exporters	***	***	***	***	80-90

Country	Producer	Normal	Export	Dumping	Dumping	Dumping
		Value	Price	Margin	Margin	Margin
		(USD/MT)	(USD/MT)	(USD/MT)	(%)	(Range)
Oman	All producers and exporters	***	***	***	***	70-80
Qatar	Qatar Vinyl Company Limited Q.P.J.S.C	***	***	***	***	20-30
	Other producers and exporters	***	***	***	***	30-40

## H. DETERMINATION OF INJURY AND CAUSAL LINK

### H.1. Submissions by other interested parties

111. The following submissions have been made by the other interested parties with regard to injury and causal link:

- a. Cumulative analysis of imports from Qatar and other subject countries cannot be done as the petitioner has not provided evidence of dumping from Qatar. Further, the conditions of competition between imports from Qatar and other subject countries are different as the imports from Qatar have declined in absolute and relative terms while the imports from other subject countries have either increased or remained stable. The price of imports from Qatar are above those of most other imports.
- b. In the previous investigation relating to Qatar and Japan as well as that relating to China PR and Korea RP, the Authority noted that the domestic industry did not suffer injury.
- c. There is no material injury to the domestic industry on account of imports particularly from Japan.
- d. The imports from Iran constitute only 0.47% of demand in India, which is negligible and could not have caused injury to the domestic industry. Imports from Qatar constitute 0.68% share of India market during period of investigation, and thus, any material injury to the domestic industry cannot be on account of such imports. Even as per European Union Regulation, such imports are negligible.

- e. The subject imports account for only 6% of the total demand in India, whereby it seems commercially unrealistic for such an insignificant quantum of the imports to have affected the operations and sales of the domestic industry.
- f. The imports from subject countries including Japan/Qatar have decreased in the period of investigation compared to the base year whereas, the domestic sales of the domestic industry have remained largely stable and have declined on account of the COVID-19 pandemic and slowdown in the economic activities due to lockdown in India.
- g. Claims of the domestic industry are misleading given that due to imposition of mandatory BIS certifications, imports were impacted significantly in the year 2018-19. Further, the volume of imports from subject countries has declined in absolute and relative terms.
- h. The Government of India has introduced several policies to promote “Make in India”, on account of which imports have already been decreasing whereby Government owned companies are required to procure 100% caustic soda from domestic producers only.
- i. Market share of the domestic industry has increased over the injury period, whereas the market share of the imports from subject countries has decreased. The marginal decline after 2018-19 cannot be attributed to dumped imports but to the normalization of competition between the imports and the domestic industry.
- j. The decline in the domestic prices is not limited to the Indian market but a global phenomenon. The prices have declined because of excess supply of subject goods globally due to US-China trade conflict; oversupply of goods in the domestic market due to excess capacities; artificial increase in domestic prices due to introduction of BIS standard in 2018 and excess supply of subject goods due to increase in demand of chlorine by the downstream industries.
- k. Prices behaved abnormally only in part of the period of investigation due to the COVID-19 pandemic, which have normalized to a large degree.
- l. Cost per unit of the petitioner has increased due to high fixed cost per unit due to limited operations on account of Covid-19 pandemic and ensuing lockdown and thus, such increase in cost cannot be compared with declining selling price.
- m. The cost of sales of the domestic industry increased due to the excessive capacity and higher fixed cost burden.

- n. The manner of adjustment of realization price of chlorine, determination of cost and profits of product under consideration and adjustments on account of Covid-19 must be examined.
- o. The alleged price undercutting has not affected the profitability and there is no correlation between the alleged injury suffered and alleged price undercutting.
- p. The installed capacity, employee count, productivity per day and wages increased. Based on the information available in the public domain, the performance of the constituents of the Domestic Industry has been robust.
- q. Any adjustment to capacity due to Covid-19 should also be made for the determination of non-injurious price.
- r. The decline in inventories in the year 2018-19 may be attributed to BIS certification, whereas a fall in the same during the period of investigation POI is due to the excess supply in the market and associated lower demand caused by the COVID-19 pandemic.
- s. Imports from Japan must necessarily be excluded from the scope of the subject countries in this case, as the domestic industry is regularly making imports from Japan and will continue to do so in the future.
- t. Given the significant volumes of imports by Grasim and Utkal, alleged injury, if any, is entirely self-inflicted. Utkal is likely to continue to import subject goods as domestic producers are unable to supply to the east coast of India where the aluminum producers are located.
- u. The demand of PUC declined in the POI on account of the disruption in the economic activities due to COVID-19 pandemic (along with the imposition of BIS certification).
- v. Based on Annual reports, DCW Limited faced production logistic challenges in Q4 FY 2020 due to the lockdown; profitability of DCW Limited is likely to be subdued due to weak demand for all chemicals including caustic soda.
- w. Imports from China PR and Korea RP are injuring the domestic industry.
- x. The volume of imports in relation to production and consumption have declined by 3.6% and 3.05% respectively, and thus cannot cause injury.
- y. The volume of imports from the subject countries being low, the prices of such imports could have not impacted the prices of domestic industry, as held by the Authority in the investigation concerning Japan and Qatar, particularly when such

volumes were 72 times the import volumes from Qatar and 8 times the volume from the subject countries.

- z. Decline in net sales realization is not due to imports as the landed price from Iran has increased and such decline could be due to excessive oversupply as claimed by the domestic industry in their annual reports.
- aa. While the petitioner has claimed price undercutting, it is not clear whether prices of caustic soda lye is compared to caustic soda lye and caustic soda flake to caustic soda flake. While the domestic industry has stated that caustic soda flakes has not been imported into India during the period of investigation, it has compared average price of caustic soda sold by it with the price of imported lye.
- bb. Since there are no imports of caustic soda flakes, the consideration of non-injurious prices of flakes is an attempt to inflate the injury margin.
- cc. In the previous investigation, the Authority noted that since the market share of subject imports was low, it was difficult to relate the impact of imports on domestic industry.
- dd. The domestic industry added capacity in 2018-19 but its capital employed declined and depreciation and amortization expenses increased. In 2019-20, when no capacity was added, the capital employed as well as depreciation and amortization costs increased, indicating anomaly in the data.
- ee. DCW Limited has shown improved and robust performance due to improved performance of caustic soda as per credit rating agency, India Ratings.
- ff. Inventory as number of days of sales has remained same over the years indicating absence of inventory pile up.
- gg. Inter-se unhealthy competition is impacting the realizations and volumes of the petitioners as dominant producer like GACL operated as utilization of 105% in 2019-20, while DCW Limited operated at a utilization of 69% implying magnitude of inter-se competition.
- hh. Despite negative profits and returns, the domestic industry was able to charge prices higher than the imports and thus, negative profits are due to the inability of the domestic industry to reduce cost on account of excessive capacities and increase prices due to inter-se competition.

## **H.2. Submissions by the domestic industry**

112. The following submissions have been made by the domestic industry with regard to the injury and causal link:

- a. The imports from all subject countries may be cumulatively analyzed as the requirements under Article 3.3 of the Anti-dumping Agreement and para (iii) of Annexure-II of the Anti-dumping Rules are all satisfied.
- b. Contrary to the contention of the interested parties, for the purpose of cumulative analysis, the Authority is not required to conduct country-wise volume and price analysis as pre-condition to cumulation as observed by the Appellate Body in EC –Tube or Pipe Fittings.
- c. Imports from Qatar constitute 8.61% of total imports in the country which satisfies the requirement under the law. Further, the decline in import price from Qatar are comparable with the import prices from other subject countries on month-to-month basis.
- d. The volume of imports was initially high in 2017-18 but declined in 2018-19 due to mandatory application of BIS standards. However, as more producers obtained the BIS certificates, the volume of imports in absolute terms increased by 27% in the period of investigation and in relation to production and consumption by 46% and 43% respectively.
- e. The share of imports in total imports has increased in the period of investigation and such imports account for 78% of total imports.
- f. While the other interested parties have claimed that the volume of imports have declined compared in the base year, the imports prices have also declined significantly during the same period while the costs of the domestic industry have remained constant.
- g. The domestic industry has only claimed adverse price effects of imports and not volume effects of imports on the domestic industry.
- h. The domestic industry has suffered significant price injury due to the sharp decline in the landed price of imports forcing it to compromise on prices to maintain sales while the cost of production of the domestic industry remained largely stable.
- i. If the interested parties are unable to show that the decline in landed price is linked to their cost, then it is the result of dumping and such steep decline in price has caused injury to the domestic industry.

