

**F. No.6/39/2019-DGTR
Government of India
Ministry of Commerce & Industry
Department of Commerce
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building, 5, Parliament Street, New Delhi 110001**

Dated 21st August, 2020

NOTIFICATION

PRELIMINARY FINDINGS

(OI CASE No: 30/2019)

Subject: Preliminary Findings in the matter of anti-dumping investigation concerning imports of “Soda Ash” originating in or exported from Turkey and USA.

A. BACKGROUND OF THE CASE

No. 6/39/2019 -DGTR: Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also 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, as amended from time to time, (hereinafter also referred to as “the Rules” or “the AD Rules”) thereof:

Whereas, M/s DCW Ltd., M/s RSPL and M/s GHCL (hereinafter also referred to as “the Applicants” or “the Domestic Industry”) have filed an application before the Designated Authority (hereinafter also referred to as “the Authority”) in accordance with the Customs Tariff Act and the AD Rules for imposition of Anti-dumping duty on imports of “Soda Ash” (hereinafter also referred to as “subject goods” or “product under consideration” or “PUC”) originating in or exported from Turkey and USA (hereinafter also referred to as the “subject countries”).

And, whereas, the Authority, on the basis of sufficient evidence submitted by the Applicant, issued a public notice vide Notification No. 6/39/2019 - DGTR dated 22nd January, 2020, published in the Gazette of India, initiating the subject investigation in accordance with the AD Rules to determine existence, degree and effect of the alleged dumping of the subject goods, originating in or exported from the subject countries, and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the alleged injury to the Domestic Industry.

B. PROCEDURE

1. The procedure described herein below has been followed by the Authority with regard to the subject investigation:
 - a) The Authority notified the Embassies of the Subject Countries in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance with Sub-Rule (5) of Rule 5 supra.
 - b) The Authority issued a public notice dated 22nd January 2020 published in the Gazette of India Extraordinary, initiating anti-dumping investigation concerning imports of the subject goods from subject countries.
 - c) The Authority sent a copy of the initiation notification to the Embassies of the subject countries in India, known producers/exporters from the subject countries, known importers/users and the Domestic Industry as well as other domestic producers as per the addresses made available by the Applicant and requested them to make their views known in writing within the prescribed time limit.
 - d) The Authority provided a copy of the non-confidential version of the application to the known producers/exporters and to the Embassies of the subject countries in India in accordance with Rule 6(3) of the Rules supra.
 - e) The Embassies of the subject countries in India were also requested to advise the exporters/producers from their countries to respond to the questionnaire within the prescribed time limit. A copy of the letter and questionnaire sent to the producers/ exporters was also sent to them along with the names and addresses of the known producers/exporters from the subject countries.
 - f) The Authority sent questionnaires to the following known producers/exporters in the subject countries in accordance with Rule 6(4) of the AD Rules:
 - i. M/s FMC Industrial Chemicals
 - ii. M/s Solvay Soda Ash
 - iii. M/s General Chemicals Industrial Products
 - iv. M/s ANSAC
 - v. M/s FMC Corporation
 - vi. M/s Ciner Resources LP
 - vii. M/s Ciner Wyoming LLC
 - viii. M/s Ciner Resources Corporation
 - ix. M/s Eti Soda
 - x. M/s Soda Senayii
 - xi. M/s Kazan Soda Electric
 - g) Following exporters have filed questionnaire response from the subject countries:
 - i. Searles Valley Minerals Inc., USA
 - ii. M/s Tata Chemicals Soda Ash Partners ("TCSAP"), Producer, USA

- iii. M/s Tata Chemicals International Pte. Ltd. ("TCIPL"), USA along with its related importer M/s Tata Chemicals Ltd. ("TCL")
 - iv. ETI Soda Uretim Pazarlama Nakliyat Ve Elektrik Uretim Sanayi Ve Ticaret A.S., Turkey
 - v. Kazan Soda Elektrik Uretim A.S, Turkey
 - vi. Ciner IC Ve Dis Ticaret A.S. (CIDT), Turkey
 - vii. Soda Sanayii A.S., Turkey its related exporter Sisecam Dis Ticaret A.S.
- h) The Authority sent Importer's Questionnaire to the following known importers/users of subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules:
- i. M/s Gujarat Guardian Ltd.
 - ii. M/s Advance Surfactant India Ltd.
 - iii. M/s Float Glass India Ltd.
 - iv. M/s A.R. Stanchem Pvt. Ltd.
 - v. M/s Alenbic Glass Industries Ltd.
 - vi. M/s Hind Silicates Pvt. Ltd.
 - vii. M/s Deepak Nitrite Ltd.
 - viii. M/s Taurus Chemical (P) Ltd.
 - ix. M/s Hindustan National Glass & ind. Ltd.
 - x. M/s Kishoresons Detergents Pvt. Ltd.
 - xi. M/s Hindustan Unilever Ltd.
 - xii. M/s J.J. Patel Industries
 - xiii. M/s Procter & Gamble Hygiene & Healthcare
 - xiv. M/s Shriram Bharath Chemical & Detergents Pvt. Ltd.
 - xv. M/s Albright Morarji & Pandit Ltd.
 - xvi. M/s Modern Glass Industries
 - xvii. M/s Advatech Industries Pvt. Ltd.
 - xviii. M/s Adarsh Kanch Udyog (P) Ltd.
 - xix. U.P. Glass Manufacture Syndicate
 - xx. M/s Paragati Glass Pvt. Ltd.
 - xxi. M/s Asahi India Glass Limited
 - xxii. M/s Gora Malhari Ram Ltd.
 - xxiii. M/s Fena (P) Ltd.
 - xxiv. M/s Rohit Surfactants (P) Ltd.
 - xxv. M/s Shree Unicon Organics P. Ltd.
 - xxvi. M/s Astral Glass Pvt. Ltd.
 - xxvii. M/s Pollachi Chamber of Commerce and Industry
 - xxviii. M/s BDJ Glass Industries Pvt. Ltd.
 - xxix. M/s Vasunhara Rasayan Ltd.
 - xxx. M/s Shri Hari Industries
 - xxxi. M/s Power Soap Ltd.
 - xxxii. M/s Hindustan National Glass & Industries
 - xxxiii. M/s Shanti Nath Detergents (P) Ltd.

- xxxiv. M/s Jagatjit Industries Ltd.
- xxxv. M/s Advance Home & Personal Care
- xxxvi. M/s S. Kumar Detergents P. Ltd.
- xxxvii. M/s Mauli Exports

- i) The Authority also informed the following Associations in India, in accordance with Rule 6(4) of the Rules:
 - i. Detergent Manufacturers Association
 - ii. Indian Chemical Merchants & Manufacturers
 - iii. Bulk Drug Manufacturers Association (India)
 - iv. Indian Glass Manufacturers' Association
 - v. The Dyes & Chemical Merchants Association
 - vi. The Federation of All India Dyes & Chemicals Merchants Association
- j) The Authority, upon request, granted extension, to file Questionnaire Responses by 20.03.2020.
- k) Following imports/users have filed questionnaire responses:
 - M/s Saint Gobain India Pvt. Limited
 - M/s Hindustan Unilever Ltd. India
 - M/s Tata Chemicals Ltd.
- l) The Authority made available non-confidential version of the evidence presented / submissions made in the form of a public file kept open for inspection by the interested parties.
- m) Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to provide the transaction-wise details of imports of subject goods for the past three years, and the period of investigation, which was received by the Authority. The Authority has, relied upon the DGCI&S data for computation of the volume of imports and its analysis after due examination of the transactions.
- n) The Non-Injurious Price (NIP) has been determined based on the cost of production and cost to make & sell the subject goods in India based on the information furnished by the Domestic Industry on the basis of Generally Accepted Accounting Principles (GAAP) and Annexure III to the Anti-Dumping Rules so as to ascertain whether Anti-Dumping duty lower than the dumping margin would be sufficient to remove injury to the Domestic Industry.
- o) Verification of the information provided by Applicant Domestic Industry by way of table study, to the extent deemed necessary, was carried out by the Authority. Only such verified information with necessary rectification, wherever applicable, has been relied upon for the purpose of preliminary findings.
- p) The Period of Investigation for the purpose of the present investigation is from 1st April, 2019 to 31st December, 2019 (9 Months). The injury investigation

period has however, been considered as the period from April 2016 - March 2017, April 2017 - March 2018, April 2017 - March 2018, and the POI.

