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Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Anti-Dumping & Allied Duties)
Udyog Bhawan, New Delhi-110011

Dated the 2nd September, 2011

INITIATION NOTIFICATION

(SUNSET REVIEW)

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

F.No. 15/28/2010-DGAD - Having regard to the Customs Tariff Act, 1975 as amended from time to time), and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty and for Determination of Injury) Rules, 1995, as amended from time to time, the Designated Authority (hereinafter referred to as the Authority) had recommended imposition of anti dumping duty on imports of ‘Caustic Soda’ (hereinafter also referred to as the subject goods) originating in or exported from Saudi Arabia, Iran, Japan, USA and France (hereinafter referred to as the subject countries) vide DGAD Notification dated 14th May, 2001, which was notified by the Ministry of Finance vide Notification No. 69/2001-Customs dated 26th June, 2001. Later on, Sunset Review for continued imposition of these duties was undertaken and the Authority had issued the Final Findings in the Sunset Review vide Notification No. 15/29/2004 dated 1st August, 2006 and duty was consequently extended by the Central Government vide Notification No. 98/2006-Customs dated 13th September, 2006.

Initiation of Sunset Review

2. WHEREAS in terms of Section 9A (5) of the Customs Tariff (Amendment) Act, 1995, the anti-dumping duties imposed under this Section, 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, whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury. In this regard, Hon’ble Delhi High Court in Writ Petition No. 16893 of 2006 held that sunset review is mandatory. Therefore, pursuant to the above orders of the Hon’ble High Court, as also pursuant to an application filed by the Domestic Industry seeking continued imposition and enhancement of anti dumping duty, the Designated Authority, hereby, initiates Sunset Review in accordance with section 9A (5) of the Act read with Rule 23 of Antidumping Rules to examine whether cessation of the duty would lead to continuation or recurrence of dumping and injury.

Product under Consideration

3. The product under consideration in the present investigation is Sodium Hydroxide (chemical nomenclature NaOH), commonly known as Caustic Soda (referred to as caustic soda in the present investigation) originating in or exported from Saudi Arabia, Iran, Japan, USA and France. The product under consideration is the same as considered in the original investigation. Caustic soda is an inorganic, soapy, strongly alkaline and odorless chemical and finds application in various fields like manufacture of pulp and paper, newsprint, viscose yarn, staple fibre, aluminum, 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 by three technological processes, i.e., mercury cell process, diaphragm process and membrane process. The difference in these processes does not lead to a difference in product in terms of various characteristics. Caustic soda is classified under Chapter 28 of the Customs Tariff Act, 1975 under Customs Head 2815.11 and 2815.12. As per ITC eight digit classifications, the product is classified under the Customs Heading 2815.1110, 2815.1120 and 2815.1200. The classification is however, indicative only and is in no way binding on the scope of the present investigation.

Request for review and initiation

4. Alkali Manufactures Association of India has filed a petition under section 9A (5) of the Customs Tariff Act, 1975 as amended in 1995 read with Rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 requesting Sunset Review of anti dumping duties earlier imposed on imports of Caustic Soda from Saudi Arabia, Iran, Japan, USA and France. The petitioner has claimed with prima facie evidence that cessation of anti dumping duty imposed on subject goods from these countries is likely to lead to continuation or recurrence of dumping and injury and has requested for extension of duty already in place by another five years. Having satisfied itself on the basis of the positive evidence submitted by the domestic industry substantiating the need for a review, the Authority, hereby, initiates a review in accordance with Section 9 A (5) of the Act, read with Rule 23 of the Antidumping Rules, to review the need for continued imposition of duties in force and as to whether the expiry of the duties would be likely to lead to continuation or recurrence of dumping and injury.

Procedure

5. The investigation will determine whether the expiry of the measure would be likely to lead to continuation or recurrence of dumping and injury. The Authority will examine whether the continued imposition of the duties is necessary to offset dumping and whether the injury would be likely to continue or recur if the duties were removed or varied, or both:-

- (1) The review will cover all aspects of Notification No 69/2001 - Customs dated 26th June 2001, Notification No. 15/29/2004 dated 1st August 2006 and Notification No. 15/2/2010 dated 7th July 2011. The countries involved in this review investigation are Saudi Arabia, Iran, Japan, USA and France.

- (2) Although the petitioner has proposed Jan 2010-Dec 2010 as the Period of Investigation, the Authority has fixed the Period of Investigation as April 2010 to March 2011 (12 months) and for the purposes of Injury Determination, the periods April 2007-March 2008, April 2008-March 2009, April 2009- March 2010 and POI shall be considered.
- (3) The provisions of Rules 6,7,8,9,10,11,16,17,18,19 and 20 of the Rules supra shall be mutatis mutandis applicable in this review.

Submission of Information

6. The exporters in the subject countries, their Governments 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 and Allied Duties
Ministry of Commerce and Industry
Department of Commerce
Room No. 240, Udyog Bhavan New Delhi-110011

7. 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

8. 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 letter 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 Antidumping Rules.

Inspection of Public File

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

Sd/-

(Vijaylaxmi Joshi)
Designated Authority