- j. The subject imports have been undercutting the prices of the domestic industry over the injury period. The undercutting has also been provided based on comparison of prices of imported and domestic caustic soda lye.
- k. The selling price of the domestic industry has declined in the period of investigation compared to previous year as the landed price of the subject imports declined significantly and was below the cost of the domestic industry.
- l. The cost of sales of the domestic industry has declined in the period of investigation compared to previous year and while it has increased marginally compared to the base year, the decline in profitability is at a higher rate, only due to decline in selling price.
- m. Even if it is assumed that the domestic industry reduced its prices due to oversupply, the same cannot be the ground for foreign producers to reduce their price. Further, when compared on a month-to-month basis, it can be seen that the foreign producers reduced their prices forcing the domestic industry to also reduce their price.
- n. The quantum of price undercutting is indicative of the degree of competition and not the absence of competition. Thus, price undercutting declined as the domestic industry was forced to compromise on its prices, leading to decline in profitability implies both injury and causal link.
- o. Contrary to the claim of other interested parties, the decline in import prices cannot wholly be attributed to the Covid-19 pandemic as the prices have continued to decline even post December 2020.
- p. Contrary to the claim of the other interested parties that prices of the product under consideration have declined internationally, it can be seen that the decline in prices to India is higher than decline in domestic selling prices of most producers, as well as prices to third countries. Further, the domestic selling price of some producers has increased.
- q. Mandatory BIS standards were imposed in April 2018 and thus, prices in 2017-18 cannot be said to be affected by such standards and further still, the price in period of investigation is lower when compared to 2017-18.
- r. While decline in demand could be attributed to the Covid-19 pandemic, the decline in import prices cannot be result of the pandemic, which have declined by 36%.

- s. The production, capacity utilization and sales of the domestic industry declined during the period of investigation but such decline can be partly attributed to decline in demand due to Covid-19.
- t. The capacity of the domestic industry increased in 2018-19 and has remained constant thereafter.
- u. The domestic industry has not claimed any injury on accounts of installed capacity, employment, productivity per day and wages.
- v. The market share of the domestic industry marginally increased in the period of investigation as the domestic industry reduced their prices to maintain their market share. The market share of imports increased during the period of investigation.
- w. The domestic industry is facing significant pile up of inventories with 43% increase in average inventories over the period and number of days of production has also increased by 15%.
- x. The employment by the domestic industry increased over the injury period, while the productivity per employee has declined. However, the productivity per day and the wages have increased over the injury period.
- y. The profits of the domestic industry declined sharply after 2018-19 and the domestic industry suffered significant losses in the period of investigation.
- z. The cash profits of the domestic industry declined significantly in the period of investigation and it earned negative returns on the capital employed.
- aa. Irrespective of the capacity utilization, profitability of each domestic producers has declined over the period. including GACL whose profitability declined despite operating at higher capacity utilization.
- bb. While the Authority determined no injury was suffered by the domestic industry in the previous investigations, there is significant difference between the performance of the domestic industry in the two periods as its macroeconomic parameters have shown significant decline in the period of investigation.
- cc. While the volume of imports in the previous investigation was low, it was also non-injurious as there was no underselling effect of such imports, which is not the case in the present investigation where the volume of imports has increased causing injury to the domestic industry and the low-priced imports have affected profitability.



- dd. The performance of individual producers is irrelevant as injury analysis is to be conducted for the domestic industry as a whole and not for individual producers. Further, DCW Limited has shown deterioration over the injury period. The other interested parties have made contradictory statements regarding the performance of DCW Limited in an attempt to twist facts to suit their purpose.
- ee. The adjustments made to the production for the purpose of injury analysis have also been used for determination of non-injurious price. The domestic industry has not suffered injury due to any other factors. There exists a causal link between the dumping and the injury to the domestic industry.
- ff. Even if other factors are considered to be causing injury to the domestic industry, the Authority is required to examine “a causal link” between the subject imports and injury to the domestic industry, rather than “the causal link” as per the WTO Anti-dumping agreement and the Appellate Body in US – Hot-Rolled Steel.
- gg. The domestic industry has established that they have suffered injury and that there exists a causal link between the injury and dumped imports.
- hh. Excess capacities and oversupply of the subject goods has existed for several years but has not caused any injury to the domestic industry in the past and could not have caused injury in the present case particularly when the output was low due to the lockdown.
- ii. Domestic procurement requirement is applicable to only a few public sector consumers and cannot alter market dynamics since major users from the private sector are free to procure foreign goods. In any case, NALCO has continued to float global tenders. Other interested parties have failed to establish their claim, with actual data, that imports have declined subsequent to the public procurement order.
- jj. The price of imports from China PR and Korea RP is above the non-injurious price of the domestic industry and are thus, not injurious. Further, the Authority in the sunset review investigation observed that there was no current injury due to imports from China PR and Korea RP, but such injury is likely to recur.
- kk. The claim that injury may be due to capacity exceeding the total demand is unfounded as in case of capacity exceeding the demand, there would be no need for increase in imports. Imports have increased as the exporters are undercutting the domestic prices with the aim of capturing the market.

### **H.3. Examination by the Authority**

113. The Authority has taken note of the arguments and counter-arguments of the interested parties with regard to injury to the domestic industry. The analysis by the Authority hereunder ipso facto addresses the various submissions made by the interested parties.

#### **H.3.1 Cumulative Assessment**

114. Annexure-II Para (iii) of the Rules provides that in case where imports of a product from more than one country are being simultaneously subjected to anti-dumping investigations, the Authority will cumulatively assess the effect of such imports, in case it determines that:

- a. The margin of dumping established in relation to the imports from each country is more than two percent expressed as percentage of export price and the volume of the imports from each country is three percent (or more) of the import of like article or where the export of individual countries is less than three percent, the imports collectively account for more than seven percent of the import of like article, and
- b. A cumulative assessment of the effects of the imports is appropriate in light of the conditions of competition between the imported products and the conditions of competition between the imported products and the like domestic products.

115. With regards to the argument raised by the other interested parties that imports from Qatar cannot be cumulatively analyzed along with the imports from other countries as the conditions of Para (iii) of Annexure II are not satisfied, the Authority notes that volume of imports from Qatar is more than 3% of the total imports and such imports are being significantly dumped in the country. The product under consideration imported from Qatar has same physical and chemical characteristics as subject goods imported from other countries as well as the product produced by the domestic industry. As regards the contention that the price of imports from Qatar is much higher than the price of other subject imports, the Authority notes that Article 3.3 of the Anti-dumping Agreement as well as Para (iii) of Annexure II expressly provide the conditions to be satisfied before the conducting a cumulative analysis of the imports from all subject countries. Such provisions do not require the Authority to undertake a country-wise analysis of prices as

condition prior to such cumulation. Such view has also been taken the Appellate Body report in EC – Anti-Dumping Duties on Malleable Cast Iron Tube or Pipe Fittings from Brazil [DS/129/AB], wherein it was held as follows –

*“110. We find no basis in the text of Article 3.3 for Brazil's assertion that a country-specific analysis of the potential negative effects of volumes and prices of dumped imports is a pre-condition for a cumulative assessment of the effects of all dumped imports. Article 3.3 sets out expressly the conditions that must be fulfilled before the investigating authorities may cumulatively assess the effects of dumped imports from more than one country. There is no reference to the country-by-country volume and price analyses that Brazil contends are pre-conditions to cumulation. In fact, Article 3.3 expressly requires an investigating authority to examine country-specific volumes, not in the manner suggested by Brazil, but for purposes of determining whether the 'volume of imports from each country is not negligible'.”*

116. In view of the above, the Authority notes that:

- a. The subject goods are being dumped into India from the subject countries. The margins of dumping from each of the subject countries are more than de minimis limits prescribed under the Rules.
- b. The volume of imports from each of the subject countries is individually more than 3% of the total volume of imports.
- c. Cumulative assessments of the effects of imports are appropriate as the exports from the subject countries not only directly compete with the like articles offered by each of them but also the like articles offered by the domestic industry in the Indian market.

117. Accordingly, the Authority has found it appropriate to cumulatively assess the effects of dumped imports of the subject goods from the subject countries on the domestic industry

118. The other interested parties have argued that since imports from Iran and Qatar account for less than 1% of the demand in the country, the injury to the domestic industry cannot be on account of such imports. It has also been claimed that such imports are negligible

as per the practice of European Authority. It is noted that under Rule 14(d) of the Rules, the volume of imports from a country are considered as negligible if such volume is below 3% of the total. In the present case, the volume of imports from both Iran and Qatar are above 3% of the total imports and thus such imports cannot be considered as negligible.

119. The other interested parties have also contended that the injury to the domestic industry is self-inflicted owing to the significant imports made by Utkal Alumina which are of the lowest prices. Since the Authority has found that Utkal Alumina is not a related entity to Grasim, injury to the industry on account of such imports cannot be self-inflicted.

120. It has also been claimed that the Authority previously in the investigations concerning Japan and Qatar as well as the investigation concerning China, PR and Korea had concluded that the domestic industry is not suffering any injury. The Authority notes that the conclusions drawn in the previous investigations were based on the data pertaining to a different period, which did not reflect injury being caused to the domestic industry. However, the Authority has examined the data of the domestic industry for the present period of investigation and would make determinations thereon.

121. With regard to the contentions relating to the standalone performance of DCW limited, it is noted that the injury examination is carried out for domestic industry as a whole and not for any individual constituent of the domestic industry. The WTO Appellate Body in United States – Anti-dumping Measures on Certain Hot-Rolled Steel Products from Japan has noted that “investigating authorities are directed to investigate and examine imports in relation to the ‘domestic industry’, ‘the domestic market for like products’ and ‘domestic producers of [like] products. The investigation and examination must focus on the totality of the ‘domestic industry’ and not simply one part, sector or segment of the domestic industry.” Therefore, the individual performance of DCW Limited would not be relevant.

