

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

**Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
(Directorate General of Anti-Dumping & Allied Duties)  
Udyog Bhawan, New Delhi  
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**Dated the 20<sup>th</sup> August 2010**

**INITIATION NOTIFICATION**

**Sub:- Initiation of Anti Dumping investigation on imports of Soda Ash originating in or exported from China PR, EU, Kenya, Pakistan, Iran, Ukraine and USA.**

**No.14/17/2010-DGAD** – M/s Alkali Manufacturers' Association of India (AMAI), an Association of producers of the "Soda Ash" have filed a petition before the Designated Authority (herein after referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended in 1995 and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on dumped articles and for determination of injury) Rules, 1995 (herein after referred to as Rules) for initiation of anti dumping investigation concerning imports of Soda Ash (hereinafter referred to as subject goods) originating in or exported from China PR, EU, Kenya, Iran, Pakistan, Turkey, USA, and Ukraine (hereinafter referred to as subject countries)

2. AND WHEREAS, the Authority finds that sufficient prima facie evidence of dumping of subject goods by the subject countries, injury to the domestic industry and causal links between the dumping and injury exist, the Authority hereby initiates an investigation into the alleged dumping, and consequential injury to the domestic industry in terms of the Rules 5 of the said Rules, to determine the existence, degree and effect of 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**

3. The petition has been filed by M/s Alkali Manufacturers' Association of India (AMAI) and the costing and injury information has been provided by, M/s GHCL Ltd., M/s DCW, M/s Nirma and M/s Saurashtra Chemicals Ltd.(SCL). According to the information provided in the petition, the production of participating companies constitutes 65.40% of Indian production during Apr'09-Dec'09. Thus, the applicant constitutes "domestic industry" for the purpose of the present investigation.

4. The Authority after examining the above, prima facie determines that the petitioner constitutes domestic Industry within the meaning of the rule 2(b) of the AD Rules.

## **Product under consideration & Like Articles**

5. The product under consideration in the present petition is Disodium Carbonate, popularly known as Soda Ash with chemical formula  $\text{Na}_2\text{CO}_3$ . The petitioner has stated that the 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 produced through synthetic route and natural route, known as dissolution process. The present petition is stated to include all types and forms of Soda Ash.

6. 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.

7. Classification: Soda Ash is an inorganic chemical classified under Chapter 28 of the Customs Tariff Act. The product is classifiable under ITC (HS) Code 2836.20. The Customs classification is, however, only indicative and in no way binding on the scope of the present investigation.

8. The applicant has claimed that the goods produced by them are "like articles" to the goods originating in or exported from the subject countries. The subject goods produced by the domestic industry and imports from subject countries are comparable, technically and commercially substitutable in terms of physical, technical specifications, functions or end-uses. Therefore, for the purpose of investigation, the Soda Ash produced by the applicant are being treated as like articles of Soda Ash imported from subject countries within the meaning of the Anti Dumping Rules.

## **Countries involved**

9. The countries involved in the present investigation are China PR, EU, Kenya, Pakistan, Iran, Ukraine and USA. Since volume of imports from Turkey are below de minimis Turkey is excluded from the purview of the present investigation.

## **Dumping**

### **Normal Value**

#### **Normal Value in case of China PR and Ukraine**

10. Petitioner has claimed Non-market economy status for both China PR and Ukraine and accordingly claimed the constructed normal value on the basis of cost of production in India duly adjusted including adjustment on selling, general and administrative expenses and profit, in terms of para 7 of Annexure I to the AD rules.

#### **Normal value in case of EU, USA, Kenya and Pakistan**

11. The Normal Value in respect of EU and USA is prima facie based on weighted average monthly price drawn from Hariman Chemsult, a leading international journal

As regards Kenya, normal value is constructed by the petitioner on the basis of information drawn from the Balance Sheet of Tata Chemicals in respect of its subsidiary company in Kenya. In respect of Pakistan, the normal value has been claimed on the basis of domestic selling price of the subject product drawn from the Balance Sheet of ICI Pakistan Ltd.

### **Normal value in case of Iran**

12. The petitioner has claimed normal value in Iran considering constructed value approach.

13. For the purpose of initiation, the Authority has prima-facie considered the normal value of subject goods in subject countries as claimed by the petitioner.

### **Export Price**

14. The applicants have claimed export price for product under consideration based on the DGCI&S data. Adjustments have been claimed on account of ocean freight, marine insurance, commission, inland freight, port expenses, and bank charges to arrive at net export price at ex-factory level. There is sufficient prima facie evidence with regard to the net export price claimed by the petitioners.

### **Dumping Margin**

15. There is sufficient evidence that the normal values of the subject goods in the subject countries are significantly higher than the net export prices indicating prima-facie that the subject goods are being dumped by the exporters from the subject countries. Normal value and export price have been compared at ex-factory level which shows significant dumping margin in respect of subject countries.

### **Injury and Causal Link**

16. The petitioner has furnished information on various parameters relating to material injury. The applicant has furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of fall in production, capacity utilization, profits, return on investments, cash flow, and market share and significant price undercutting and price underselling on account of dumped imports from subject countries. There is sufficient prima-facie evidence of the material injury being suffered by the domestic industry and the same being caused by dumped imports from subject countries.

### **Period of Investigation**

17. The applicant has proposed April'09 to Dec'09 (Nine months) as period of investigation. While adopting this period as POI only for the purpose of initiation, the Authority has considered April'09 to March'10 as the POI for the purpose of present investigation. The injury investigation period will however cover the periods April,2006–March,2007, April,2007-March,2008 April,2008-March,09, and the POI.

### **Submission of information**

18. The exporters and importers known to be concerned and domestic industry are being informed separately to enable them to file all information relevant in the form and manner prescribed. Any other party interested to participate in the present investigation may write to:

#### **The Designated Authority**

**(Directorate General of Anti-Dumping & Allied Duties)**

**Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Udyog Bhavan, New Delhi-110011.**

### **Time limit**

19. Any information relating to this investigation should be sent in writing so as to reach the Authority at the above address not later than 40 days from the date of publication of this notification. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record their findings on the basis of the facts available on record in accordance with the Rules supra.

### **INSPECTION OF PUBLIC FILE**

20. In terms of rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

21. All interested parties shall provide a confidential and non-confidential summary in terms of Rule 7 (2), for the confidential information provided as per Rule 7 (1) of the Rules supra.

22. In case any interested party refuses access to and 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 Governments as deemed fit.

**(P.K. Chaudhery)  
The Designated Authority**