

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)
Jeevan Tara Building, 4th Floor
5, Parliament Street
New Delhi- 110001

Dated the 20th March, 2018

INITIATION NOTIFICATION

Subject: Initiation of Anti-Circumvention investigation concerning alleged circumvention of anti-dumping duty imposed on the imports of Jute Sacking Bags from Bangladesh.

No. 7/3/2018 – DGAD: Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter 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 thereof (hereinafter referred to as the Rules or AD Rules).

WHEREAS, the Designated Authority (hereinafter referred to as the Authority), in an antidumping investigation, vide its Final Findings Notification No 14/19/2015-DGAD dated 20th October, 2016, had recommended the imposition of anti-dumping duty on the imports of “Jute Products” viz,-(Jute Yarn/ Twine (multiple folded/cabled and single), Hessian fabric, and Jute sacking bags) originating in or exported from Bangladesh and Nepal, and the definitive anti-dumping duty was imposed by the Ministry of Finance, vide Customs Notification No. 01/2017-Customs (ADD), dated the 5th January, 2017, as amended further by Notification No. 11/2017-Customs (ADD) dated 3rd April, 2017.

AND WHEREAS, Indian Jute Mills Association (IJMA) on behalf of the domestic producers of Jute Sacking Bags (hereinafter referred to as the product under consideration (PUC)) has filed an application before the Authority in accordance with the Act and AD Rules alleging that the product under consideration (which is one of the product types of Jute products, the subject goods, on which original investigation was concluded) is being circumvented by imports of Jute Sacking Cloth (hereinafter referred to as Product Under Investigation (PUI)) which is an unfinished and penultimate form of the product under consideration only from Bangladesh (hereinafter referred to as Subject Country).

AND WHEREAS, the Authority having found sufficient prima facie evidence of circumvention of the anti-dumping duties leviable on the PUC by the subject country, hereby initiates an investigation into the alleged circumvention of the anti-dumping duties in terms of the Rules 26(1) of the said Rules, to determine the existence,

degree and effect of the alleged circumvention and to examine the need to extend the existing antidumping duty to the circumventing product.

A. Product under consideration

1. The product under consideration for this investigation is “Jute Sacking Bags” originating in or exported from Bangladesh. Jute Sacking Bags is classified under custom heading 6305. Jute Sacking Bag is one of the type of the product under consideration as identified in the final finding of the original investigation dated 20th October 2016.

B. Product under Investigation

2. The Product under Investigation is Jute Sacking Cloth, alleged to be circumventing the anti-dumping duty. The circumventing product goes into use of Jute Sacking Bags and there is no other main known use of the Product under Investigation.
3. The product under investigation is classified under custom heading 5310. The Customs classification is indicative only and not binding on the scope of this investigation.

C. Existing Measures

4. The existing anti-dumping measures imposed vide Notification No. 01/2017-Customs (ADD), dated 5th January, 2017 as amended further by Notification No. 11/2017-Customs (ADD) dated 03rd April 2017, are allegedly being circumvented.

D. Grounds for Alleged Circumvention:

5. The present application for anti-circumvention investigation has been filed seeking extension of existing anti-dumping duty levied on subject goods vide Custom Notification No. 01/2017-Customs (ADD), dated the 5th January, 2017 as amended further by Notification No. 11/2017-Customs (ADD) dated 3rd April 2017 on PUI circumventing the existing anti-dumping duty. This circumvention comes under the category of "product circumvention". The applicant has furnished reasons/ evidence for seeking anti-circumvention investigation which, inter alia, includes:
 - a. Significant changes in the pattern of trade involving exports from subject country to post imposition of anti-dumping duties on the product under consideration. It has been claimed that there is no due cause or justification other than the imposition of the duty for such a change.
 - b. Evidence to prove that value addition required to convert product under investigation to product under consideration is well below the threshold limit of 35% as prescribed in the Rule 25 (1) (b) of AD Rules.

- c. Evidence to indicate that this change in the pattern of trade coincides with the levy of anti-dumping duty on Jute Sacking Bags which thereafter lead to increase in imports of Jute Sacking Cloth for conversion to Jute Sacking Bags with minimal value addition.
 - d. The request contains sufficient prima facie evidence that the prices of the product under investigation are also dumped.
6. The remedial effects of the existing anti-dumping duties on the product under consideration are being undermined on account of the significant volumes of imports of the product under investigation which appears to indicate replacing the imports of the product under consideration.

E. Procedure

7. In light of the above, it is decided that sufficient evidence exists to justify the initiation of an investigation pursuant to Rule 26. It is also noted that in terms of Rule 27 of AD Rules, the Authority, upon determination that circumvention of anti-dumping duty exists, may recommend extension of anti-dumping duty to imports of PUI found to be circumventing an existing anti-dumping duty and such levy may apply retrospectively from the date of initiation of the investigation under Rule 26.

F. Period of Investigation:

8. The Period of investigation (POI), as proposed by the applicant, is from 1st October 2016 to 30th September 2017 (12 months). However, to make the required analysis on the basis of more recent and updated data, the Authority has extended the POI by three months and considered it as 1st October 2016 to 31st December 2017 (15 months).

G. Country Involved

9. The country involved in the present investigation is Bangladesh (subject country).

H. Submission of Information

10. 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,
Jeevan Tara Building, 4th Floor
5, Parliament Street
New Delhi- 110001

I. Time limit

11. On receipt of information from domestic industry, all interested parties, whose addresses are available, would be advised through a letter to 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 issuance of such letter. Any other interested party, whose address is not available, may also submit comments/ information within 40 days from date of publication of this notification. The information must be submitted in hard copies as well as soft copies.

J. Submission of Information on Confidential basis

12. 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, in case "confidentiality" is claimed on any part thereof:-
 - (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.).
13. 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.
14. 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.
15. 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.

16. 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.
17. 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.
18. 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.

K. Inspection of Public File

19. 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.

L. Non-cooperation

20. 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.

(Sunil Kumar)
Designated Authority