122. Rule 11 of the AD Rules read with its Annexure-II thereto provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, “... taking into account all relevant facts, including the volume of

dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles.”

123. In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, stock, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure-II of the Rules.

### **H.3.2 Volume effect of the dumped imports on domestic industry**

#### **a) Assessment of demand/ Apparent consumption**

124. The Authority has taken into consideration, for the purpose of the present investigation, demand or apparent consumption of the product in India as the sum of domestic sales of Indian Producers and imports from all sources:

Particulars	Unit	2017-18	2018-19	2019-20	POI
<b>Including captive</b>					
Sales of Domestic industry	MT	13,81,792	15,52,722	15,31,569	13,55,748
Sales of Supporters	MT	13,73,034	14,73,393	14,99,596	14,65,749
Other Indian producers	MT	2,77,333	2,96,855	3,52,774	49,594
Subject imports	MT	3,17,845	1,51,660	1,90,960	1,91,916
Other imports	MT	1,02,735	54,792	1,06,351	52,721
<b>Demand</b>	<b>MT</b>	<b>34,52,738</b>	<b>35,29,422</b>	<b>36,81,251</b>	<b>31,15,728</b>
<b>Excluding captive</b>					
Sales of Domestic industry	MT	10,24,376	11,58,389	13,59,300	12,07,620
Sales of Supporters	MT	13,73,034	14,73,393	14,99,596	14,65,749
Other Indian producers	MT	2,77,333	2,96,855	3,52,774	49,594
Subject imports	MT	3,17,845	1,51,660	1,90,960	1,91,916

Other imports	MT	1,02,735	54,792	1,06,351	52,721
Demand	MT	30,95,322	31,35,089	35,08,981	29,67,600

125. It is noted that the demand for the subject goods increased till 2019-20, but has declined in the period of investigation. The applicant has claimed that such decline is due to Covid-19 pandemic.

**b) Import volumes from the subject countries**

126. With regard to the volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports, either in absolute terms or relative to production or consumption in India. For the purpose of injury analysis, the Authority has relied on the transaction wise import data procured from DGCI&S. The factual position is as follows:

Particulars	Unit	2017-18	2018-19	2019-20	POI
Subject imports	MT	3,17,845	1,51,660	1,90,960	1,91,916
Japan	MT	2,30,496	1,19,847	1,41,425	1,40,803
Iran	MT	61,946	29,328	4,674	14,591
Oman	MT	-	-	15,453	15,453
Qatar	MT	25,403	2,485	29,408	21,069
Other imports	MT	1,02,735	54,792	1,06,351	52,721
Total	MT	4,20,579	2,06,451	2,97,311	2,44,636
Imports in relation to					
Domestic production	%	10.01	4.37	5.41	6.41
Consumption	%	9.21	4.30	5.19	6.16
Total Imports	%	75.57	73.46	64.23	78.45

127. It is noted from the above table that:

- a. The subject imports have declined till 2018-19. This was due to mandatory BIS introduced on 3<sup>rd</sup> April 2018. However, the imports have increased thereafter and in the period of investigation.

- b. Similarly, the subject imports have declined in relation to production and consumption till 2018-19, and thereafter increased in the period of investigation.
- c. The share of subject imports in total imports has declined till 2019-20 but have increased significantly in the period of investigation.

### **H.3.3 Price effect of the dumped imports on the domestic industry**

128. With regard to the effect of the dumped imports on prices, it is required to be analyzed whether there has been a significant price undercutting by the alleged dumped imports as compared to the price of the like products in India, or whether the effect of such imports is otherwise to depress prices or prevent price increases, which otherwise would have occurred in the normal course. The impact on the prices of the domestic industry on account of the dumped imports from subject countries has been examined with reference to price undercutting, price underselling, price suppression and price depression, if any. For the purpose of this analysis, the cost of production, net sales realization (NSR) and the non-injurious price (NIP) of the domestic industry have been compared with the landed price of imports of the subject goods from the subject countries.

129. With regards to the argument of the other interested parties that the prices of caustic soda lye must only be compared with prices of caustic soda lye, it is noted the Authority has determined price undercutting and injury margin by comparing the prices of imported caustic soda lye with the domestically produced caustic soda lye and the prices of flakes with flakes.

#### **a) Price undercutting**

130. For the purpose of price undercutting analysis, the selling price of the domestic industry has been compared with the weighted average import price from the subject countries. Accordingly, the price undercutting of the dumped imports from the subject country work out as follows:

Particulars	Unit	2017-18	2018-19	2019-20	POI
Iran					
Selling price	₹/MT	***	***	***	***

Landed price	₹/MT	36,950	33,193	21,428	21,118
Price undercutting	₹/MT	***	***	***	***
Price undercutting	%	***	***	***	***
Price undercutting	Indexed	(0-10)	0-10	35-45	10-20
Japan					
Selling price	₹/MT	***	***	***	***
Landed price	₹/MT	39,182	40,547	27,947	24,982
Price undercutting	₹/MT	***	***	***	***
Price undercutting	%	***	***	***	***
Price undercutting	Indexed	(10-20)	(10-20)	0-10	(0-10)
Oman					
Selling price	₹/MT	0	0	***	***
Landed price	₹/MT	0	0	21,549	21,549
Price undercutting	₹/MT	0	0	***	***
Price undercutting	%	0	0	***	***
Price undercutting	Indexed	-	-	35-45	10-20
Qatar					
Selling price	₹/MT	***	***	***	***
Landed price	₹/MT	37,803	30,012	32,835	27,158
Price undercutting	₹/MT	***	***	***	***
Price undercutting	%	***	***	***	***
Price undercutting	Indexed	(0-10)	20-30	(0-10)	(0-10)
Subject countries					
Selling price	₹/MT	***	***	***	***
Landed price	₹/MT	38,668	38,952	28,022	24,651
Price undercutting	₹/MT	***	***	***	***
Price undercutting	%	***	***	***	***
Price undercutting	Indexed	(10-20)	(0-10)	0-10	(0-10)

131. It is seen that during the period of investigation, the subject imports were not undercutting the prices of the domestic industry as the landed value of the imports was below the net sales realization of the domestic industry.



**b) Price suppression/depression**

132. In order to determine whether the dumped imports are depressing or suppressing the domestic prices and whether the effect of such imports is to suppress prices to a significant degree or prevent price increase which otherwise would have occurred in normal course, the changes in the costs and prices over the injury period is examined in the table below:

Particulars	Unit	2017-18	2018-19	2019-20	POI
Cost of sales	₹/MT	***	***	***	***
Trend	Indexed	100	100	108	108
Selling price	₹/MT	***	***	***	***
Trend	Indexed	100	103	84	69
Landed price	₹/MT	38,668	38,952	28,022	24,671
Trend	Indexed	100	101	72	64

133. The Authority notes that both the cost of sales and selling price of the domestic industry have declined in the period of investigation. However, the decline in the selling price is much higher than the decline in cost. When compared over the injury period, while the cost of sales has increased from the base year, the selling price has declined significantly during same period. Further, the landed price of the subject imports has declined significantly in the period of investigation and is below the cost of sales of the domestic industry.

134. The other interested parties have argued that the prices of imports have declined internationally and the same is not exclusive to the Indian markets. On the other hand, the domestic industry has highlighted that the responses filed by the producers / exporters clearly demonstrate that the price of imports to India have declined at a much higher rate than the prices of goods offered by such producers in their domestic markets.

Particulars	Change in prices compared to previous year		Change in prices compared to base year	
	Domestic sales	Exports to India	Domestic sales	Exports to India

Qatar Chemical and Petrochemical Marketing	-5%	-36%	-20%	-53%
Mitsui & Co. Limited	-8%	-11%	-14%	-59%
Mitsubishi Corporation	-4%	-48%	+61%	-21%
Shin-Etsu Chemical Co. Ltd.	-2%	-9%	+29%	-47%
Tosoh Corporation	-5%	-14%	+21%	-49%
AGC Inc.	-7%	-8%	+21%	-42%

135. Upon perusal of the responses filed by the producers / exporters, the Authority notes that while the domestic prices of such producers have declined by a lower degree when compared to the previous year, the export price to India has declined significantly.

#### **H.3.4 Economic parameters of the domestic industry**

136. Annexure II to the Rules provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. The various injury parameters relating to the domestic industry are discussed below.

137. The Authority has examined the injury parameters objectively taking into account various facts and arguments made by the interested parties.

##### **a) Production, capacity, capacity utilization and sales**

138. The capacity, production, sales and capacity utilization of the domestic industry over the injury period is given in the table below.

Particulars	Unit	2017-18	2018-19	2019-20	POI
Total capacity	MT	15,55,261	17,42,350	17,42,350	17,42,350

Trend	Indexed	100	112	112	112
Production	MT	14,06,481	15,45,924	15,49,804	13,86,470
Trend	Indexed	100	110	110	99
Capacity utilization	%	90	89	89	80
Trend	Indexed	100	98	98	88
Domestic sales	MT	12,62,893	14,30,185	13,59,300	12,07,620
Trend	Indexed	100	113	108	96

139. The Authority notes that:

- a. While the capacity of the domestic industry increased over the period, production of the domestic industry increased till 2019-20 but declined in the period of investigation.
- b. The capacity utilization of the domestic industry has declined over the injury period and is the lowest during the period of investigation.
- c. The domestic sales of the domestic industry increased till 2018-19 but declined thereafter and in the period of investigation.

