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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 22nd January, 2020

INITIATION NOTIFICATION

Case No. (OI - 30/2019)

Subject: Initiation of Anti-Dumping Original Investigation concerning imports of "Soda Ash" from Turkey and USA.

- 1. M/s DCW Limited, M/s RSPL Limited and M/s GHCL Limited (hereinafter also referred to as "Applicants") have filed an application before the Designated Authority (hereinafter also referred to as the "Authority") on behalf of the domestic industry, in accordance with 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") for Original Investigation of Anti-dumping Duty concerning imports of "Soda Ash" (hereinafter also referred to as "subject goods" or specifically as "product under consideration" or "PUC", originating in or exported from Turkey and U.S.A. (hereinafter also referred to as the "subject countries").
- 2. The Applicants have alleged material injury and threat of material injury to the Domestic Industry due to dumped imports from the subject countries and have requested for imposition of anti-dumping duty on the imports of the subject goods, originating in or exported from the subject countries.

A. Product under consideration

- 3. The product under consideration is Disodium Carbonate, popularly known as "Soda Ash", having chemical formula Na₂CO₃.
- 4. Soda Ash is a white, crystalline, water-soluble material. Soda Ash is produced in two forms by the Indian Producers Light Soda Ash and Dense Soda Ash. The difference in the two types is bulk density. Further, Soda Ash can be either natural soda ash or synthetic soda ash, both products are essentially the same. Present investigation covers all forms of Soda Ash.

- 5. Soda Ash is an essential ingredient in the manufacture of detergents, soaps, cleaning compounds, sodium based chemicals, float glass, container and specialty glasses, silicates and other industrial chemicals. It is also widely used in textiles, paper, metallurgical industries and desalination plants.
- 6. The product under consideration is classified under Chapter 28 of the Customs Tariff Act, 1975, under customs sub-heading 2836.20. However, the customs classification is indicative only and is not binding on the scope of this investigation.

B. Like Article

7. The Applicants have claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. There are no known differences either in the technical specifications, quality, functions or end-uses of the dumped imports and the domestically produced subject goods and the product under consideration manufactured by the applicants. The two are technically and commercially substitutable and, hence, should be treated as 'like article' under the Rules. The subject goods produced by the Applicants in India are, therefore being treated as 'Like Article' to the subject goods being imported from the subject countries.

C. <u>Domestic Industry</u>

8. The Application has been filed by M/s DCW Limited, M/s RSPL Limited and M/s GHCL Limited. The Applicants have neither imported the subject goods from the subject countries nor are related to any exporter or producer of subject goods in the subject countries or any importer of the Product Under Consideration in India. On the basis of information available, the Authority is satisfied that the Application has been made 'by or on behalf of the domestic industry' in terms of the provisions contained in Rule 2 (b) and Rule 5 (3) of the Rules.

D. Basis of Alleged Dumping

- 9. The Authority notes that the Applicants have not provided specific transactions of domestic sales of the PUC in the subject countries but have evidenced the domestic prices on the basis of secondary source information i.e. IHIS market. The Authority has computed Normal Value for the subject countries on the basis of prices published in the IHS Market: Global Soda Ash Monthly Issues pertaining to April 19 to Nov 19 to determine price meant for consumption of the product prevailing in the subject countries.
- 10. The Authority has computed the export price from the subject countries as per the latest available DGCI&S transaction wise and published data. Adjustments have been made for ocean freight, insurance, port expenses, commission, handling charges and bank charges.
- 11. The normal value and export price have been compared at ex-factory level, which prima facie shows dumping margin in respect of the subject goods from the subject countries,

thereby, indicating that the subject goods are being dumped into the Indian market by the exporters from the subject countries.

E. <u>Injury and Causal link</u>

12. Information furnished by the Applicants has been considered for assessment of injury to the domestic industry. The Applicants have furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to production and consumption in India, and price suppressing effect on the domestic industry. The Applicants have claimed that their performance have been adversely impacted in respect of production, sales and consequent decline in profits, return on capital employed, and cash flow, as a result of dumped imports from subject countries and there is sufficient prima facie evidence of the threat of material injury and material injury being caused to the domestic industry by dumped imports from the subject countries to justify initiation of an antidumping investigation.

F. Initiation of Anti-Dumping Investigation

13. On the basis of the duly substantiated written application by or on behalf of the domestic industry, and having satisfied itself, on the basis of the prima facie evidence submitted by the domestic industry, about dumping of the Product Under Consideration originating in or exported from the subject countries, injury to the domestic industry both material and threat thereof and causal link between such alleged dumping and injury, and in accordance with Section 9A of the Act read with Rule 5 of the Rules, the Authority, hereby, initiates an investigation to determine the existence, degree and effect of any alleged dumping in respect of the subject goods originating in or exported from the subject countries and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

G. Subject Countries

14. The subject countries in the present investigation are Turkey and USA.

H. Period of Investigation

15. The Period of Investigation (hereinafter also referred to as "POI") proposed by the Domestic Industry in the present investigation is 01st April, 2019 to 30th September, 2019 (6 months). The authority requested the applicant to file updated data for a further period of 3 months (01.10.2019 to 31.12.2019) to undertake analysis on the most recent data. The Domestic Industry filed data for the period of 8 months i.e. April19-Nov19 which has been used for dumping and Injury examination. However, Period of Investigation in the present Investigation will be 1st April 2019-31st December 2019. The injury investigation period will cover the periods April 2016-March 2017, April 2017-March 2018, April 2018-March 2019 and the POI. For threat of injury, the date beyond the POI would also be examined.

I. Procedure

16. Principles as given in Rule 6 of the Rules will be followed for the present investigation.

J. Submission of information

- 17. The known exporters in the subject countries and their government through their Embassy in India, importers and users in India known to be concerned with the Product Under Consideration and the domestic industry are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time-limit set out below.
- 18. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below. The information/submission may be submitted to:

The Designated Authority
Directorate General of Trade Remedies
Ministry of Commerce & Industry
Department of Commerce
Government of India
4th Floor, Jeevan Tara Building, 5, Parliament Street
New Delhi-110001

19. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other parties.

K. Time-Limit

- 20. Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above within thirty days from the date of receipt of the notice as per Rule 6(4) of the Anti-Dumping Rules. It may, however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received one week from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting Country. If no information is received within the prescribed time-limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Anti-Dumping Rules.
- 21. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses within the above time limit.

L. Submission of information on confidential basis

- 22. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file the same in two separate sets, in case "confidentiality" is claimed on any part thereof:
 - i. one set marked as Confidential (with title, number of pages, index, etc.), and
 - ii. the other set marked as Non-Confidential (with title, number of pages, index, etc.).
- 23. The "confidential" or "non-confidential" submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions. Soft copies of both the versions will also be required to be submitted, along with the hard copies in four (4) sets of each.
- 24. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which are claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
- 25. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarised depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarisation is not possible must be provided to the satisfaction of the Authority.
- 26. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorise its disclosure in generalised or summary form, it may disregard such information.
- 27. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.

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

M. Inspection of Public File

29. In terms of Rule 6(7) of the Rules, any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

N. Non-cooperation

30. In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

(Bhupinder S. Bhalla)
Additional Secretary & Designated Authority