- q) The submissions made by the interested parties during the course of this investigation, to the extent supported with evidence and considered relevant to the present investigation, have been appropriately considered by the Authority, in this preliminary finding.
- r) Information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted and such information has been considered as confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.
- s) Wherever an interested party has refused access to, or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the preliminary findings on the basis of the facts available.
- t) '****' in this preliminary finding represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- u) The exchange rate adopted by the Authority for the subject investigation is US\$1 = ₹71.24.

C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

C.1. Submissions made by the Domestic Industry

- 2. The submissions made by the Domestic Industry with regard to product under consideration and like article and considered relevant by the Authority are as follows:
 - a) The product under consideration is Disodium Carbonate, popularly known as Soda Ash, having chemical formula Na_2CO_3 . Soda Ash is a white, crystalline, water-soluble material. It has been referred as "soda Ash" in this petition. 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 either natural soda ash or synthetic soda ash, both products are essentially the same. In the present investigation all types and form of Soda Ash have been included i.e. soda ash produced through natural route and synthetic route.
 - b) 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.

- c) Synthetic soda ash is manufactured using the Solvay, Hou, or ammonia-soda process. The production process in Turkey, of natural Soda ash is solution mining of Trona. The Trona mine is extracted to the surface by solution mining. Another production process employed in USA is the room and pillar method, where Trona is mined and conveyed to the surface to be refined into dense soda ash
- d) The product under consideration is imported under Chapter 28 of the Customs Tariff Act, 1975, under customs sub-heading 2836.20. The customs classification is indicative only and is not binding on the scope of the product under consideration.
- e) There is no difference in product produced by the Applicant and exported from the subject countries.

C.2. Submissions made by Other Interested Parties

- 3. No submissions have been made by other interested parties with regard to product under consideration.

C.3. Examination by the Authority

- 4. The product under consideration (PUC) in the present investigation is Disodium Carbonate, popularly known as Soda Ash, having chemical formula Na_2CO_3 . Soda Ash is produced in two forms - Light Soda Ash and Dense Soda Ash. The difference in the two types is bulk density. It can be produced through synthetic route, known as dissolution process, and natural route. The present investigation includes all types and forms of Soda Ash.
- 5. Soda ash is used in the manufacture of detergents, soaps, cleaning compounds, sodium based chemicals, float glass, container and specialty glasses, silicates and other industrial chemicals.
- 6. Subject goods are classifiable under Chapter 28 of the Customs Tariff Act, 1975, under customs sub-heading 2836.20. However, the customs classification is indicative only and is not binding on the scope of the product under consideration.
- 7. The Authority notes from the information available on record that the product under consideration produced by the domestic industry is like article to the goods imported from the subject countries. Product under consideration produced by the domestic industry and imported from the subject countries are comparable in terms of physical & chemical properties, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Even though there are different manufacturing process/technologies involved for production of the subject goods i.e. solution mining of Trona in Turkey; room and pillar method in USA; and Solvay, Hou, or ammonia-soda process for synthetic soda ash, the end product has comparable specifications and is used interchangeably. The Authority further notes that the imported

and the domestically sold products are technically and commercially substitutable, and the consumers are using the two interchangeably.

D. SCOPE OF DOMESTIC INDUSTRY & STANDING

D.1. Submissions made by the Domestic Industry

8. The submissions made by the Domestic Industry with regard to scope of Domestic Industry & standing are as follows:
 - a) The Applicants, M/s. DCW Ltd, M/s. RSPL and M/s. GHCL, are the producers of the subject goods in India. There are three other producers of the subject goods, other than the Applicants, i.e. M/s. Tata Chemicals Ltd. (TCL), M/s. Nirma Limited, and M/s. Tuticorin Alkali Chemicals and Fertilisers Ltd. (TAC). M/s. Tata chemicals has exported subject goods to India, and M/s. Nirma Limited has a related producer in USA and has also exported the subject goods; and are thus, ineligible to constitute domestic industry under the Anti-Dumping Rules.
 - b) The Applicants have not imported the product under consideration from the subject countries, and are also not related to any importer in India or any exporter from the subject countries.
 - c) The Applicants hold a major proportion of total Indian production. Accordingly, the Application clearly satisfies the requirement of standing and thus, the applicants constitutes 'Domestic Industry' in India for the product concerned in terms of Rule 2(b) read with Rule 5(3) of the AD Rules.

D.2. Submission of other interested parties

9. Petitioners cannot themselves determine which producer would be excluded or included in term of Rule 2(b). The authority to define "domestic industry" lies with the Designated Authority.
10. Petitioners have not provided their share of production after taking into account the production of excluded producers in total Indian production.

D.3. Examination by the Authority

11. The application has been filed by M/s. DCW Ltd, M/s. RSPL and M/s. GHCL Ltd. The Applicants have informed that currently there are three other producers of the product under consideration in India, namely, M/s. Tata Chemicals Ltd. (TCL), M/s. Nirma Limited, and M/s. Tuticorin Alkali Chemicals and Fertilisers Ltd. (TAC).
12. After filing of the application, letters were filed by M/s. Tata Chemicals Ltd. (TCL) and M/s. Nirma Limited supporting the application. They have also provided details of exports made by their affiliate parties in USA to India. It is seen that exports made by

the affiliate company of Tata Chemicals, i.e., M/s Tata Chemicals North America is quite significant in relation to total imports from USA, similarly exports made by the affiliate company of Nirma Ltd, i.e., Searles Valley Minerals Inc. is also quite significant in relation to total exports from USA. Both these US companies have filed questionnaire response, demanding determination of individual dumping margin. It is seen that exports made by the affiliate parties is significant. The Authority notes the submission made by other interested party and notes that analysis of questionnaire response shows that exports made by these companies are at dumped prices. Therefore Tata Chemicals and Nirma Ltd are treated as ineligible domestic industry of subject goods in India.

13. The production of the applicants including and excluding ineligible producers has been determined. It is seen that the production of the applicant companies constitutes a major proportion in total Indian production in both the situation. It is also noted that the Applicants have not imported the product under consideration and are not related to any importer in India or any exporter from the subject countries.
14. Accordingly, the Authority provisionally holds that for the purpose of this investigation the Applicants satisfies the standing requirement and constitute the Domestic Industry in terms of Rule 2(b) and Rule 5(3) of the AD Rules.

