

**Government of India**  
**Ministry of Commerce & Industry**  
**Department of Commerce**  
**(Directorate General of Anti Dumping & Allied Duties)**  
**Udyog Bhawan, New Delhi**

Dated the 2nd May 2005.

**Initiation Notification (Sunset Review)**

**Subject:** Initiation of Sunset Review regarding anti-dumping duty imposed on imports of Caustic Soda originating in or exported from Saudi Arabia, Iran, Japan, USA and France.

**No. 15/29/2004-DGAD** - Whereas having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (herein after referred to as AD Rules), vide Notification Number 56/1/99-DGAD dated 14th May 2001. The Designated Authority (herein after referred to as the Authority) notified its final findings recommending definitive antidumping duty on import of Caustic Soda (hereinafter referred to as subject goods) originating in or exported from Saudi Arabia, Iran, Japan, USA and France (hereinafter referred to as subject countries).

And Whereas definitive antidumping duty was imposed on the subject goods vide Customs Notification dated 26th June, 2001.

## **2. Product Under Consideration**

The product involved in the original investigation and this current review is Caustic Soda, commonly known as Caustic Soda originating in or exported from Saudi Arabia, Iran Japan, USA and France. Caustic Soda is an inorganic chemical and is soapy, strongly alkaline odourless chemical. Caustic Soda finds application in various fields like manufacture of pulp and paper, newsprint, viscose yarn, staple fibre, aluminium, cotton, textiles, toilet and laundry soaps, detergent, dyestuffs, drugs and pharmaceuticals, petroleum refining, etc.. Caustic soda is produced in two forms, i.e. Lye and solids. Present investigation covers all forms of caustic soda.

Caustic Soda is classified under Chapter 28 of the Customs Tariff Act, 1975. It is further classified as per International Trade Classification [based on Harmonized

Commodity Description and Coding System] under the heading 2815.11 and 2815.12. The classification is, however, indicative only and is in no way binding on the scope of the present investigation.

### **3. Initiation**

The Customs Tariff (Amendment) Act 1995 and the AD Rules made there under require the Authority to review from time to time the need for continuance of anti-dumping duty. The Designated Authority considers that the sunset review of the anti-dumping duty recommended would be appropriate at this stage under the provision of section 9A (5) of the Customs Tariff (Amendment) Act, 1995 as amended. M/s. Alkali Manufacturers Association of India, Delhi, have filed an application substantiating the need for sunset review of the anti-dumping duty imposed on the subject goods originating in or exported from Saudi Arabia, Iran, Japan, USA and France and have requested for continuation of the anti-dumping duty imposed on subject goods under the above mentioned notifications for a further period of 5 years.

### **4. Countries Involved:**

The countries involved in the present investigations are Saudi Arabia, Iran, Japan, USA and France .

### **5. Grounds for Review**

The petitioner has claimed normal value of subject goods in subject countries on the basis of information from leading International journal i.e., Chlor Alkali. Chlor Alkali reports the prices of Caustic Soda in the domestic market in subject countries. The authority has prima facie, considered the normal value of the subject goods in subject countries on the basis of information made available by the petitioner from the secondary sources for the purpose of initiation. The export price has been claimed on the basis of data provided by the applicant from DGCI&S, Kolkata and secondary sources. Price adjustments have been claimed on account of ocean freight, marine insurance, inland transportation in the country of exports, port handling and port charges, commissions etc. to arrive at the net export price. There is sufficient evidence of export price, the adjustments claimed for the subject goods from the subject country, as made available by the applicant, the authority has considered it for the purpose of initiation.

The request is based on the grounds that the expiry of anti-dumping duty would be likely to result in a continuation or recurrence of dumping and injury to the domestic industry.

The applicant has further alleged that likelihood of further injurious dumping if the anti-dumping duty be allowed to lapse, the current imports may likely to increase due to existence of unused capacity and the large reserves in the China PR. In addition the applicant alleges that the removal of injury is mainly due to the existence of anti-dumping duty and any recurrence of substantial imports at dumped prices from China PR would likely to lead to a recurrence of injury of the domestic industry if anti-dumping duty be allowed to lapse.

## **6. Procedure:**

Having decided to review the final findings notified vide No. 56/1/99-DGAD dated 14/5/2001 and final duty imposed by Notification dated 26/6/2001, the Authority hereby initiates investigations to review whether cessation of antidumping duty is likely to lead to continuation or recurrence of dumping and injury on imports of Caustic Soda originating in or exported from Saudi Arabia, Iran, Japan, USA and France, in accordance with the Customs Tariff (Amendment) Act, 1995 and AD Rules.

The review covers all aspects of Notification No.56/1/99-DGAD dated 14/5/2001. M/s. Alkali Manufacturers Association of India, Delhi have represented on behalf of the domestic industry in the original investigations also. The Authority proposes to consider the applicant, who constitutes the major proportion of the production of the subject goods in India, as domestic industry in accordance with the Rules supra.

## **7. Period of Investigation:**

The period of investigation for the purpose of the present review is 1st April 2003 to 30th September 2004 (18 months). However, injury analysis shall cover the years from 2000-01 to 2003 - September 2004.

## **8. Submission of Information:**

The exporters in subject countries, their government through their Embassies/High Commissions in India/representatives, the importers and users in India known to be concerned 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:

**The Designated Authority,**  
Ministry of Commerce & Industry,  
Department of Commerce,  
Directorate General of Anti-Dumping & Allied Duties, (DGAD),

Room No. 240, Udyog Bhavan,  
New Delhi-110011

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.

## **9. Time Limit:**

Any information relating to the present review and any request for hearing should be sent 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 review notification. If no information is received within the prescribed time limit or the information received is incomplete, the Designated Authority may record its findings on the basis of the facts available on record in accordance with the AD Rules.

## **10. Inspection of Public File:**

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

**(Christy Fernandez)**  
Designated Authority