

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

No 15/12/2014-DGAD  
Government of India  
Department of Commerce  
(Directorate General of Anti-Dumping & Allied Duties)  
Udyog Bhawan, New Delhi

Dated: the 9<sup>th</sup> June 2014

## **Initiation Notification**

### **(Sunset Review)**

**Subject:** Initiation of Sunset Review Investigation of Anti-dumping duty imposed on Import of Potassium Carbonate originating in or exported from EU, Korea RP, China PR and Taiwan (Chinese Taipei).

No 15/12/2014-DGAD:- Whereas having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 as amended, the Designated Authority (herein after referred to as the Authority) recommended imposition of Anti-dumping Duty on imports of Potassium Carbonate (herein after referred to as the subject goods), originating in or exported from China PR, Korea, European Union and Taiwan (Chinese Taipei) (herein after referred to as the subject countries), vide Final Findings Notification No 14/42/2002-DGAD dated 16<sup>th</sup> January, 2004. On the basis of the said findings, the Central Government imposed definitive anti-dumping duties on the subject goods imported from subject countries vide Notification No 37/2004 dated 20<sup>th</sup> February, 2004. Subsequently, the Authority conducted a sunset review investigation and recommended extension of anti-dumping duty vide Notification 15/4/2008-DGAD dated 20<sup>th</sup> May, 2009. The duty was extended vide Notification No. 61/2009-Customs dated 10<sup>th</sup> June, 2009.

### **Request for Review**

2. Whereas in terms of Section 9A(5) the Customs Tariff (Amendment) Act 1995, the antidumping duty imposed shall unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition and the Authority is required to review, on the basis of a duly substantiated request made by or on behalf of the domestic industry within a reasonable period of time prior to the date of the expiry of the measure, as to whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury.

3. And, whereas, in terms of the above provision, Gujarat Alkalies & Chemicals Ltd has approached the Authority with a duly substantiated application requesting for

sunset review of the anti-dumping duties earlier imposed on the imports of the subject goods originating in or exported from the subject countries vide Ministry of Finance Notification No 61/2009-Customs dated 10th June, 2009 and sought the continuation of anti-dumping duty on the imports of the subject goods originating in or exported from the subject countries.

4. The Authority has examined the data/information submitted by the domestic industry in this regard. The Authority has observed the submission of domestic industry that the dumping of the subject goods originating in or exported from subject countries has continued and is causing injury to the domestic industry. The Authority, therefore, on the basis of prime facie evidence given by the applicant considers that initiation of sunset review proceedings for the anti-dumping duties in force would be appropriate to examine the need for continuation of such duties to offset dumping of the subject goods originating in or exported from the subject countries and to examine as to whether the injury to the domestic industry is likely to continue or recur if the duties were allowed to cease.

### **Domestic Industry and Standing**

5. The application has been filed by Gujarat Alkalies & Chemicals Ltd. (hereinafter referred to as the domestic industry or the petitioner), a major producer of the subject goods. The petitioner has claimed that it has not imported the subject goods nor is related to exporters from the subject countries or importers in India. There are two other known producers of the subject goods in India, apart from the petitioner, viz., Andhra Sugars Limited and Sree Rayalaseema Alkalies & Allied Chemicals Ltd. It is noted from the data furnished by the petitioner that the production of petitioner constitutes a major proportion of total domestic production of subject goods in India. The petitioner therefore satisfies the requirement of standing to file the present petition and constitutes 'Domestic Industry' within the meaning of the AD Rules.

### **Product under Consideration and Like articles**

6. The product under consideration is "Potassium Carbonate". Potassium Carbonate is a white, deliquescent inorganic compound, available in powder and granules form, soluble in water and insoluble in alcohol, having chemical formula  $K_2CO_3$  and having an ITC (HS) code 2836 40 00.

7. The present petition is for sunset review of the anti dumping duty earlier imposed. The previous findings do not show any issue with regard to product under consideration. In any case, proposed investigation being review of existing anti dumping duty, the scope of the product under consideration in the proposed investigation remains the same as the scope of the product in the last concluded sunset review investigation.