E. NORMAL VALUE, EXPORT PRICE & DETERMINATION OF DUMPING MARGIN

E.1. Submissions by the Domestic Industry

15. The following submissions have been made by the Domestic Industry:
 - a) Efforts were made to get evidence of the price of subject goods in Turkey and USA, however, domestic industry were unable to get any information/evidence of price of subject goods in the form of actual transaction prices. Applicants, therefore, have relied on prices published in HIS Markit: Global Soda Ash Monthly Issues for April-November 2019, to determine price meant for consumption of the product prevailing in the subject countries.
 - b) Export price from the subject countries has been adjusted for the following expenses, which the exporters from the subject countries have incurred for exporting to India, i.e. Ocean Freight, Marine Insurance, Commission, Inland Transportation, Bank Charges and Port Expenses.
 - c) Considering the normal value and export price, dumping margin has been determined. The dumping margins so determined from the subject countries are above de minimis levels and significant.

E.2. Submissions by the other interested parties

16. POI is April 2019 to December 2019, however, the data relied on with respect to normal value and export price to initiate the present investigation upto November 2019. No details provided as to what basis these prices were arrived at and confidentiality has been claimed on the IHS Markit. It is not clear if the updated data provided by the Petitioners up to December 2019 relies on the same source or some other source.
17. Ex-factory export price for Turkey and USA is grossly understated. HUL has determined ex-factory export price based on its import price and using the adjustment claimed by the petitioners and traders' margin as per market intelligence. Export price is in the region of 220-240 USD/MT for Turkey and USD/MT200-220 for USA.

E.3. Examination by the Authority

18. Under section 9A (1) (c), normal value in relation to an article means:
 - i. *The comparable price, in the ordinary course of trade, for the like article, when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6), or*
 - ii. *When there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either:*
 - a. *comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or*
 - b. *the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6);*
19. The Authority has sent questionnaires to the known producers/exporters from the subject countries, advising them to provide information in the form and manner prescribed by the Authority.
20. Following foreign producers have filed questionnaire response
 - a. Searles Valley Minerals Inc., USA
 - b. Tata Chemicals Soda Ash Partners ("TCSAP"), Producer, USA
 - c. M/s Tata Chemicals International Pte. Ltd. ("TCIPL"), USA
 - d. ETI Soda Uretim Pazarlama Nakliyat Ve Elektrik Uretim Sanayi Ve Ticaret A.S., Turkey
 - e. Kazan Soda Elektrik Uretim A.S, Turkey

- f. Ciner IC Ve Dis Ticaret A.S. (CIDT), Turkey
- g. Soda Sanayii A.S., Turkey

21. The Authority notes the submission of interested parties and has evaluated the dumping margin and injury margin on the basis of response filed by the producer/exporter.

Determination of Normal Value and Ex-factory Export Price for producers/exporters of USA

Searles Valley Minerals Inc., USA and Tata Chemicals Soda Ash Partners ("TCSAP")

E.3.1 Determination of Normal Value

22. To determine the normal value, the Authority conducted the ordinary course of trade test to determine profit making domestic sales transactions with reference to cost of production and SGA expenses concerning the product under consideration. Where profit making transactions are more than 80%, the Authority considered all the transactions in the domestic market for the determination of the normal value and in case, profitable transactions are less than 80%, only profitable domestic sales are taken into consideration for the determination of normal value.

Searles Valley Minerals Inc., USA

23. From the response filed by Searles Valley Minerals Inc. the Authority notes that the company has made direct sales of the product under consideration in the domestic market during the POI.
24. Further, it is seen that the company has sold material in the domestic and Indian market both directly and through affiliated companies. However, the exporter has not provided any justification and evidence as to how these sales to affiliated parties are in the ordinary course of trade. Considering that the exporter has not established how the sales to affiliated are in the ordinary course of the trade, the Authority has ignored sales made by the company to its affiliated company, provisionally, pending further determination. Subject to the above, the Authority has considered and adopted the questionnaire response filed by both the producers from USA. Based on the ordinary course of trade test, profitable domestic sales to unrelated customers have been taken for determination of normal value, wherever the profitable sales were less than 80%. Wherever profitable sales were above 80%, normal value has been determined based on total domestic sales. Price adjustments have been allowed, as claimed, and pending further determination. Accordingly, normal value has been determined at ex-factory level, as *** \$/MT.

M/s Tata Chemicals Soda Ash Partners ("TCSAP"), Producer, M/s Tata Chemicals International Pte. Ltd. ("TCIPL") and M/s Tata Chemicals Ltd. ("TCL")

25. The producer/exporter has sold *** MT of subject goods in their domestic market during POI which include *** MT to unaffiliated customers, and *** MT to affiliated and *** MT to ALCAD, partnership, a related trader (who sold it further to end customer/users). The Authority notes that since there is an appreciable price difference to independent and related entities, and that the exporter has not established that sales to related buyer in home market in the ordinary course of trade, for the purpose of preliminary finding, the Authority proposes to consider sales to independent customers only. Price adjustments have been allowed, as claimed, and pending further determination. The 'normal value' after applying significant and OCT test comes to *** \$/MT.

All other Producers/Exporters from USA

26. In respect of all other producers/exporters from USA who are treated to be non-cooperative, the Authority has determined normal value as per facts available in terms of Rule 6(8) of the AD Rules. The questionnaire response filed by the US producers have been considered for the purpose. The highest normal value in the domestic market has been adopted.

E.3.2 Export Price

Searles Valley Minerals Inc., USA

27. From the response filed by Searles Valley Minerals Inc., USA, the Authority notes that Searles Valley Minerals Inc. is a producer as well as exporter of the subject goods. During the POI, Searles Valley Minerals Inc., USA has exported subject goods to an extent of *** MT to India directly. Adjustments towards inland freight, credit cost, handling expenses, commission, insurance, overseas freight and foreign exchange loss have been claimed by the producer/exporter. Adjustments towards inland freight, credit cost, handling expenses, commission, insurance and overseas freight have been allowed by the Authority. Accordingly, the net export price determined for exports to India has been determined as USD *** per MT. The landed value is computed as *** \$/MT.

M/s Tata Chemicals Soda Ash Partners ("TCSAP"), Producer, M/s Tata Chemicals International Pte. Ltd. ("TCIPL") and its related importer M/s Tata Chemicals Ltd. ("TCL")

28. M/s Tata Chemicals Soda Ash Partners ("TCSAP"), USA, the producer have exported *** MT which includes *** MT to India through its related exporter to M/s Tata Chemicals International Pte. Ltd. ("TCIPL"), Singapore and also *** MT directly to M/s Tata Chemicals Ltd. ("TCL") a related importer in India during POI. The ex-factory export price of *** \$/MT of subject goods to India in POI has been considered after considering adjustments on freight and delivery charges. The landed value is evaluated as *** \$/MT.

Export Price for non-cooperating producers/exporters from USA

29. The Authority has determined the export price for non-cooperating producers/ exporters from USA based on facts available, for which the questionnaire responses filed by the producers from USA have been considered. The lowest selling price for exports to India has been considered.

