

**No. 14/19/2015-DGAD**  
**Government of India**  
**Ministry of Commerce & Industry**  
**(Directorate General of Anti-Dumping & Allied Duties)**  
**4th Floor, Jeewan Tara Building,**  
**Parliament Street, New Delhi**

Dated: 21<sup>st</sup> October, 2015

**INITIATION NOTIFICATION**

**Subject: Anti Dumping investigation concerning imports of “Jute Product” originating in or exported from Bangladesh and Nepal reg.**

No. 14/19/2015-DGAD: Whereas Indian Jute Mills Association (IJMA) (*hereinafter* as “petitioner”) has filed an application before the Designated Authority (*hereinafter* as “the Authority”) in accordance with the Customs Tariff Act, 1975 as amended from time to time (*hereinafter* 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* as “the Rules”) for initiation of anti-dumping investigation and imposition of anti dumping duty on the imports of “**Jute Product**” (*hereinafter* as “the subject goods”) **originating in or exported from Bangladesh and Nepal** (*hereinafter* as “the subject countries”).

2. And whereas, the Authority finds that sufficient prima facie evidence of dumping of the subject goods, originating in or exported from the subject countries; injury to the domestic industry; and a causal link between the alleged dumping and injury exist to justify initiation of an anti-dumping investigation. The Authority therefore hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry in terms of Rule 5 of the Rules to determine the existence, degree and effect of the alleged dumping and to recommend the amount of antidumping duty, which if levied, would be adequate to remove the ‘injury’ to the domestic industry.

**Domestic Industry & Standing**

3. The application has been filed by Indian Jute Mills Association on behalf of the domestic producers of the product under consideration. There are 34 producers of the product under consideration in India who are members of IJMA. 15 Indian producers have expressly supported the petition and have provided injury information. Further, 14 companies have supported the petition. The production of the applicant accounts for a major proportion of the total domestic production of the subject goods. The applicant companies therefore constitute

“domestic industry” within the meaning of Rule 2 (b) and thus satisfy the criteria of standing in terms of Rule 5 (3) of the Rules supra.

#### **Product under consideration (PUC)**

4. Jute is a natural and an eco-friendly fiber, which comes from the inner bark of plants. The broad usages of jute include packaging, geo-textiles, protection of rooting plants, making of cloths, bags, wrapping, boot and shoe lining, fuse yarns, aprons, canal and motor linings, ropes, strings, upholstery foundation, curtains and furnishing fabrics etc. Further, Jute can also be mixed with wool for fine yarn and fabric production.

5. Raw jute in the form of bales is processed in jute mills to produce products like hessian fabric, sacking bags, jute yarn/twine and other products. The manufacturing process of Jute entails different stages such as selection of jute for a batch, piecing up, softening and lubricating, conditioning or piling, breaker carding, finisher carding, first drawing, second drawing, third drawing and spinning.

6. In the present investigation, the PUC is “Jute Products” comprising of Jute yarn/twine (multiple folded/cabled and single), Hessian fabrics, and Jute sacking bags. These are classified under Chapters 53 and 63 of the 1975 Act and further sub- classified under custom heads 5301, 5307, 5310 and 6305. The said Customs classification is however only indicative and is in no way binding on the scope of the present investigation.

#### **Like Article**

7. The petitioner has claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. There are no differences in the physical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the dumped imports and the domestically produced subject goods. The two are technically and commercially substitutable and hence should be treated as ‘like article’ under the Rules.

#### **Subject Countries**

8. The subject countries in the present investigation are Bangladesh and Nepal.

#### **Normal Value**

9. The petitioner has claimed that efforts were made to get information about the price at which these items are being sold in the domestic markets of the subject countries. However, no information on the prices was available publicly. The petitioner has, therefore, constructed the normal value on the basis of the estimates of cost of production duly adjusted for the subject countries. The normal value has been determined for Hessian fabrics, sacking bags and Jute yarn separately.

### **Export Price**

10. The applicant has determined the export price based on DGCI&S transaction wise import data, considering weighted average of the imports prices during the proposed investigation period. The export prices have been further adjusted for ocean freight, marine insurance, bank charges, commission, port and inland freight expenses to evaluate ex- factory export price.

The ex factory export price has been determined for Hessian fabrics, sacking bags and Jute yarn separately.

### **Dumping Margin**

11. The normal values have been compared with the ex- factory export prices, which shows a considerable dumping margin in respect of the subject goods-exported by the subject countries to justify the initiation of an anti- dumping investigation.

### **Injury and Causal Link**

12. The petitioner has claimed that domestic industry has suffered material injury from dumped imports to justify the initiation of an anti-dumping investigation against the subject countries. The petitioner claims that the imports from the subject countries have increased in absolute terms and in relation to the production and consumption in India during the injury period. These imports are undercutting the domestic prices and thereafter have suppressed and depressed the domestic prices to a significant level. Further, the performance of the domestic industry has also deteriorated in terms of profits, return on capital employed and cash profits, and is therefore suffering financial losses, cash losses and negative return on investments.

### **Period of Investigation (POI)**

13. POI for the purpose of the present investigation is from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015. The injury investigation period will, however, cover the periods of 2011-2012, 2012-2013, 2013-2014 and the POI.

### **Submission of Information**

14. The known exporters in the subject countries, the governments of the subject countries through their Embassies in India, the importers and users in India known to be concerned with the product and the domestic industry are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address:

The Designated Authority  
Directorate General of Anti-Dumping and Allied Duties  
Ministry of Commerce and Industry  
Department of Commerce  
4th Floor, Jeewan Tara Building, 5, Parliament Street, New Delhi

15. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below.

### **Time Limit**

16. All the interested parties are hereby advised to file their questionnaire responses and offer their comments in writing so as to reach the Authority at the address mentioned above not later than forty days (40 Days) from the date of publication of this Notification. The information must be submitted in hard copies as well as soft copies.

17. 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 AD Rules.

### **Submission of information on confidential basis**

18. The parties making any submission (including Appendices/Annexure attached thereto), before the authority including questionnaire response, are required to file the same in two separate sets:-

- (a) one set marked as Confidential (with title, number of pages, index, etc.), and
- (b) the other set marked as Non-Confidential (with title, number of pages, index, etc.).

19. 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 five (5) sets of each.

20. For information claimed as confidential, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information can not be disclosed.

21. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible, must be provided to the satisfaction of the Authority.

22. 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 authorize its disclosure in generalized or summary form, it may disregard such information.

23. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim shall not be taken on record by the Authority.

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

#### **Inspection of Public File**

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

#### **Non-cooperation**

26. 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.



**A. K. Bhalla**  
**Designated Authority**