**b) Market share**

140. Market share of the domestic industry and the imports is shown in table below:

Particulars	Unit	2017-18	2018-19	2019-20	POI
<b>Including captive</b>					
Sales of domestic industry	%	40.02	43.99	41.60	43.51
Sales of supporting producers	%	39.77	41.75	40.74	47.04
Sales of other producers	%	8.03	8.41	9.58	1.59
Subject imports	%	9.21	4.30	5.19	6.16
Other imports	%	2.98	1.55	2.89	1.69
<b>Excluding captive</b>					
Sales of domestic industry	%	33.09	36.95	38.74	40.69
Sales of supporting producers	%	44.36	47.00	42.74	49.39

Particulars	Unit	2017-18	2018-19	2019-20	POI
Sales of other producers	%	8.96	9.47	10.05	1.67
Subject imports	%	10.27	4.84	5.44	6.47
Other imports	%	3.32	1.75	3.03	1.78

141. It is seen that the market share of the domestic industry has increased marginally during the period of investigation compared to the previous years. However, market share of the subject imports has also increased in the period of investigation compared to the previous year.

**c) Inventories**

142. Inventory position with the domestic industry over the injury period is given in the table below:

Particulars	Unit	2017-18	2018-19	2019-20	POI
Average inventory	MT	18,593	20,351	21,302	26,805
Trend	Indexed	100	109	115	144

143. It is seen that the inventories with the domestic industry increased throughout the injury period and the average level of the inventories was the highest during the period of investigation.

**d) Profitability, cash profits and return on capital employed**

144. Profitability, cash profits and return on investment of the domestic industry over the injury period is given in the table below:

Particulars	Unit	2017-18	2018-19	2019-20	POI
Cost of sales	Rs./MT	***	***	***	***
Trend	Indexed	100	101	107	106

Selling price	Rs./MT	***	***	***	***
Trend	Indexed	100	103	84	69
Profit/(loss)	Rs./MT	***	***	***	***
Trend	Indexed	100	109	31	(15)
Profit/(loss)	Rs. Lacs	***	***	***	***
Trend	Indexed	100	124	33	(12)
Cash profits	Rs./MT	***	***	***	***
Trend	Indexed	100	122	44	2
Return on capital employed	%	***	***	***	***
Trend	Indexed	100	125	34	(17)

145. With regards the argument that the costs of the domestic industry have increased due to increased capacities resulting in higher fixed cost burden and Covid-19 pandemic related lockdown, the Authority notes that the domestic industry enhanced their capacities in 2018-19 and the capacities have remained constant thereafter. On the other hand, the cost of sales of the domestic industry has in fact declined in the period of investigation.

146. The Authority notes that while the profits of the domestic industry increased initially in 2018-19, the same declined steeply thereafter and have resulted in losses during the period of investigation. Similarly, cash profits and return on capital employed also increased initially but registered a significant decline thereafter. The domestic industry suffered cash losses during the period of investigation and its return on capital employed was also negative.

**e) Employment, wages and productivity**

147. Employment, wages and productivity of the domestic industry over the injury period is given in the table below:

Particulars	Unit	2017-18	2018-19	2019-20	POI
No of employees	Nos	***	***	***	***
Trend	Indexed	100	111	102	101
Productivity per employee	MT/Emp	***	***	***	***

Trend	Indexed	100	99	108	98
Productivity per day	MT/Day	***	***	***	***
Trend	Indexed	100	110	110	131
Wages	Rs. Lacs	***	***	***	***
Trend	Indexed	100	112	128	115

148. It is seen that number of employees of the domestic industry increased upto 2018-19 and thereafter declined. The wages of the domestic industry increased upto 2019-20 but it decreased in the period of investigation. The productivity per day of the domestic industry has increased in the period of investigation.

**f) Growth**

149. The growth of the domestic industry in terms of capacity, production, domestic sales, profits, cash profits and return on capital employed is as per the table below:

Particulars	Unit	2017-18	2018-19	2019-20	POI
Production	%	-	10%	0%	-11%
Domestic sales	%	-	13%	-5%	-11%
Profit/(loss) per unit	%	-	9%	-72%	-150%
Cash profit per unit	%	-	22%	-64%	-96%
Return on capital employed	%	-	25%	-72%	-149%

150. In 2018-19, volume and profitability parameters of the domestic industry showed positive growth. The same can be attributed to the introduction of mandatory BIS. However, post 2018-19, both the volume and profitability parameters have shown negative growth.

**g) Magnitude of dumping margin**

151. It is noted that the subject goods are being dumped into India and the dumping margin is positive and significant.

**h) Ability to raise capital investment**

152. The Authority notes that the domestic industry has suffered losses and negative return on capital employed during the period of investigation, which implied that the dumped imports have impacted the ability of the domestic industry to raise capital investment.

**i) Factors affecting prices**

153. The selling price of the domestic industry has declined over the injury period even when the cost of sales has increased slightly. Further, the landed price of imports has declined consistently through the injury period. The imports are priced below the selling price of the domestic industry. The imports are priced below the cost of sales of the domestic industry. As a result, the domestic industry has been forced to reduce its prices, and sell below cost. Thus, the imports have affected the prices of the domestic industry.

**H.3.5 Magnitude of injury margin**

154. The Authority has determined the Non-Injurious Price (NIP) for the domestic industry on the basis of principles laid down in the Rules read with Annexure III, as amended. The Non-Injurious Price of the product under consideration has been determined by adopting the information/ data relating to the cost of production provided by the domestic industry and duly certified by the practicing accountant for the period of investigation. The Authority has examined injury margin for the product under consideration. In this regard, a comparison has been made between the landed value of all the cooperating producers and Non-Injurious Price of the like articles produced by domestic industry. Based on the landed price and Non-Injurious Price determined as above, the injury margin for producers/exporters as determined by the Authority is provided in the table below:

Countries	Producer	Landed price	Non-Injurious Price	Injury Margin	Injury Margin%	Injury Margin
		(USD/MT)	(USD/MT)	(USD/MT)	(%)	(Range)
Japan	AGC Inc.	***	***	***	***	0-10
	Hokkaido Soda Co., Ltd.					
	Tosoh Corporation	***	***	***	***	0-10
	Tohoku Tosoh					

	Chemical Co., Ltd.					
	Kashima Chlorine and Alkali Co., Ltd.	***	***	***	***	0-10
	Shin-Etsu Chemical Co., Ltd					
	Other producers and exporters	***	***	***	***	25-35
Iran	All producers and exporters	***	***	***	***	20-30
Oman	All producers and exporters	***	***	***	***	15-25
Qatar	Qatar Vinyl Company Limited Q.P.J.S.C	***	***	***	***	0-10
	Other producers and exporters	***	***	***	***	0-10

### **H.3.6 Overall assessment of injury**

155. The examination of the imports of the subject goods and performance of the domestic industry clearly shows that –

- i. The volume of imports declined in 2018-19, but have increased again in the period of investigation, both in absolute terms as well as in relation to production and consumption in India.
- ii. The subject imports are significantly undercutting the prices of the domestic industry.
- iii. The subject imports have suppressed and depressed the prices of the domestic industry.



- iv. The capacity increased over the period but production of the domestic industry increased upto 2019-20 and declined in the period of investigation. The capacity utilization, however, has declined through the injury period.
- v. The domestic sales of the domestic industry increased 2018-19 but have declined thereafter.
- vi. The market share of the domestic industry has increased marginally during the period of investigation.
- vii. The inventories of the domestic industry have increased.
- viii. The profits of the domestic industry have declined significantly and the domestic industry is suffering losses in the period of investigation.
- ix. The domestic industry suffered cash losses and negative return on capital employed.
- x. The profitability parameters of the domestic industry have shown negative growth during the period of investigation.
- xi. The subject imports have adversely impacted the ability of the domestic industry to raise capital investment.
- xii. The dumping margin is positive and significant.
- xiii. The imports are adversely affecting the prices of the domestic industry.

## **I. NON-ATTRIBUTION ANALYSIS AND CAUSAL LINK**

156. The Authority examined any known factors other than the dumped imports which at the same time might have caused injury to the domestic industry, so that the injury caused by these other factors, if any, is not attributed to the dumped imports. Factors which are relevant in this respect include, inter alia, the volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and the productivity of the domestic industry. The Authority examined whether factors other than dumped imports could have contributed to the injury to the domestic industry.

### **a) Volume and value of imports from third countries**

157. It is seen that other than the subject countries, there are significant imports from China PR and Korea RP. However, such imports are priced higher than the price of imports from subject countries.

**b) Contraction in demand**

158. The Authority notes that demand for the subject goods had been increasing over the period but has declined in the period of investigation. The applicant has submitted that such decline is due to Covid-19 pandemic and is temporary.