Determination of Normal Value and Ex-factory Export Price for producers/exporters of Turkey

ETI Soda Uretim Pazarlama Nakliyat Ve Elektrik Uretim Sanayi Ve Ticaret A.S. and Kazan Soda Elektrik Uretim A.S. – The Ciner Group

a) ETI Soda Uretim Pazarlama Nakliyat Ve Elektrik Uretim Sanayi Ve Ticaret A.S. (ETI Soda in short)

30. The producer is from Ciner Group of Companies and produces Natural Soda Ash and had produced and sold Dense Soda Ash only as claimed by the Company. ETI Soda has produced *** MT of PUC during the POI. The Company had sold *** MT of the PUC directly to independent customers and *** MT to its related companies in the domestic market. Out of the related companies, only one of its related companies namely Ciner IC Ve Dis Ticaret A.S. (CIDT) had sold *** MT of PUC to independent customers in the domestic market. The Authority notes there is quite a difference between the domestic selling price to related and non related entities and that the exporter has not established that sales to related buyer in home market in the ordinary course of trade. Therefore, for the purpose of preliminary finding, for computing the normal value, the direct sales of ETI to independent customers (*** MT) is only taken into consideration.
31. The Exporters Questionnaire Responses filed by ETI Soda and CIDT have been examined. The domestic sales of the subject goods by ETI Soda in their domestic market is representative and viable for permitting determination of normal value on the basis of their domestic selling prices. The ordinary course of trade test is also undertaken on the transaction wise domestic price data and cost data provided by ETI. The normal value so determined is US\$ *** per MT for the POI.

b) Kazan Soda Elektrik Uretim A.S (Kazan in short)

32. The above producer is also from the Ciner Group of Companies and produces Natural Soda Ash and had produced and sold Soda Ash Dense only as claimed by the Company. Kazan Soda Elektrik Uretim A.S had produced *** MT of PUC during the POI. The Company had sold *** MT of PUC in the domestic market directly to independent customers. The Company had also sold *** MT of PUC in the domestic market to its related companies out of which one of its related Company namely Ciner IC Ve Dis Ticaret A.S. (CIDT) had sold *** MT to independent customers in the domestic market. For the purpose of normal value only the direct sales of Kazan to independent customers (*** MT) has been considered keeping in view that selling price of the producer to

related and non related has an appreciable difference and that the exporter has not established that sales to related buyer in home market in the ordinary course of trade.

33. The Exporters Questionnaire Responses filed by Kazan and CIDT have been examined. The domestic sales of the subject goods by Kazan in their domestic market is representative and viable for permitting determination of normal value on the basis of their domestic selling prices. The ordinary course of trade test is also undertaken on the transaction wise domestic price data and cost data provided by Kazan. The normal value so determined is US\$ *** per MT for the POI.

c) Soda Sanayii A.S. – The Sisecamgroup

34. The producer is from Sisecamgroup of companies and produces Synthetic Soda Ash and had produced and sold both Soda Ash Dense and Soda Ash Light. Soda Sanayii has produced *** MT of PUC during the POI. The Company had sold *** MT of PUC in the domestic market directly to independent customers and *** MT of PUC in the domestic market to its related companies who had consumed it as raw material without any resale. It is also noted that the Company had imported *** MT of Soda Ash from its related company in Bulgaria and Bosnia and such imported volume is also covered in the total domestic sale of *** MT. The Company claimed that since these materials are not originating in Turkey, normal value need to be calculated based on the own manufactured goods without considering the sale of imported material. The Company has further claimed that since they had sold only Soda Ash Dense to India, the sales of only Soda Ash Dense in domestic market need to be considered for calculation of normal value. The Authority notes that the producer has claimed only one cost for both dense and light grades which also includes the soda ash imported and then sold in the domestic market. There is no evidence and justification to restrict the analysis only to Dense Soda Ash only when the exporter has himself provided a consolidated cost for dense, light and imported goods in appendix 8. Hence, for the purpose of normal value, the direct sales of subject goods sold to independent customers of both grades i.e. Soda Ash Dense and light (*** MT) including that is imported is taken in to consideration.
35. The Exporters Questionnaire Responses filed by the Company have been examined. The domestic sales of the subject goods by the producer in their domestic market is representative and viable for permitting determination of normal value on the basis of their domestic selling prices. The ordinary course of trade test is also undertaken on the transaction wise domestic price data and cost data provided by the producer. The normal value so determined is US\$ *** per MT for the POI.

Export Price

ETI Soda Uretim Pazarlama Nakliyat Ve Elektrik Uretim Sanayi Ve Ticaret A.S. and Kazan Soda Elektrik Uretim A.S. – The Ciner Group

a) ETI Soda Uretim Pazarlama Nakliyat Ve Elektrik Uretim Sanayi Ve Ticaret A.S.

36. The Company had exported *** MT of subject goods to India directly during the POI. All these sales were at FOB terms. The company has submitted adjustments on account of inland freight and port handling expenses and the same is accepted to work out the ex-factory export price. The net export price determined for the Company so comes to US\$ *** per MT for the POI. The landed value is computed as *** USD/MT for the POI.

b) Kazan Soda Elektrik Uretim A.S

37. The Company had exported *** MT of subject goods to India through CIDT during the POI. All these sales were at FOB terms. The company has submitted adjustments on account of inland freight and port handling expenses and the same is accepted to evaluate the ex-factory export price. The net export price for the Company comes to US\$ *** per MT for the POI. The landed value is computed as *** \$/MT for the POI. The authority has not considered the sale of through the related company for the purpose of preliminary finding.

c) Soda Sanayii A.S.

38. The Company had exported *** MT of subject goods to India directly and *** MT through its related exporter namely Sisecam Dis Ticaret A.S. during the POI who have also filed the Exporters Questionnaire Response. The Company has submitted adjustments on account of inland freight, port handling expense, ocean freight, Marine insurance, commission (in case of sales through related party) and the same is accepted to evaluate the ex-factory export price which comes to US\$ *** per MT for the POI. The landed value is computed as *** \$/MT for the POI.

E.3.3 Dumping Margin

39. Considering the normal value as provided above, and export price as determined, the authority has determined the dumping margins during the POI for all the producers-exporters of the subject countries.

Sl. No	Name of the Producer Company	Normal Value (US\$/MT)	Net Export Price (US\$/MT)	Dumping Margin (US\$/MT)	Dumping Margin (%)	Dumping Margin Range (%)
A.	Turkey					
1	a)ETI Soda Uretim Pazarlama Nakliyat Ve Elektrik Uretim	***	***	***	***	10-20

	Sanayi Ve Ticaret A.S.					
	b)Kazan Soda Elektrik Uretim A.S	***	***	***	***	20-30
	Weighted Average of Ciner Group	***	***	***	***	10-20
2	Soda Sanayii A.S.	***	***	***	***	0-10
3	Any other producer/exporter	***	***	***	***	10-20
B.	USA	***	***	***	***	
4	Searles Valley Minerals Inc.	***	***	***	***	20-30
5	Tata Chemicals Soda Ash Partners ("TCSAP")	***	***	***	***	20-30
6	Any other producer/exporter	***	***	***	***	30-40

40. It is seen that the dumping margins are significant and more than the de-minimus in respect of exports made from each of the subject countries.

F. INJURY ASSESSMENT AND CAUSAL LINK

F.1. Submissions made by the Domestic Industry

41. The submissions made by Domestic Industry are as follows:

- a. PUC is sold in two forms i.e. light and dense. Imports are largely in dense form which is predominantly used by the glass sector. Thus, adverse impact of imports on the domestic industry would be seen in the glass manufacturing sector.
- b. The demand/apparent consumption of the subject goods increased over the proposed injury period.
- c. The volume of imports from subject countries have increased significantly both in absolute and relative terms. Post-cessation of duty, there has been an exponential rise in imports from the subject countries. Imports from subject countries has increased from base year to the POI. Imports in relation to production and consumption (excluding captive) has also increased significantly.