8. Further, the petitioner has claimed that the goods produced by the domestic industry are like article to the imported product in terms of parameters such as physical & technical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification. The two are technically and commercially substitutable. After examination, the authority

concludes that the subject goods produced by the domestic industry are like article to that imported from the subject countries.

### **Subject Countries**

9. The countries involved in the present sunset review investigations are EU, Korea RP, China PR and Taiwan (Chinese Taipei).

### **Normal value**

10. The petitioner has claimed that efforts were made to get evidence of price of subject goods in the domestic markets of the subject countries. Efforts were also made to obtain the price from the published sources but there is no publication which provides prices of the product under consideration in subject countries. Petitioner has further claimed that the product prices are not publicly available as the prices are transacted between the producer and consumers and therefore the same are not in public domain. In view of the same, the Petitioner has constructed the normal value for the subject countries on the basis of the imported raw material cost and domestic conversion cost with a reasonable profit.

### **Export Price**

11. Petitioner has relied upon China Customs data for China PR and published import data from DGCI&S for other subject countries for determining export price for subject countries. The export price of subject countries has been adjusted for expenses such as Ocean freight, Marine insurance, Commission, Port expenses, Inland freight expenses, Bank charges, VAT adjustment (for China PR) to arrive at the net export price. The Authority, after examination, considers that there is sufficient prima facie evidence of export price of the subject goods from the subject countries.

### **Dumping Margin**

12. Petitioner has provided sufficient evidence that the normal values of the subject goods in the subject countries are significantly higher than the net export prices, prima-facie, indicating that the subject goods originating in or exported from the subject countries continue to be dumped prices, to justify initiation of a review investigation.

### **Continuation or Recurrence of Dumping and Injury.**

13. The petitioners have claimed that domestic industry continues to suffer injury by way of adverse volume and price effects as evidenced by price undercutting and price underselling. Though the domestic industry's performance has improved in some parameters during the injury period, there is a likelihood of recurrence of dumping and

injury in the event of revocation of anti dumping duty on subject goods from subject countries. The petitioner has further claimed that capacities in subject countries for subject goods are substantially huge in comparison of the demand in India and accordingly there is likelihood of continuance or recurrence of dumping and injury to the Domestic Industry once the anti-dumping duties levied by the Authority are allowed to cease. The Authority considers that there is sufficient prima facie evidence of recurrence of dumping and injury caused to the domestic industry by dumped imports from subject countries to justify initiation of a review investigation.

### **Initiation**

14. Having satisfied itself on the basis of the positive prima facie evidence submitted by the domestic industry substantiating the need for a review, the Authority hereby initiates a Sunset Review in accordance with Section 9 A (5) of the Act, read with Rule 23 of Antidumping Rules, to review the need for continued imposition of the duties in force in respect of the subject goods, originating in or exported from the subject countries and to examine whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry.

### **Period of Investigation**

15. The period of investigation (POI) is from April 2013 – March, 2014. For the purpose of analyzing trends of injury, the data of previous three years, i.e., Apr'10-Mar'11, Apr'11-Mar'12, Apr'12-Mar'13 and the period of investigation will be considered.

### **Procedure**

16. The following procedure will be followed.
- i. The review will cover all aspects of the final findings of the original investigations published vide Notification No 61/2009-Customs dated 10<sup>th</sup> June, 2009 as amended.
  - ii. The provisions of Rules 6,7,8,9,10,11,16,17,18,19 and 20 of the Rules shall be mutatis mutandis applicable in this review.

### **Submission of Information:**

17. The exporters in subject countries, their Government through their Embassy in India, the importers and users in India known to be concerned would be 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 & Allied Duties  
Ministry of Commerce & Industry  
Department of Commerce,  
Room No.132, Udyog Bhawan  
New Delhi -110011**

18. 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. 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.

**Time Limit:**

19. 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.

**Submission of information on confidential basis**

20. 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.).

21. 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.

22. 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 can not be disclosed.

23. 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.

24. 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.

25. 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.

26. 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:**

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

**Non-cooperation**

28. 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.

**J K Dadoo**  
Designated Authority