**c) Changes in the pattern of consumption**

159. It is noted that there is no change in the pattern consumption of the subject goods, which could have caused injury to the domestic industry.

**d) Trade restrictive practices**

160. The Authority notes that the investigation has shown that trade restrictive practices are not the cause for injury to the domestic industry.

**e) Development in technology**

161. No evidence has been brought by any interested parties about existence of significant changes in the technology that could have caused injury to the domestic industry.

**f) Export performance of the domestic industry**

162. The Authority has only considered data for the domestic operations of the domestic industry for the injury analysis. Therefore, export performance is not the cause for the injury to the domestic industry.

**g) Performance of other products**

163. The Authority has considered segregated data for product under consideration for injury analysis. Thus, performance of other products produced and sold by the domestic industry is not a possible cause of the injury to the domestic industry.

**h) Productivity**

164. The Authority notes that the productivity of the domestic industry has increased over the injury period. Therefore, the domestic industry has not suffered injury on this account.

#### **I.1.1 Analysis on causal link and injury**

165. The Authority, has examined whether the domestic industry has suffered injury in the period of investigation due to other factors. The following factors are relevant in this regard:

- a. There is significant dumping of the subject goods in India.
- b. The imports are undercutting the prices of domestic industry and are priced below the cost of the domestic industry in the period of investigation.
- c. The imports have forced the domestic industry to reduce its prices and have suppressed and depressed the prices of the domestic industry.
- d. As a result, the domestic industry suffered losses, cash losses and incurred negative return on capital employed during the period of investigation.
- e. The profitability parameters of the domestic industry have shown a negative growth in the period of investigation.

### **J. POST-DISCLOSURE COMMENTS**

#### **J.1. Submissions made by other interested parties**

166. The other interested parties have reiterated their submissions with regard to imports by Grasim, determination of standing, confidentiality, injury and causal link. Additionally, the interested parties have submitted as under.

- a. The Authority has failed to acknowledge the communication filed by the Embassy of Japan on behalf of the Government of Japan under paragraph 10(h) of the Disclosure statement.
- b. The initiation of present investigation is bad in law. The issue of domestic industry standing is a threshold issue, and the Authority must uphold a high standard of accurate and adequate evidence and conduct on behalf of the domestic industry. The Petition did not contain accurate information and therefore, the initiation by

the Authority is based on an incorrect / inaccurate / falsely certified Petition. The Domestic Industry, at a belated stage cannot be allowed to rectify its false declaration in the Petition (on which the initiation is based) as it will further lead to a violation of due process.

- c. The Authority is required to make an assessment regarding the domestic industry and the standing of the application prior to the initiation of the investigation.
- d. The Authority must hold Grasim as non-cooperative and not allow submission of information 6 months later, which was germane to the initiation, as per practice in New pneumatic radial tyres from Thailand.
- e. Determination of relationship between Grasim and Hindalco should be done as per the provisions of Anti-dumping law and not the Company Act as a special law always prevails over a general law.
- f. Definition of the term “related” under Rules 2(b) and Trade Notice No. 9/2018 are not mutually exclusive and hence, are to be read together to determine the relationship between parties.
- g. Both companies have common directors, regardless of whether such directors are non-executive. Undue emphasis on absence of control is beyond the requirements of Trade Notice 9/2018.
- h. Hindalco and Grasim have numerous common shareholders holding 5% or more shares in the companies. Further, most of such shareholders are shell companies/holding companies within the larger Aditya Birla Group, under the leadership of Mr. Kumar Mangalam Birla.
- i. Adjustments made to the production of the domestic industry are inappropriate as the actual production should be taken into consideration for determination of total Indian production.
- j. Documentation by AMAI in non-confidential form have not been made available to the interested parties to comment on the veracity of the information.
- k. The Petitioner has not followed the requirements of the Trade Notice no. 10/ 2018.
- l. Alleged 14 supporters have not filed any information in the formats prescribed by the Trade Notices No’s. 13/2018 and 14/2018, and therefore, their support ought to have been rejected in line with the past practice
- m. The Authority has erroneously stated that the parties have been provided hard copy of the import data and that parties can access raw data from the DGCI&S.

- n. The Authority must direct the domestic industry to provide the R&D expenses as aggregated data in actual figures.
- o. The Authority is required to assess the impact of Covid-19 pandemic on the performance of the domestic industry and segregate the same for the purpose of the injury and causal link analysis. The Authority has neither provided any clarifications on how it has adjusted for the impact of the COVID-19 pandemic on the present case nor has the Authority disclosed any adjustments made or the basis thereof to account for this impact. The Authority ought to assess the impact of the COVID-19 pandemic on the performance of the Domestic Industry and make an objective assessment.
- p. The Authority is requested to rectify the dumping and injury margin tables to include the names of all related Japanese producers.
- q. The Authority is requested to rectify the unit of measure from MT to DMT in paragraph 91 of the disclosure Statement.
- r. There are certain differences in the data filed as part of the Updated Petition and that relied in the Disclosure Statement. The Petitioner has neither provided any reasons for such revisions nor provided such revised data at the first instance. Further, the Authority has also failed to provide any reasons for such revisions or acknowledging the revised data. The Authority being a quasi-judicial body ought to provide reasons in this regard in its final finding.
- s. The volume of imports has reduced, while decline in production, capacity utilization and sales, and increase in inventories, are due to decline in demand due to Covid-19 pandemic.
- t. Prices of co-operating producers behaved as per global pricing pattern and thus, the rate at which prices of exports to India have declined versus the prices in domestic markets is irrelevant.
- u. Since the price undercutting is negative, there cannot be any price suppression/ depressions on account of subject imports from Japan.
- v. The observation of the Authority that cost of sales, number of employees and wages have declined in the period of investigation is contrary to the data relied on by the Authority.

- w. The Authority has noted that the price of imports from China PR and Korea PR is above the price of subject imports, which is contrary to the findings of the Authority in sunset review concerning these countries.
- x. Not all users of the domestic industry need to participate in the investigation in order for the Authority to consider public interest.
- y. The Authority is requested to ensure that adjustments of extra-ordinary or non-recurring expenses are made to the non-injurious price.
- z. The Authority is requested to recommend imposition of duties in ad valorem since the product under consideration has been subject to substantial price fluctuations.
- aa. Response submitted by Arvand Petrochemical Company was complete in all manner to the best knowledge of the producers except the costing information.
- bb. The costing information was delayed by 44 days due to Covid related closures and staffing issues. The Authority is requested to condone the said delay. The Authority has previously accepted the responses filed after provisional findings or after deadlines as in the case of BOPP films and Lead Acid Batteries.
- cc. Deficiency in the response was never intimated to the producers and was outrightly rejected while issuing Disclosure statement, despite year-long investigation. Rejection of response without issuance of deficiency letter is violative of the observations of the Appellate Body in case of US – Hot rolled steel products from Japan. Further, the Authority had specifically issued a letter for submitting documents for verification, which were submitted by 13<sup>th</sup> August 2021.
- dd. The deficiency in the volume of imports reported and the inconsistency in unit of measurements is curable and should not be grounds for rejection of claim for export price.
- ee. Arvand confirms that it did not export the subject goods in the period of investigation through any Oman exporters. The Authority has failed to provide evidence regarding the misdeclaration of imports through Oman by Arvand. Denial of such evidence is in violation of principles of natural justice and the AD Agreement.
- ff. Even if certain exports have not been reported in the response, the same should not lead to automatic rejection of response and the Authority must analyse whether such exports are substantial, as per its consistent practice.

- gg. Cumulation was unwarranted as the imports from Qatar did not move in line with other subject imports. The Authority has failed to address all arguments by the exporters.
- hh. The Exporters reiterate their previous submissions that due to imposition of mandatory BIS certifications; imports were impacted significantly in the year 2018-2019. The import volumes after 2018-19 never went back to pre-BIS levels. The imports from the subject countries also reduced significantly in the POI compared to the base year. The market share of subject imports compared to the market share of the Domestic Industry is negligible.

## **J.2. Submissions made by domestic industry**

167. The domestic industry reiterated the following submissions its submissions with regard to scope of domestic industry, and public interest. In addition, the domestic industry submitted as under.

- a. Grasim and Utkal Alumina International Limited are not related being operationally independent, having no control over each other, not being controlled by any third party and working under two completely separate management. Similar approach was adopted by the Authority in Circular Weaving Machines from China PR and in the anti-subsidy investigation concerning Flat Products of Stainless Steel from Indonesia.
- b. The subject imports are not undercutting the domestic prices as the domestic industry has been forced to reduce its prices into order to compete with dumped imports to retain its market share.
- c. While the total demand in the country for caustic soda is 37.97 lakh MT, the Indian industry has a capacity of 45.44 lakh MT, and thus, there exists no demand supply gap in the country.
- d. The user can continue to import subject goods at un-dumped prices from different sourced such as China PR, Korea RP, Saudi Arabia, USA, European Union, Thailand, Taiwan and Indonesia.
- e. The domestic industry has shown notable growth, increasing its capacities from 33.70 lakh MT to 45.44 lakh MT in 5 years and imposition of duties would encourage future investment.
- f. The user industry is already enjoying concessional duty of 7.5% on the subject goods, with imports from Japan enjoying further concessions. Imposition of duty would create a level playing field in the market and fair competition.