- d. Evolution of prices over the injury period, of the subject countries, EU, Kenya, other major countries and remaining countries, shows that landed price from the subject countries is now lower than all other major countries including Kenya and EU.
- e. Import prices from the subject countries have been significantly below the selling prices of the domestic industry, thus resulting in significant price undercutting. Determination price undercutting on the basis of net sales realisation (NSR) after excluding freight & discount is inconsistent with application proforma, business reality and the purpose of determining price undercutting. Price undercutting should be determined based on selling price and not NSR.
- f. Despite increase in cost of sales and selling price, the increase in selling price was earlier higher than the increase in cost of sales so long as the ADD was in place. However, in recent period prices are falling steeply. Price list of one of the applicant companies shows that even the list prices have declined significantly.
- g. As imports have increased in a short span hence, quarterly analysis has been done. Cost of sales have increased and selling price is declining since Q1 2019-20. Rate of increase of cost of sales is much higher than rate of increase in landed price. Landed price of imports from the subject countries, are below the level of selling price of the domestic industry. Imports are thus suppressing and depressing the prices of the domestic industry consequently adversely impacting the profitability. Imports are largely in dense form, thus imports are mostly competing in the consumer segment of dense soda ash i.e. glass manufacturing industry.
- h. Production and sales of the domestic industry has increased over the injury period with increase in demand and capacity enhanced. However, production and sales of the domestic industry is lower than what it could have been in the absence of dumped imports, which have increased significantly. Quarterly movement would show that despite increase in demand, the domestic sales have declined. Despite increase in demand, inventories have increased.
- i. There is a significant increase in the market share of subject imports in the POI by 254% from base year. Share of domestic industry has increased however, share of domestic producers as a whole declined.
- j. Domestic industry's profitability improved upto 2018-19, and declined in the proposed POI. The applicants submitted that as imports are largely used in glass sector; hence, profitability of the domestic industry has declined more in glass than in non-glass sector.
- k. Return of investment (ROI) has progressively declined over the injury period, and has declined significantly in the POI when compared to the base year.
- l. The level of inventories with the domestic industry have increased over the injury period. In a scenario of increasing demand, inventories should have increased, however, it has increased not just with DI but with other domestic producers as well.
- m. The number of employees and wages, considering increase in capacity have also increased. However, the applicants submitted that the same is not solely dependent on performance of subject goods, rather governed by legislative requirements of the country and various business compulsions with the industry.

- n. The growth of domestic Industry was positive in terms of production, domestic sales. However, the growth in terms of inventories, profits, cash profits and return on investment was negative in the POI.

F.2. Submission by other interested parties

42. There is only minor increase in import volumes in relative terms. The market share has increased. Capacity, production and sales quantity of the domestic industry has also increased. Any impact on capacity utilization during the POI is because of the recent increase in capacity by the domestic industry as is also evinced from a decrease in captive consumption
43. Freight outwards have been included in net sales realization, which is against the Rule. In case the authority chooses to consider the sales price at the factory gate of the customer then landed price should also be adjusted appropriately to ensure a fair comparison between prices
44. Increase in selling price is less as compared to the costs even when increase in landed price is more than the increase in cost of sales. Thus, alleged price undercutting has not impacted the selling price and thus, is not causing a price suppression/depression.
45. NIP based on alleged injury margin is in the range of INR 22,048 per MT to INR 22,741 per MT. Import price of HUL, as per the questionnaire response filed, is far above this.
46. Revenue and EBIT – domestic sales has improved substantially over past few years as is also evidenced from the annual reports of the petitioning companies.
47. Injury if any, is self-inflicted and caused by factors such as the Petitioners' undertaking loans, investments, capacity enhancement and R&D activities as evidenced from Annual reports.
48. More than 20% of the total demand of the country is required to be met by imported material, the same further can be corroborated from the recent IHS publication, Jan 2020. Thus, no volume effect can be attributed to imports.
49. Price-undercutting should be provided for injury period including POI and will be relevant to determine any causal link between the alleged price-undercutting and alleged injury.
50. There is no threat of material injury. The percentage share of exports of the subject goods to India from USA and Turkey is minimal. Export prices from Turkey into other countries shows that India export prices from Turkey are in fact on the higher side. No evidence on inventories of the subject goods provided

F.3. Examination by the Authority

51. The Authority has taken note of the submissions made by the interested parties and has examined various parameters in accordance with the relevant Anti-Dumping Rules and Annexure III after duly considering the submissions made.

Cumulative Assessment

52. Para (iii) of Annexure II of the Anti-Dumping Rules provides that in case where imports of a product from more than one country are being simultaneously subjected to anti-dumping investigation, the Authority will cumulatively assess the effect of such imports, in case it determines that:

- a) Margin of dumping established in relation to the imports from each country is more than two percent expressed as percentage of export price and the volume of imports from each country is three percent (or more) of the import of like article or where the import of individual countries is less than three percent, the imports collectively account for more than seven percent of the import of like article; and
- b) Cumulative assessment of the effect of imports is appropriate in the light of the conditions of competition between the imported article and the like domestic articles.

53. The Authority notes that:

- a) The subject goods are being dumped into India from subject countries. The margin of dumping from each of the subject countries is more than the de minimis limits prescribed under the Rules.
- b) The volume of imports from each of the subject countries is individually more than 3% of total volume of imports.
- c) Cumulative assessment of the effect of imports is appropriate as the exports from the subject countries not only directly compete inter se but also with the like article offered by the Domestic Industry in the Indian market.

54. In view of the above, the Authority considers that it is appropriate to assess injury to the Domestic Industry cumulatively from imports of the subject goods from the subject countries.

55. Rule 11 of Antidumping Rules read with Annexure II provides that an injury determination shall involve examination of factors that may indicate injury to the Domestic Industry, *taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles.*

56. In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the Domestic Industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, inventory, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Anti-Dumping Rules.

57. The submissions made by interested parties with regard to injury and causal link, which have been considered relevant by the Authority are examined and addressed as under.

F.4. Volume Effect of Dumped Imports on the Domestic Industry

(a) Assessment of Demand/Apparent Consumption

58. Demand or apparent consumption of the product in India has been determined as the sum of domestic sales of the Indian Producers and imports from all sources. It is seen that the demand so assessed has shown an increasing trend throughout the injury period.

