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**F. No. 6/05/2022-DGTR
Government of India,
Department of Commerce
Ministry of Commerce & industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building, Parliament Street, New Delhi-110001**

Dated: 30th September, 2022

INITIATION NOTIFICATION

CASE NO:AD (OI)-04/2022

Subject: Initiation of the Anti- dumping duty Investigation concerning imports of “Synthetic Grade Zeolite 4A” from Iran and Thailand.

M/s Gujarat Credo Mineral Industries Limited (hereinafter referred to as the “applicant” or the “domestic industry”) has filed an application before the Designated Authority (hereinafter also referred to as the "Authority") in accordance with the Customs Tariff Act,1975 as amended from time to time (hereinafter also referred 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 as the "Rules"),for initiation of anti-dumping investigation and imposition of anti-dumping duty on imports of “Synthetic Grade Zeolite 4A” (hereinafter also referred to as the ‘subject goods’ or the ‘product under consideration’) originating in or exported from Iran and Thailand (hereinafter also referred to as the “subject countries”).

2. The applicant has claimed that the injury to the domestic industry is being caused due to the dumped imports from Iran and Thailand and has requested for imposition of anti-dumping duty on the imports of the subject goods originating in or exported from Iran and Thailand.

A. Product Under Consideration (PUC)

3. The product under consideration in the present investigation is “Synthetic Grade Zeolite 4A” also known as “Zeolite 4A”.
4. Zeolites are micro porous crystalline solids with well-defined structures. Generally, they contain silicon, aluminum, and oxygen in their framework and cations, water and/or other molecules within their pores. They also occur naturally as minerals and are extensively mined in many parts of the world. Others are synthetic and are made commercially for

specific uses in various industries. The general formula of zeolite is given as $Na_x[(AlO_2)_x(SiO_2)_y].zH_2O$.

5. The product under consideration is a detergent builder primarily as a water softener resulting in softening of water, which requires less soap for the same cleaning effort, as soap is not wasted mopping up calcium ions”.
6. The product under consideration is classified under Chapter 28 of the Customs Tariff Act, 1975 (51 of 1975), under sub-heading of the custom classification 2842 1000. The customs classification is only indicative and is not binding on the scope of the product under consideration.

B. Like Article

7. The applicant has claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. It has been further stated that there is no known difference in the product produced by the domestic industry and those exported from the subject countries. The applicant has claimed that the product produced by the domestic industry and imported from the subject countries is comparable in terms of physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing, and tariff classification of the goods. The two are technically and commercially substitutable. The consumers have used and are using the two interchangeably. For the purpose of the present investigation, the subject goods produced by the applicant are being treated as "like article" of the subject goods imported from the subject countries.

C. Domestic Industry and Standing

8. The application has been filed by M/s Gujarat Credo Mineral Industries Limited (GCMIL). The applicant has claimed that it has neither imported the subject goods from the subject countries nor is related to any exporter or producer of the subject goods in the subject countries or any importer in India. The applicant has also claimed that it is the major producer (more than 74%) in India. Another producer is M/s Chemical India who has produced like product in the domestic market during the POI.
9. On the basis of information available, the Authority notes that applicant constitutes eligible domestic industry within the meaning Rule 2(b), and the application satisfies the requirements of standing under Rule 5(3) of the Anti-Dumping Rules.

D. Basis of Alleged Dumping

a. Normal Value

10. The applicant has claimed that efforts were made to get evidence of price of product concerned in the domestic markets of Thailand and Iran. However, no reasonable, authentic and accurate information could be obtained from published sources about the actual

transaction-selling price of zeolites in the domestic markets of Iran and Thailand. The applicant has further claimed that it was also unable to gather data of representative price of the subject goods when exported from Iran and Thailand to an appropriate third country. Thus, the applicant has constructed normal value in Iran and Thailand on the basis of estimates of cost of production in these countries considering the cost of the domestic industry duly adjusted after addition for selling, general & administrative expenses and reasonable profits.

b. Export Price

11. The applicant has adopted the CIF price reported for imports in India, as per market intelligence, for determination of export price. Hence, the information provided by the applicant has therefore, been adopted for ascertaining export price at this stage of the instant investigation.
12. Since the prices are CIF prices, the same have been adjusted with ocean freight, marine insurance, handling charges, commission, port expenses and bank charges. There is sufficient *prima facie* evidence with regard to the net export prices claimed by the applicant.

c. Dumping Margin

13. The normal value and the export price have been compared at ex-factory level, which *prima facie* shows dumping margin is not only above the *de-minimis* level but also significant. There is sufficient *prima facie* evidence that the subject goods from the subject countries are being dumped into the Indian market by the exporters from the subject countries.