- g. Major user industries of caustic soda, namely alumina and oil, gas and energy are expected to grow over the next five years and as a result, the domestic industry will be able to gain maximum benefit of this growth potential.
- h. The performance of Vedanta Limited and alumina industry improved when duties were imposed on imports from different countries, while their performance declined when no duties were in force. This implies that imposition of duties has had no relationship with the performance of the users.
- i. Sourcing of the subject goods domestically is in the interest of the user industry as it allows them to diversify their sources of raw material in volatile environment.
- j. Purchasing subject goods locally would allow the user industry to maintain lower level of inventories and reduce their cost.
- k. For determination of non-injurious price, consideration of best utilization of raw materials at rates prevailing in period of investigation is not appropriate as the consumption factor for salt is solely dependent on quality which can change.
- l. Best consumption of utilities should not be considered, as the consumption norms could vary depending upon a number of factors.
- m. Capacity for the period of investigation needs to be adjusted to remove the effect of plant shutdowns due to Covid-19 related lockdowns.

### **J.3. Examination made by Authority**

168. The Authority has examined the post disclosure submissions made by the interested parties and notes that some of the comments are reiterations which have already been examined suitably and addressed adequately in the relevant paras of the final findings. The issues raised in the post-disclosure comment / submissions by the interested parties to the extent considered relevant by the Authority are examined below.

169. As regards the submissions of the Government of Japan, the Authority has considered the submissions made, and addressed the same in the relevant part of the findings.

170. As regards the submissions concerning eligibility of Grasim as a domestic industry, non-disclosure of relevant information in the petition and pre-initiation requirements of standing, the Authority has already examined all relevant aspect in relevant para hereinabove. The Authority finds that none of the interested parties have established how the conclusions drawn by the Authority with regard to eligibility of Grasim would have been different, had Grasim disclosed the relevant facts in the application. The volume of imports made by other division of Grasim are quite low, having regard to its own



production, Indian production and consumption. Further, the Authority has considered that Hindalco and Grasim cannot be treated as related party within the meaning of Rule 2(b). Considering that the authority would have held Grasim as eligible domestic industry had the fact of imports been reported in the petition, the Authority considers that mere non-disclosure of the relevant fact in the application should not lead to a fatal consequence of termination of investigations.

171.As regards relationship between Hindalco and Grasim, the Authority further notes that Trade Notice No 9/2018 defines the term “related” for the limited purpose of identifying whether an importer is to be considered related and required to file a questionnaire response prescribed for related importer of an exporter, under Trade Notice 5/2018. Therefore, the definition having been included for a specific purpose, cannot be extended to other purposes. The trade notice clearly specifies its scope as relationship between foreign producers and therefore it would not be appropriate to rely upon the said notice for the purpose of definition of domestic industry. The trade notice has been issued in order to clarify meaning of related party for the purpose of foreign producers, as there is no definition laid down under the Rules. However, as far as scope of domestic industry is concerned, the definition of related party is well specified under the Rules itself

172.In any case, Trade Notice 9/2018 cannot supersede the express provision of the Anti-Dumping Rules, which very clearly provides when a domestic producer shall be treated as related to an importer or exporter. The essence of the definition of related party lies in “control”. If one party is not in a position to exercise direction or control over the other, whether directly or through other party, it cannot be considered that the two parties are related to each other. In any case, the scope of related party is very different for the purpose of definition of domestic industry and for the purpose of foreign producers.

173.The interested parties have also emphasized the common shareholders of Grasim and Hindalco. However, as noted by the Authority in the relevant part of the present finding, the majority shareholding of 58.88% is held by the public for Grasim, and 65.26% for Hindalco. Any decision to be passed by the shareholders requires vote of shareholders holding a simple majority of 50% or a special majority of two-thirds of the share capital.

That being the case, it cannot be considered that the common shareholders exercise control or direction over the companies.

174. As regards the contention that the decline in profits and return on capital employed is partly due to Covid and decline in demand, the Authority notes that there is no reason why the export price to India should have declined due to Covid, when the domestic prices in subject countries have not shown a proportionate decline. In fact, the information filed by the foreign producers show significant dumping. The import price declined during the period of investigation, leading to significant decline in prices of the domestic industry. This clearly establishes that dumping of the product has caused injury to the domestic industry. Further, despite imposition of lockdown, the cost of sales of the domestic industry have declined in the period of investigation. Thus, the decline in the profitability parameters of the domestic industry cannot be attributed to Covid-19 pandemic. The Authority finds that the prices and profitability of the domestic industry are affected by the decline in prices of the imports.

175. As regards linkage drawn by parties between change in pattern of consumption and decline in demand, the Authority notes that the decline in demand and changes in pattern of consumption are two totally different parameters. While change in the pattern of consumption may impact the demand, the decline in demand may not be due to change in the pattern of consumption. In any case, there is no evidence that the decline in demand in the present period was due to change in the pattern of consumption. The decline in demand was due to reduction/ slowdown/ suspension of production activities due to Covid pandemic. Thus, it would not be appropriate to attribute the decline in demand to change in the pattern of consumption.

176. With regard to the request for inclusion of names of all related Japanese producers who have cooperated and submitted the required information, it is noted that the names of related cooperative producers of the Japanese mills have been considered in the tables for dumping margin and injury margin, and such related cooperative producers have been considered for the purpose of recommendation of anti-dumping duty.

177.As regards the measurement of unit, all volume figures have been considered in DMT, and all references to MT may be read as referring to DMT.

178.The interested parties have highlighted that there are differences in the data filed in the updated petition, and that used in the Disclosure Statement. The Authority has verified the data submitted by all interested parties in accordance with Rule 8 of the Anti-Dumping Rules. Pursuant to such verification, certain modifications were made by the Authority to the data submitted by the domestic industry as well as the foreign producers/ exporters.

179.As regards the submissions concerning impact of dumped imports on the volume related parameters of the domestic industry, the Authority holds that the injury to the domestic industry is largely on account of adverse price effects. Since the Authority has not concluded injury to the domestic industry in the form of adverse volume effect, movements in volume parameters or other economic parameters of the domestic industry during the present injury period becomes irrelevant.

180.Regarding the possible impact of non-tariff barriers, restriction on public procurement or other practices adopted in light of “Aatma Nirbhar Bharat Mission”, the Authority notes that these parameters would not have been responsible for steep reduction in the import prices of the product. In fact, interested parties themselves contended that the decline in export price was not unique to Indian market and was in other export markets as well. However, the interested parties have not been contended that the decline in price was equally felt both in the domestic and international market. In fact, the authority has found significant dumping in the region of 20-150%. The questionnaire responses of the Japanese exporters show significant price difference between the domestic and export price.

181.As regards the adverse price effects, the Authority notes that there has been significant decline in the price of the product over the injury period and particularly after 2018-19. This decline in price is without a proportionate decline in cost of production of the domestic industry. The information filed by the foreign producers does not show a corresponding decline in their domestic prices. Rather, the Japanese exporters have

reduced the export price to India significantly over the injury period whereas the domestic prices offered by such exporters has in fact increased over the same period.

182. The interested parties have contended that negative price undercutting implies that there is no price suppression / depression. However, the Authority does not find any merit in the above submission. The price undercutting is only marginally negative, which implies that there is stiff price competition between the subject imports and the domestic industry. The domestic industry has been constrained to reduce its prices in response to the decline in price of imports. Further, as noted by the Appellate Body in China – GOES (US), “even if prices of subject imports do not significantly undercut those of like domestic products, subject imports could still have a price-depressing or price suppressing effect on domestic prices”.

183. With regard to issues raised by interested parties on BIS certifications, the Authority notes that BIS licensing became mandatory with effect from 3rd April 2018, whereas the period of investigation for the present case is October 2019 to September 2020. The decline in prices was most prominent within the period of investigation itself.

184. The Authority has re-examined its observations with regard to cost of sales, wages and number of employees and found them appropriate. As far as cost of sales is concerned, there is a marginal decline in the cost of sales of 0.1%, which may not be evident from the indexed numbers. Therefore, the Authority finds that no modification is required to the observations made.

185. With regard to price of imports from China PR and Korea RP, and conclusions drawn by the Authority in the sunset review concerning the countries; the Authority notes that the investigation period of the present case is October 2019 to September 2020 whereas the investigation period of China-Korea case was April 2019 to December 2019. The import price from China PR and Korea RP in the present period are higher than the import price from the present subject countries.

Country	Prices in POI
China PR	26,882
Korea	28,893
<b>Average</b>	<b>28,251</b>

Iran	19,509
Japan	24,711
Oman	19,907
Qatar	25,088
<b>Average</b>	<b>23,970</b>

186.As regards the contention that not all users are required to participate to show adverse public interest, the Authority finds that participation of users allows them to provide information with regard to impact of duties on their operations. The Authority determines impact of duty on public interest based on the information available before it.

187.It is clarified that non-injurious price determined is fully in accordance with the provisions of Annexure-III. No inadmissible expenses are included in the calculation of non-injurious price.