Demand	Unit	2016-17	2017-18	2018-19	POI	
					Actual	annualised
Sales of Domestic Industry	MT	8,15,013	9,28,870	9,66,628	8,55,676	11,40,902
Sales of Other Indian Industry	MT	***	***	***	***	***
Subject countries-Imports	MT	1,41,096	2,41,324	3,30,506	4,12,910	5,50,546
Other Countries with more than 3% share	MT	5,47,764	5,31,297	5,06,488	2,77,320	3,69,760
Demand/consumption	MT	***	***	***	***	***
Index		100	109	115	89	119

(b) Import Volumes from the subject countries

59. With regard to the volume of dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports from the subject countries, either in absolute terms or relative to production or consumption in India. The factual position is as follows;

Import Volume	Unit	2016-17	2017-18	2018-19	POI	
					Actual	annualised

Subject Countries	MT	141,096	241,324	330,506	412,910	550,546
Index		100	171	234	293	390
Subject country-Turkey	MT	15,190	92,251	209,998	178,956	238,607
Subject country-USA	MT	125,906	149,073	120,508	233,954	311,939
Countries with more than 3% Share	MT	380,814	403,379	385,423	226,974	302,633
Other Countries	MT	166,950	127,919	121,065	50,346	67,128
Total	MT	688,860	772,622	836,994	690,230	920,306

60. It is seen that dumped imports from subject countries have increased significantly over the injury period with significant increase in the POI. It is seen that the imports in POI have increased by as much as 290% from the base year and by 156% from the previous year. Domestic industry has submitted that the imports have increased significantly after cessation of anti-dumping duties which was earlier levied on the import of subject goods from the subject countries.

(c) Subject Countries Imports in relative terms

61. It is seen that the dumped imports in relation to production and consumption increased from 5.40% and 4.53% in the base year to 17.41% and 14.89% respectively, in the POI. Thus, the Authority notes that imports in relation to production and demand, have increased significantly over the injury period. In relation to imports, subject countries imports increased from about 20% in base year to about 60% in the POI.

	Unit	2016-17	2017-18	2018-19	POI	
					Actual	annualised
Production	%	5.40	8.20	10.87	17.41	17.41
Consumption	%	4.53	7.14	9.24	14.89	14.89
Gross imports	%	20.48	31.23	39.49	59.82	59.82

F.5. Price Effect of Dumped Imports on the Domestic Industry

62. With regard to the effect of the dumped imports on prices, it is required to be analyzed whether there has been a significant price undercutting by the dumped imports as compared to the price of the like products in India, or whether the effect of such imports is otherwise to depress prices or prevent price increases, which otherwise would have occurred in the normal course. The impact on the prices of the Domestic Industry on account of the dumped imports from the subject countries has been examined with reference to price undercutting, price suppression and price depression, if any. For the purpose of this analysis, the cost of production, net sales realisation, selling price and the non-injurious price (NIP) of the Domestic Industry have been compared with landed price of imports of the subject goods from the subject countries.

(a) Price Undercutting

63. For the purpose of price undercutting analysis, the selling price of the Domestic Industry has been compared with the landed value of imports from the subject countries. It has been contended by the domestic industry that transportation cost forms a very substantial portion of the cost of production in case of subject goods, as (a) the domestic industry is located in the State of Gujarat and the sales have to be made throughout India and (b) given the price of the product, freight cost forms a significant part in the procurement cost of the consumers. The domestic industry has thus contended that the selling price of the domestic industry should be compared with the landed price of imports only after adding the transportation costs. It is seen that the subject goods are a comparatively lower price product. Thus, the incidence of transportation cost per MT is substantial when compared with the selling price of the product and is likely to impact the price comparability. The Authority considering this claim has determined price undercutting, both, by including freight and excluding freight. However, at this stage, and pending further investigation, the Authority has considered the price undercutting without adding freight.

Price undercutting without freight

Particulars	Unit	USA	Turkey
Landed value	Rs. /MT	19,172	18,192
Net sales realization without freight	Rs. /MT	***	***
Price undercutting	Rs. /MT	***	***
Price undercutting	%	***	***
Price undercutting (Range)	%	0-10	10-20

64. It is seen that the import prices from the subject countries have been significantly below the selling price of the domestic industry, thus undercutting the domestic prices.

(b) Price Suppression and Depression

65. In order to determine whether the dumped imports are suppressing or depressing the domestic prices, changes in the costs and prices over the injury period have been compared. The factual position is as follows :

Particulars	Unit	2016-17	2017-18	2018-19	POI
Cost of sales	Rs./MT	***	***	***	***
Index		100	103	110	120
Selling price	Rs./MT	***	***	***	***
Index		100	101	111	111
Landed price of imports-USA	Rs./MT	14,185	13,805	18,067	19,172
Index		100	97	127	135
Landed price of imports-Turkey	Rs./MT	15,538	14,539	16,270	18,192
Index		100	94	105	117
Landed price of imports-Total	Rs./MT	14,331	14,086	16,925	18,747

Index		100	98	118	131
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66. It is seen that both cost of sales and selling price increased over the injury period. However, whereas the cost of sales continue to increase in the POI, selling price has increased only very marginal. While cost of sales increased by 10 basis points in the POI as compared to preceding year, the selling price was almost constant. At the same time, though the landed value of imports from subject countries has increased, but it is less than the domestic selling price, thereby, preventing the Domestic Industry to increase its selling price.

F.6. Economic Parameters of the Domestic Industry

67. Annexure II to the Anti-Dumping Rules requires that the determination of injury shall involve an objective examination of the consequent impact of dumped imports on domestic producers of such products. With regard to consequent impact of dumped imports on domestic producers of such products, the Anti-dumping Rules further provide that the examination of the impact of the dumped imports on the Domestic Industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. The Authority has examined the injury parameters objectively taking into account various facts and submissions made.

(a) Production, Capacity, Sales and Capacity Utilization

68. Capacity, production, sales and capacity utilization of the Domestic Industry over the injury period is given in the following table: -

Particulars	Unit	2016-17	2017-18	2018-19	POI	POI(A)
Capacity	MT	9,47,096	10,58,500	11,24,750	11,44,500	15,26,000
Indexed		100	112	119	161	161
Production	MT	8,78,326	10,19,514	10,71,986	9,37,514	12,50,019
Indexed		100	116	122	142	142
Capacity Utilization	%	93%	96%	95%	82%	82%
Indexed		100	104	103	88	88
Domestic Sales	MT	8,15,013	9,28,870	9,66,628	8,55,676	11,40,902
Indexed		100	114	119	140	140

69. It is seen that

- a) The domestic industry has enhanced capacity. RSPL has started production in the POI with a plant having 500,000 MT, while GHCL has enhanced capacities in 2018-19.

The demand for the product has increased over the years. The domestic industry contended that the domestic producers have enhanced capacities in view of the significant demand of the subject goods.

- b) Production and domestic sales have increased over the injury period in view of demand and addition of capacities.
- c) The capacity utilisation of the domestic industry declined in the POI. However, this could be due to addition of fresh capacities by M/s. RSPL.

(b) Profitability, return on investment and cash profits

70. Profitability, return on investment and cash profits of the Domestic Industry over the injury period is given in the table below: -

Particulars	Unit	2016-17	2017-18	2018-19	POI	POI(A)
Cost of sales	Rs./MT	***	***	***	***	***
Indexed		100	103	110	120	120
Selling price	Rs./MT	***	***	***	***	***
Indexed		100	101	111	111	111
Profit/(Loss) per unit	Rs./MT	***	***	***	***	***
Indexed		100	98	112	88	88
Profit/(Loss) - total	Rs.Lacs	***	***	***	***	***
Indexed		100	111	133	124	124
Profit before Interest and Tax	Rs.Lacs	***	***	***	***	***
Indexed		100	108	128	136	136
Profit before Interest and Tax	Rs./MT	***	***	***	***	***
Indexed		100	95	108	97	97
Cash Profit	Rs.Lacs	***	***	***	***	***
Indexed		100	112	133	137	137
Cash Profit Per Unit	Rs./MT	***	***	***	***	***
Indexed		100	98	112	98	98
Return on Capital Employed-NFA	%	***	***	***	***	***
Return on Capital Employed-NFA (Range)	%	40-50	30-40	20-30	10-20	10-20
Indexed		100	74	51	40	40

71. It is seen that:

- a) While gross cash profit and profit before interest increased over the injury period, it is seen that per unit cash profit and profit before interest shows decline.

b) Return on Capital Employed has progressively declined over the injury period and has declined significantly in 2018-19 and POI when compared to earlier years.