E. Evidence of injury and causal link

14. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has furnished evidence regarding the injury resulting from the alleged dumping of dumped imports in the form of adverse volume and price effect. In particular, the applicant has cited increased market share of dumped imports from the subject countries and decline in the market share of the domestic industry, price undercutting, suppression suffered by them on account of dumped imports of subject goods from the subject countries. The applicant has claimed that its performance has been severely impacted in the form of significant losses, cash losses and negative return on capital employed. There is sufficient *prima facie* evidence of material injury being caused to the domestic industry by dumped imports of the subject goods from the subject countries.

F. Initiation of Anti-Dumping Investigation

15. On the basis of the duly substantiated written application by or on behalf of the domestic industry, and having satisfied itself, on the basis of the *prima facie* evidence submitted, about the dumping of the subject goods originating in or exported from the subject countries, injury to the domestic industry and causal link between such alleged dumping

and injury, and in accordance with Section 9A of the Act read with Rule 5 of the Rules, the Authority, hereby, initiates an investigation to determine the existence, degree and effect of any alleged dumping in respect 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 injury to the domestic industry.

G. Subject Countries

16. The application has been filed in respect of dumping of the product under consideration from Thailand and Iran.

H. Period of Investigation (POI)

17. The applicant has proposed 1st April 2021 to 31st March 2022 (a period of 12 months) as the period of investigation. The injury investigation period will cover the periods, 2018-19, 2019-20, 2020-21 and POI and the period of investigation.

I. Procedure

18. Principles as given in Rule 6 of the Rules will be followed for the present investigation.

J. Submission of information

19. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Designated Authority via email at the email addresses adg13-dgtr@gov.in, adv13-dgtr@gov.in, jd12-dgtr@gov.in and ad12-dgtr@gov.in. It should be ensured that the narrative part of the submission is in searchable PDF / MS Word format and data files are in MS Excel format.
20. The known exporters, the Governments of the subject countries through their Embassies in India, the importers and users in India known to be concerned with the subject goods and the domestic industry are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time-limit set out below.
21. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below on the email address mentioned in Para 19 above.
22. 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.
23. The interested parties are further advised to keep a regular watch on the official website of DGTR i.e., www.dgtr.gov.in for any updated information with respect to this investigation.

K. Time Limit

24. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses adg13-dgtr@gov.in, adv13-dgtr@gov.in, jd12-dgtr@gov.in and ad12-dgtr@gov.in within thirty days from the date of receipt of the notice as per as per Rule 6(4) of the Rules. It may, however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received within one week from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Rules.
25. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses within the above time limit.

L. Submission of information on confidential basis

26. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non- confidential version of the same in terms of Rule 7(2) of the Rules and the Trade Notices issued in this regard. Failure to adhere to the above may lead to rejection of the response / submissions.
27. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately.
28. 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.
29. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which are claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
30. 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, the 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. The other interested parties can offer their comments on the confidentiality claimed within 7 days of receiving the non-confidential version of the document.

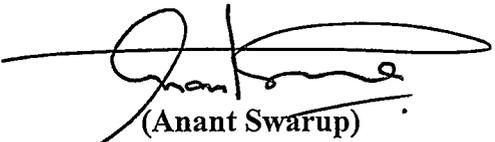
31. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or in summary form, it may disregard such information.
32. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.
33. 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.

M. Inspection of Public File

34. In terms of Rule 6(7) of the Rules, any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties. The modality of maintaining public file in electronic mode is being worked out.

N. Non-cooperation

35. 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.


(Anant Swarup)
Designated Authority