188.As regards the form of measures, the Authority considers that given the factual matrix of the case, it would not be appropriate to impose ad-valorem form of duty in the present case.

189.Regarding the contention concerning period of duty, the Authority considers that any developments in the subsequent period can very well be captured through a mid-term review, request for which can be filed by any interested party.

190.As regards the response filed by Arvand Petrochemicals, the Authority has duly examined the same in the relevant portion of the findings. The Authority notes that in addition to the delay in response, there were significant concerns regarding the adequacy and accuracy of the information filed. In the absence of adequate and accurate information concerning determination of normal value and export price, the Authority was constrained to rely on facts available.

191.It is noted that merely because the Authority intended to verify the information, the delay in submission of response beyond permitted time limit cannot be presumed to be condoned. Major data gaps in appendices came to notice only during the process of examination of the response and accordingly the Authority was constrained not to accept

the response after finding significant gaps therein and deny individual dumping margin for such interested parties.

192. As regards the contention that Arvand Petrochemicals did not export through Oman, the Authority notes that exports bearing license number of the Iranian producer through Oman are evident from the data obtained from the DG Systems.

## **K. INDIAN INDUSTRY'S INTEREST AND OTHER ISSUES**

### **K.1. Submissions made by other interested parties**

193. With regard to public interest, the other interested parties have submitted as below.

- a. Any imposition of tariff would lead to an increase in the cost of production of the downstream products, whereby it would render the downstream industry incompetent and inefficient in the international market - which is contrary to the "Make in India" initiative of the Indian Government.
- b. Imports mainly cater to the users in the east coast, particularly, aluminium producers. As the Indian aluminum industry, who are largely located in east coast, are expected to expand their capacity in the coming years, any imposition of anti-dumping duty would reduce the ease of sourcing key raw material / PUC of aluminium makers.
- c. The users would have to incur substantial freight costs, resulting in high landed costs at their plants, thereby making it an economically unviable to source PUC from domestic suppliers.
- d. The capacities in Alumina and Textiles industry are expected to grow significantly in the next few years, whereby imports of caustic soda would be inevitable (even considering recent capacity expansions by domestic industry).
- e. The Petitioner has argued that there is no demand-supply gap in the country and that imposition of duty will not impact the alumina production for use in aluminium industry. The Petitioner also claimed that there are significant production capacities of the subject goods on the East coast, which is around 406 KT. Had there been sufficient availability in the country, then the same would have in fact been met by the domestic industry. Even

the related party of the domestic producer, Grasim, does not purchase from the domestic industry and is resorting to significant imports.

- f. Continued duties on raw materials have resulted in Indian finished goods being costlier and uncompetitive against cheaper imports of finished products and thus, availability of cost-effective raw materials is imperative.
- g. Since 94% of the demand is catered by Indian producers, the present petition seems to be an attempt to block imports to monopolize and cartelize the market for subject goods.
- h. In the recently concluded investigation on China PR and Korea RP, despite a finding of injury to the domestic industry, the Ministry of Finance has not extended the antidumping duties from Korea RP and China RP – whereby the duties have deemed to have expired on 17 November 2020, presumably in light of public interest.
- i. Accordingly, it is public interest to not impose anti-dumping duty on imports of subject imports.

## **K.2. Submissions made by the Domestic Industry**

194. The submissions of the domestic industry with regard to public interest are summarized below.

- a. Imposition of duties on the subject goods will be in public interest. It would remedy the injury caused to the domestic industry and by doing so, would ensure that the consumers are not left to the mercy of exporters. Imposition of duties would result in reducing reliance on imports and help in conservation of outgoing foreign exchange.
- b. Imposition of duties will help maintain a healthy domestic industry, which is in the interests of the downstream user industry. There is no demand-supply gap supply in the country as the domestic industry has sufficient capacity to cater to the entire demand in the country.
- c. While the demand in the country does not exceed the capacity of the domestic industry at present, if the demand does increase in the future, the users are free to import subject goods at fair prices.
- d. In an investigation where there is a demand-supply gap, the other interested parties argue that imports increased due to such gap and where no gap exists, it is

implied that injury is due to inter-se competition or oversupply. Therefore, as per the interested parties, there can never be a case imposition of duties.

- e. There exists a healthy market situation in the country with significant inter-se competition between the domestic producers, offering the consumers ample choices. There is significant inter-se competition in the country with 23 domestic producers and thus, monopolization of market can be ruled out. The purpose of anti-dumping duties is not to restrict imports, but rather to create a level playing field and to ensure fair market competition.
- f. Participation of only one user for a product with significant demand, is indicative that there is no evidence of any adverse impact on the consumers.
- g. The users cannot claim right to availability of dumped imports and any such claims that are opposed to fair market competition, should not be considered.
- h. The imposition of duty will not impact the downstream industry particularly, the alumina industry as the domestic industry is self-sufficient and can cater to the needs of the alumina industry located on the east coast.
- i. As held by the tribunal in DSM Idemitsu Ltd v. DA, demand-supply gap cannot be a justification for dumping.
- j. The SION norms for alumina provides that production of 1 MT of alumina requires only 82 kg of caustic soda. Considering the prevalent price of caustic soda being Rs. 24.65/kg and that of alumina being Rs. 30/kg, for the production of 1 MT of alumina, caustic soda costs only Rs. 2,021 which is merely 6.7% of the price of alumina. Further the Domestic Industry states that even if the imposition of duties lead to increase in price of the end product, the ultimate impact of the duty on the end users would be as minimal as 1.01% Thus, the impact of such duties on the users would be negligible.

Particulars	Unit	Amount
SION norms		82kg:1MT
Price of alumina	Rs./MT	30,000
Price of caustic	Rs./kg	24.65
Cost of caustic in alumina	Rs./MT	2,021
Cost of caustic in relation to price of alumina	%	6.74%



Increase in cost if duty of 15% levied	Rs./MT	303
Increase in cost in relation to price of alumina	%	1.011%

- k. Issues pertaining to inverted duty structure should be raised by the user before appropriate forum, and not the Authority.
- l. The domestic industry offers significant employment opportunities and allowing the domestic industry to suffer injury would jeopardize the employment generated by the industry.

### **K.3. Examination made by the Authority**

195. The Authority notes that the purpose of anti-dumping duty, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. Imposition of anti-dumping measures does not aim to restrict imports from the subject countries in any way. The Authority recognizes that the imposition of anti-dumping duties might affect the price levels of the product in India. However, fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures. On the contrary, imposition of anti-dumping measures would ensure that no unfair advantages are gained by dumping practice, prevent decline of the domestic industry and help maintain availability of wider choice to the consumers of the subject goods.

196. The Authority considered whether imposition of anti-dumping shall have any adverse impact on the interest of the public. In order to determine such impact, the Authority weighed the impact of the imposition of duties on the availability of the goods in the Indian market, the impact on the users of the product as well as the domestic industry and the impact on the general public at large. This determination is based on the submissions and evidence submitted over the course of the present investigation.

197. The Authority issued initiation notification inviting views from all interested parties, including importers, consumers and others. Authority also prescribed a questionnaire for the users/ consumers to provide relevant information with regard to present investigation, including any possible effects of anti-dumping duty on their operations. However, it is noted that only one user has participated in the present investigation by way of submitting questionnaire response in this regard.

198. As regards the contention that duty would lead to increase in cost of production for downstream industries, the Authority notes the landed price of imports after addition of anti-dumping duty shall not exceed the non-injurious price. Thus, the Indian consumers would continue to get the product below the non-injurious price determined for the domestic industry.

199. The Authority also notes that no quantified information has been provided by the interested parties establishing that imposition of proposed duties would lead to such significant increase in cost of production of the downstream industry that the same shall render such downstream industries ineffective and inefficient. At the same time, the domestic industry provided quantified information that the impact of proposed duty shall be insignificant.

200. The domestic industry has submitted that the product under consideration is majorly used in various sectors such as pulp and paper, newsprint, viscose yarn and fibre, aluminum, cotton, textiles, soaps, detergent, dyestuff, pharmaceuticals, etc. The biggest consuming sector for the product is alumina, which is used to produce aluminum. The domestic industry has submitted that 82kg of caustic soda is required for the production of 1 MT of alumina. The price of caustic soda prevalent in the market is Rs. 24.65/kg. On the other hand, the price of alumina prevalent in the market is Rs. 30/kg or Rs. 30,000/MT. Accordingly, for the production of 1 MT of alumina, caustic soda accounts for only Rs. 2,021 which is merely 7% of the price of alumina. Further, alumina is only an intermediate product, and is processed further into the eventual end product. The impact of the proposed measures would still be lower on the eventual downstream products of alumina produced for eventual consumption. The domestic industry has stated that even if the imposition of duties leads to increase in price of the end product, the ultimate impact of

the duty on the end users would be as minimal. The impact of duty of about 5% would be only 0.34%. Thus, the impact of such duties on the users would be negligible.