72. The domestic industry contended that there was continuous decline in the profitability over the investigation period. The trends in import price and selling price of the domestic industry were additionally examined within the investigation period. Further, the profits and ROI of the domestic industry were additionally examined within the investigation period.

S.No.	Month	Import price from subject countries		Selling price of D.I.
		USA	Turkey	
1	Apr-19	17,116	16,463	***
2	May-19	16,722	16,702	***
3	Jun-19	17,610	16,532	***
4	Jul-19	18,313	16,864	***
5	Aug-19	17,879	16,616	***
6	Sep-19	18,212	17,376	***
7	Oct-19	-	16,875	***
8	Nov-19	17,285	16,883	***
9	Dec-19	17,755	16,860	***

	Apr-June 19	July-Sept 19	Oct-Dec 19
Cost of sales	***	***	***
Selling price	***	***	***
Profit/loss per unit	***	***	***
Cash profit/unit	***	***	***
ROCE	***	***	***
ROCE (Range) (%)	20-30	20-30	10-20

(c) Market share in demand

73. Market share in demand over the injury period is given in the table below.

Particulars	Unit	2016-17	2017-18	2018-19	POI	POI(A)
Domestic Industry	%	***	***	***	***	***
Other domestic producers	%	***	***	***	***	***
Indian Industry as a whole	%	***	***	***	***	***
Subject countries-Imports	%	***	***	***	***	***

Other Countries-Imports	%	***	***	***	***	***
Total	%	100.00	100.00	100.00	100.00	100.00

74. It is seen that the share of domestic industry in the market has increased, however, the market share of Indian industry as a whole has declined. Market share of domestic industry increased because of new capacities added by the domestic industry. At the same time market share of subject countries have increased significantly in the POI. Share of imports in the domestic market is over three times the share in the base year.

(d) Employment, productivity and wages

75. Employment, productivity and wages of Domestic Industry over the injury period is given in the table below.

Particulars	Unit	2016-17	2017-18	2018-19	POI	POI(A)
No of Employees	Nos	2,287	2,270	2,695	2,699	2,699
Indexed		100	99	118	118	118
Wages	Rs. Lacs	10,390	11,448	13,334	11,041	14,721
Indexed		100	110	128	142	142
Productivity	MT/Per Day	2,510	2,913	3,063	3,571	3,571
Indexed		100	116	122	142	142

76. It is noted that the employment with the Domestic Industry has increased over the injury period with the increase in capacity. Wages paid have also increased. Productivity per day has increased with increase in production.

(e) Inventories

77. Inventory position with the Domestic Industry over the injury period is given in the table below:

Particulars	Unit	2016-17	2017-18	2018-19	POI
Average	MT	10,979	9,511	18,887	48,121
Indexed		100	87	172	438

78. It is seen that the inventories with the Domestic Industry have increased very significantly in 2018-19 and thereafter in the POI. Even in a situation of increasing demand, inventories with the domestic industry have increased significantly.

(f) Growth

79. It is seen that growth of the Domestic Industry in terms of production, capacity utilisation was adverse in the POI and growth in terms of inventories, profits, cash profits and return on investment was negative in the POI.

Particulars	2017-18	2018-19	POI	
			Actual	annualised
Production	16%	5%	17%	17%
Domestic Sales	14%	4%	18%	18%
Cost of Sales	3%	7%	9%	9%
Selling Price	1%	9%	0%	0%
Profit/Loss per Unit	-2%	15%	-21%	-21%
Inventories	-13%	99%	155%	155%
ROI	-13%	-31%	-22%	-22%
Cash Profit Per Unit	-2%	14%	-13%	-13%

(g) Factors affecting domestic prices

80. The examination of the import prices from the subject countries, change in the cost structure, competition in the domestic market, factors other than dumped imports that might be affecting the prices of the Domestic Industry in the domestic market, etc. shows that the landed value of imported material from the subject countries is below the selling price of the Domestic Industry, causing significant price undercutting. The price undercutting has led to price suppression in the Indian market. The demand for the subject goods increased significantly over the injury period and therefore it could not have been a factor affecting domestic prices. It is provisionally concluded that the principal factor affecting the domestic prices is the dumped imports of subject goods from the subject countries.

F.7. Magnitude of Injury and Injury Margin

81. The Authority has determined Non-Injurious Price for the Domestic Industry on the basis of principles laid down in Anti-Dumping Rules read with Annexure III, as amended. The NIP of the product under consideration has been determined by adopting verified information/data relating to the cost of production for the period of investigation. The NIP determined for the Domestic Industry has been compared with the landed price from each of the producers/ exporters from the subject countries for calculating injury margin. The 'all others' rate has been determined based on the facts available with the Authority.

Sl. No	Name of the Producer Company	NIP (\$/MT)	Landed price (\$/MT)	Injury margin (\$/MT)	Injury margin %	Injury Margin Range (%)
A.	Turkey					

1	a)ETI Soda Uretim Pazarlama Nakliyat Ve Elektrik Uretim Sanayi Ve Ticaret A.S.	***	***	***	***	0-10
	b)Kazan Soda Elektrik Uretim A.S	***	***	***	***	0-10
	Weighted Average of Ciner Group	***	***	***	***	0-10
2	Soda Sanayii A.S.	***	***	***	***	0-10
3	Any other producer/exporter	***	***	***	***	0-10
B.	USA					
4	Searles Valley Minerals Inc.	***	***	Negative	Negative	
5	Tata Chemicals Soda Ash Partners ("TCSAP")	***	***	***	***	0-10
6	Any other producer/exporter	***	***	***	***	0-10

82. The Authority noted the claim of the domestic industry with regard to inclusion of freight has determined injury margin, both, by including freight and excluding freight. However, at this stage, and pending further investigation, the Authority has considered the injury margin without adding freight.

G. Threat of material Injury

83. As noted in the initiation notification, the applicants have claimed that imports have increased significantly and are further causing threat of material injury. The claim has been analysed by the Authority in detail, hereunder.

84. Antidumping Rules provide as follows with regard to threat of material injury—

Annexure II Para (vii): A determination of a threat of material injury shall be based on facts and not merely on allegation, conjecture or remote possibility. The change in circumstances which would create a situation in which the dumping would cause injury must be clearly foreseen and imminent. In making a determination regarding the

existence of a threat of material injury, the designated authority shall consider, inter alia, such factors as:

(a) significant rate of increase of dumped imports into India indicating the likelihood of substantially increased importation;

(b) sufficient freely disposable, or an imminent, substantial increase in, capacity of the exporter indicating the likelihood of substantially increased dumped exports to Indian markets, taking into account the availability of other export markets to absorb any additional exports;

(c) whether imports are entering at prices that will have a significant depressing or suppressing effect on domestic prices, and would likely increase demand for further imports; and

(d) inventories of the article being investigated.

85. Evidence provided by the domestic industry and questionnaire response filed by the responding exporters have been examined.

- a. Imports from subject countries have increased significantly. The rate of increase in imports from the previous year to the POI is quite significant.
- b. The producers in subject countries have established significant capacities and are highly export oriented.
- c. The imports are entering at prices below the level of selling price and thus undercutting the prices of the domestic industry. The price undercutting is causing price suppression in the market.
- d. The price undercutting coupled with surplus capacities with the foreign is likely to increase demand for subject goods in the market.
- e. Inventory level with the exporters as seen from their responses are significant.

86. It is thus seen that imports from the subject countries are further threatening material injury to the domestic industry.

H. NON-ATTRIBUTION ANALYSIS

87. As per the AD Rules, the Authority, *inter alia*, is required to examine any known factors other than the dumped imports which at the same time are injuring the Domestic Industry, so that the injury caused by these other factors may not be attributed to the dumped imports. Factors which may be relevant in this respect include, inter alia, the volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and the productivity of the Domestic Industry. It has been examined below whether factors other than dumped imports could have contributed to the injury to the Domestic Industry.

(a) Volume and price of imports from third countries

88. There are significant imports from countries not under investigation. It is however noted that imports from countries other than the subject countries were at a price higher than the import price from subject countries.

(b) Export Performance

89. It is seen that domestic industry is largely in the domestic market. In any case, the Authority has considered the data for domestic operations for its injury analysis.

(c) Development of Technology

90. There is no known material developments in technology over the injury period. Changes in the technology could not have caused claimed injury to the Domestic Industry.

(d) Performance of other products of the company

91. The Authority has considered performance of the domestic industry only in respect of product under consideration. The injury claimed to the domestic industry is only in respect of the subject goods.

(e) Trade Restrictive Practices and Competition between the Foreign and Domestic producers

92. There is no known trade restrictive practice which could have contributed to the injury to the domestic industry.

(f) Contraction in Demand and Changes in pattern of consumption

93. It is noted that the demand of the subject goods has increased consistently over the entire injury period. Thus, it can be provisionally concluded that the injury to the Domestic Industry was not due to contraction in demand or changes in pattern of consumption.

Other Issues

94. Trade Notice no. 10/2018 on confidentiality has not been complied with. Aggregated actual Information have not been provided only trend has been shown. Actual information on relationship of petitioners with foreign producers/importers and value of production not provided.

95. The Authority must ensure that the alleged injury is not offset twice in accordance with Section 9B (1) (a) of the Customs Tariff Act, 1975 in view of parallel countervailing duty investigation on imports of Soda Ash from Turkey.

96. The Authority has considered the confidentiality claims as per the AD rules and the approach being adopted in Trade Notice No. 10/2018. The non-confidential version of parameters are stated in this preliminary finding as per the Authorities consistent practice.

I. CONCLUSION ON INJURY & CAUSAL LINK:

97. The Authority provisionally concludes as under:

- i Imports of the subject goods from the subject countries have increased in absolute and relative terms over the entire period of investigation.
- ii Imports are undercutting the prices of the domestic industry, and is preventing increase of price, which otherwise would have occurred in the absence of dumped imports. Imports are causing price suppression in the market.
- iii The price undercutting and price underselling from the subject countries during the POI is positive and quite significant.
- iv The price suppression caused by dumped imports has caused significant decline in profits, cash profits and return on capital employed.
- v The price undercutting and surplus capacities with the domestic industry indicates that the domestic industry is threatened with further injury.

J. CONCLUSION & RECOMMENDATIONS

98. After examining the submissions made; and considering the facts available on record, the Authority provisionally concludes that:

- a) There is substantial increase in imports of subject goods from the subject countries in absolute terms as well as in relation to production & consumption in India during the POI as compared to the previous years.
- b) The product under consideration has been exported to India from the subject countries below the normal values, resulting in dumping.
- c) The Domestic Industry has suffered material injury. Imports are threatening further injury to the domestic industry.
- d) Injury has been caused by the dumped imports of subject goods from the subject countries.

99. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the Domestic Industry, exporters, importers and other interested parties to provide positive information on the aspect of dumping, injury and causal link. Having initiated the investigation into dumping, injury and causal link in terms of the provisions laid down under the Anti-Dumping Rules, the authority is of the view that imposition of provisional duty is required to offset dumping and injury, pending completion of the investigation. Therefore, Authority considers it necessary and recommends imposition of provisional anti-dumping duty on imports of subject goods from the subject countries.

100. In terms of provision contained in Rule 4(d) of the Rules, the Authority recommends imposition of provisional anti-dumping duty equal to the lesser of margin of dumping and margin of injury, so as to remove the injury to the domestic industry. Noting the fact that landed price of subject goods shows declining trend in POI contrary to the cost of production trend in POI, the Authority notes that cost of PUC showed rising trend during the same period, the Authority, therefore, considers it appropriate to recommend imposition of provisional anti-dumping duty on the basis of Reference/Benchmark Price on the imports of the subject goods, originating in or exported from the subject country, from the date of notification to be issued in this regard by the Central Government. Reference Price is computed as “Landed Value+ Lower of [(1) Dumping Margin and (2) Injury Margin]”. Provisional anti-dumping duty shall be equal to the difference between the Reference Price indicated in column 7 of the table below and the landed value. The landed value of imports for this purpose shall be assessable value as determined by the Customs under Customs Act, 1962 and applicable level of custom duties except duties levied under Section 3, 3A, 8B, 9, 9A of the Customs Tariff Act, 1975.

Duty Table

S.No	HS Code*	Description of goods	Country of origin	Country of Export	Producer	Reference Price	Unit	Currency
-1	-2	-3	-4	-5	-6	-7	-8	-9
1	2836.20	Soda ash (Disodium Carbonate)	United States of America	United States of America	All except Searles Valley Minerals Inc.	275.08	Metric Tonne	US\$
2	2836.20	Soda ash (Disodium Carbonate)	United States of America	Any country Other than United States of America and Turkey	Any	275.08	Metric Tonne	US\$
2	2836.20	Soda ash (Disodium Carbonate)	Any country Other than United States of America and Turkey	United States of America	Any	275.08	Metric Tonne	US\$
4	2836.20	Soda ash (Disodium Carbonate)	Turkey	Turkey	Soda Sanayii A.S	266.37	Metric Tonne	US\$

5	2836.20	Soda ash (Disodium Carbonate)	Turkey	Any country Other than Turkey and United States of America	Any	275.08	Metric Tonne	US\$
6	2836.20	Soda ash (Disodium Carbonate)	Any country other than Turkey and United States of America	Turkey	Any	275.08	Metric Tonne	US\$

*Custom classification is only indicative and the determination of the duty shall be made as per the description of PUC. The PUC mentioned above should be subject to above ADD even when it is imported under any other HS code

K. FURTHER PROCEDURE

101. The procedure as below would be followed subsequent to notifying the preliminary findings:

- a. The Authority invites comments on these provisional findings from all the interested parties and the same would be considered in the final finding.
- b. Domestic Industry, exporters, importers and other interested parties known to be concerned are being addressed separately by the Authority, who may make their views known, within forty days from the date of the publication of these preliminary findings.
- c. Any other interested party may also make known its views within forty days from the date of publication of these findings.
- d. The Authority would conduct further verification to the extent deemed necessary.
- e. The Authority would disclose the essential facts as per the Anti-dumping Rules before announcing the final findings.



(Bidyut Behari Swain)

Special Secretary & Designated Authority