201. With regards to the availability of the product under consideration, it is noted that anti-dumping duty does not restrict imports, but ensures that imports are available at fair prices. The imposition of duty would not affect the availability of the product. Even otherwise, the Indian industry at present comprises of 18 producers, which have sufficient capacities to cater to the entire demand in the country. Further, the goods can also be imported from other countries, such as Bangladesh, China PR, European Union, Indonesia, Korea RP, Norway, Pakistan, Singapore, Saudi Arabia, Taiwan, Thailand and USA. Therefore, the imposition of duties would not have any impact on the availability of the goods in the market. By contrast, as per information on record, there is only one producer each in Oman, Iran and Qatar and seven in Japan. Thus, the proposed measures are unlikely to lead to a situation of monopoly.

202. The Authority further notes that there exists sufficient healthy inter-se competition between the domestic producers. The interested parties have also highlighted that the producers are competing with each other and there is oversupply in the market. The Authority notes that the significant capacity in the country would ensure that the product under consideration is available to the consumers at competitive prices.

203. The other interested parties have contended that imposition of duties will adversely affect Government's 'Make in India' initiative. It is noted that protection of domestic industry from unfair and dumped imports will not be inconsistent with the Make in India initiative of the Government of India.

204. As regards the contention that imports of the product would be inevitable considering the growth in alumina and textile industries, the authority notes that the proposed measures would not lead to any restrictions on imports and therefore cannot lead to shortage of the material. Further, significant imports in any case are being made from a number of other countries.

205. With regard to the contention that the imposition of anti-dumping duty will adversely impact the downstream user industry, it is noted that none of the consumers have shown

that the product under consideration forms a major part of the cost of production for the downstream user. The Authority notes that based on the information on record, as submitted by the domestic industry, there shall be no major impact on the costs of the downstream user industry in the event of imposition of duty.

206. The Authority also notes that the product was attracting anti-dumping duty in the past for quite some time and there is no anti-dumping duty on any source of caustic soda at present. The interested parties have provided no evidence showing that those duties made downstream industry ineffective and inefficient, and cessation of anti-dumping duty made them effective and efficient. With regards the performance of the downstream user industry, the domestic industry has claimed that the performance of the users has not been impacted by the imposition of the duties in the past. The domestic industry has emphasized that the performance of the user industry has no correlation to the imposition of duties.

Particulars	Unit	POI	2020-21	2019-20	2018-19	2017-18	2016-17
Vedanta	Rs. Cr	6,300	13,664	-10,463	4,947	9,224	10,798
Alumina Industry	Rs. Cr	9,686	16,540	-9,285	9,497	13,492	13,916

207. The Authority also notes that the interested parties have not been able establish how imposition of anti-dumping duties shall be contrary to larger public interest. However, the information available on record shows that the imposition of measures would not be contrary to public interest.

## L. CONCLUSION & RECOMMENDATIONS

208. Having regard to the contentions raised, information received, submissions made and facts available before the Authority as recorded in these findings and on the basis of the determination of dumping and consequent injury to the domestic industry made hereinabove, the Authority concludes that:

- i. The subject goods are being exported at a price below normal value, resulting in dumping of the product. The margin of dumping are significantly positive.
- ii. The volume of imports declined in 2018-19, but have increased again in the period of investigation, both in absolute terms as well as in relation to production and

consumption in India. Overall, the volume of imports of subject goods from subject countries have declined during injury period.

- iii. The Authority notes that both the cost of sales and selling price of the domestic industry have declined in the period of investigation. However, the decline in the selling price is much higher than the decline in cost. When compared over the injury period, while the cost of sales has increased from the base year, the selling price has declined significantly during same period. Further, the landed price of the subject imports has declined significantly in the period of investigation and is below the cost of sales of the domestic industry.
- iv. The price undercutting is marginally negative, indicating stiff price competition between the subject imports and the domestic industry. Further, the subject imports have suppressed and depressed the prices of the domestic industry.
- v. The volume parameters of the domestic industry were increasing consistently, but declined in 2019-20 (which incorporates 6 months of the POI) and the period of investigation. However, the decline in sales and capacity utilization is partly attributable to Covid-19, which caused a decline in demand. While the demand of the subject goods declined, the domestic industry was able to marginally increase its market share. Thus, the decline in the volume parameters of the domestic industry is not on account of the subject imports, but partly due to Covid-19.
- vi. The price of imports of subject goods from subject countries has declined significantly over the injury period. The Authority notes that the import price of caustic soda declined from about Rs.36,000-Rs.37,000 (April, 2017-March, 2019) to below Rs. 25,000 during the POI. The steep decline in the import price was without any corresponding decline either in the cost of production or the prices in the domestic market of the exporting country. The data provided by the domestic industry shows that cost of production of the product by and large remains static. Further, the questionnaire responses filed by the Japanese producers showed that the decline in their domestic prices were far lower than decline in export price to India.
- vii. The Authority holds that the significant decline in the import prices forced the domestic industry to steeply reduce its prices, even below its cost of production, leading to significant deterioration in the performance of the domestic industry in respect of parameters such as profits, cash profit and return on investments.

- Considering the profitability of the domestic industry, it is seen that the profits of the Indian Industry declined significantly by Rs. 1500 crores between 2017-18 and POI. The cash profit of the domestic industry declined by 98% during the POI from base year, and domestic industry has suffered losses in the period of investigation.
- viii. It is also noted that return on capital employed (ROCE) of the domestic industry has declined significantly during the injury period, and the domestic industry has suffered negative return on capital employed.
  - ix. There is no evidence of adverse impact of the anti-dumping duty on public interest.

209. In view of the foregoing, the Authority concludes that the domestic industry has suffered material injury due to the significant dumping of the product under consideration from the subject countries.

210. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the domestic industry, exporters, importers/users and other interested parties to provide information on the aspects of dumping, injury and the causal link. Having initiated and conducted the investigation into dumping, injury and causal link in terms of the provisions laid down under the Rules, the Authority is of the view that imposition of anti-dumping duty is required to offset dumping and injury.

211. In terms of provisions contained in Rule 4(d) & Rule 17(1) (b) of the Rules, the Authority recommends imposition of anti-dumping duty equal to the lesser of margin of dumping and the margin of injury, so as to remove the injury to the domestic industry. The Authority, thus, considers it necessary to recommend imposition of definitive anti-dumping duty equal to the amount indicated in Col. 7 of the duty table below for a period of five (5) years on all imports of the goods mentioned in Col. 3 of the table below from Japan, Iran, Oman and Qatar from the date of notification to be issued in this regard by the Central Government.

212. The landed value of imports for this purpose shall be assessable value as determined by the Customs under Customs Act, 1962 and applicable level of custom duties except duties levied under Section 3, 3A, 8B, 9, 9A of the Customs Tariff Act, 1975.

**Duty table**

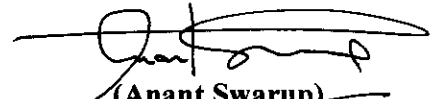
SN	Tariff Heading	Description of goods	Country of origin	Country of export	Producer	Amount	Currency	Unit
1	2	3	4	5	6	7	8	9
1.	281511 and 281512	Caustic Soda, of all grades and in all forms	Japan	Any country including Japan	AGC Inc.	14.46	USD	DMT
2.	-do-	-do-	Japan	Any country including Japan	Hokkaido Soda Co., Ltd.	14.46	USD	DMT
3.	-do-	-do-	Japan	Any country including Japan	Tosoh Corporation	24.60	USD	DMT
4.	-do-	-do-	Japan	Any country including Japan	Tohoku Tosoh Chemical Co., Ltd.	24.60	USD	DMT
5.	-do-	-do-	Japan	Any country including Japan	Kashima Chlorine and Alkali Co., Ltd.	11.82	USD	DMT
6.	-do-	-do-	Japan	Any country including Japan	Shin-Etsu Chemical Co., Ltd.	11.82	USD	DMT
7.	-do-	-do-	Japan	Any country including Japan	Any producer, other than Sl. No. 1 to 6 above	88.61	USD	DMT
8.	-do-	-do-	Any country other than Iran, Japan, Oman and Qatar	Japan	Any	88.61	USD	DMT
9.	-do-	-do-	Iran	Any country	Any	72.24	USD	DMT

				including Iran				
10.	-do-	-do-	Any country other than Iran, Japan, Oman and Qatar	Iran	Any	72.24	USD	DMT
11.	-do-	-do-	Oman	Any country including Oman	Any	66.44	USD	DMT
12.	-do-	-do-	Any country other than Iran, Japan, Oman and Qatar	Oman	Any	66.44	USD	DMT
13.	-do-	-do-	Qatar	Any country including Qatar	Qatar Vinyl Company Limited Q.P.J.S.C	8.32	USD	DMT
14.	-do-	-do-	Qatar	Any country including Qatar	Any producer, other than Sl. No. 13	20.09	USD	DMT
15.	-do-	-do-	Any country other than Iran, Japan, Oman and Qatar	Qatar	Any	20.09	USD	DMT



## **M. FURTHER PROCEDURE**

213. An appeal against these findings after its acceptance by the Central Government shall lie before the Customs, Excise and Service tax Appellate Tribunal in accordance with the Customs Tariff Act, 1975 as amended in 1995 and Customs Tariff Rules, 1995.

  
(Anant Swarup)  
**Designated Authority**