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**Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General Trade Remedies
4th Floor, Jeevan Tara Building, New Delhi-110001**

Dated:- 14 June, 2018

INITIATION NOTIFICATION
Case No. (O.I.) 10/2018

Subject: Initiation of Anti-Dumping investigation concerning imports of "Saccharin" originating in or exported from Indonesia.

F.No. 6/13/2018- DGAD: M/s Swati Petro Products Pvt Limited (hereinafter referred to as the Petitioner/ Applicant) 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 to as The Act) and 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) for imposition of Anti-dumping duty on imports of Saccharin (hereinafter referred to as the "subject goods") originating in or exported from Indonesia.

A. PRODUCT UNDER CONSIDERATION

2. The product under consideration in the present investigation is "Saccharin in all its form" [hereinafter also referred to as 'Subject Goods' originating in or exported from Indonesia.

The Designated Authority has considered PUC as under:-

"Saccharin is a non-nutritive sweetener and considered to be low calorie substitute for cane sugar. Primarily there are two types of Saccharin i.e. soluble and insoluble. In market parlance soluble saccharin is called sodium saccharin whereas insoluble saccharin is called saccharin or saccharin acid. Apart from sodium saccharin, saccharin can have other variants such as calcium and zinc saccharin. Saccharin is produced in two physical forms, viz. granular and powder. Sodium saccharin in granular form is used in situations where saccharin will be dissolved, the powder form which has been grounded and spray dried is used in dry mixes and pharmaceuticals. It is slightly soluble in water. Insoluble form of saccharin is used in many pharmaceutical and medical applications. Saccharin is used in a variety of industry such as food and beverage, personal care products, table top sweeteners, electroplating brighteners, pharmaceuticals, etc. Saccharin is more than 500 times sweeter than sugar. All forms of Saccharin are within the scope of the present investigation..."

Saccharin is classified under Chapter 29 of the Customs Tariff Act, 1975 under sub-

headings No. 29251100. However, Customs classifications are indicative only and in no way binding on the scope of this investigation.

B. LIKE ARTICLE

3. Rule 2(d) with regard to like article provides as under: -

"like article" means an article which is identical or alike in all respects to the article under investigation for being dumped in India or in the absence of such article, another article which although not alike in all respects, has characteristics closely resembling those of the articles under investigation;

4. There is no known difference in Saccharin produced by the domestic industry and Saccharin exported from the subject country. Saccharin produced by the domestic industry and imported from the subject country is comparable in terms of technical characteristics, their similar end uses, their commercial substitutability and tariff classification. Saccharin produced by the domestic industry should be treated as like article to the Saccharin imported from subject country in accordance with the Anti-Dumping Rules.
5. Therefore, for the purpose of the present investigation, the subject goods produced by the applicant in India are being treated as 'Like Article' to the subject goods being imported from the subject country.

C. DOMESTIC INDUSTRY AND STANDING

6. The petition has been filed by M/s Swati Petro Products Pvt Limited as producer of the subject goods in India. As per the information given in the petition there are other producers also of the subject goods in India namely M/s Shree Vardayini Chemical Industries Pvt Ltd, A. S Chemopharma Pvt Ltd, M/s Blue Circle Organics Pvt Ltd and Vishnu Chemicals Ltd. However, M/s Shree Vardayini Chemical Industries Pvt Ltd, A. S. Chemopharma Pvt Ltd and M/s Blue Circle Organics Pvt Ltd have supported the petition.
7. The petitioner is not related to any exporter or producer of the PUC in the subject country.

The Authority, therefore, determines that M/s Swati Petro Products Pvt who presently is the major producer of subject goods in Indian market and accounts for "major proportion" of the total domestic production and constitutes an eligible domestic industry in terms of Rule 2 (b) and also satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra.

C. **COUNTRY INVOLVED**

8. The country involved in the present investigation is Indonesia.

D. **NORMAL VALUE**

9. The petitioner has made all efforts to extract information/evidence on the price of the subject good in the domestic market of the subject country. However, the Domestic industry was unable to obtain the same information or evidence of prices of subject goods in the subject country.

10. Accordingly, the petitioner has claimed the Normal Value for subject country on the basis of cost of production in India, duly adjusted for selling, general and administrative expenses and considering the consumption norms of the petitioners. Further to the cost of sales, the petitioner has considered reasonable profit.

11. The Authority has, therefore, for the purpose of the initiation, decided to proceed with the normal value as determined by the Authority on the basis of prima facie evidence submitted by the petitioner.

E. **EXPORT PRICE**

12. The Authority has determined Export price using DGCI&S data till February 2018 to assess the volume and value of imports in India. Price adjustments have been claimed on account of freight, insurance, commission, bank charges and port expenses to arrive at net export price at ex-factory level. However, the Authority would like to rely on data of exporter in case the same are furnished and verified.

F. **DUMPING MARGIN**

13. The normal value and the export price have been compared at ex-factory level, which shows significant dumping margin in respect of the subject goods from the subject country. The dumping margin so estimated is above de-minimus limits for the subject country. There is sufficient prima facie evidence that the normal value of the subject goods from the subject country is significantly higher than the ex-factory export price, indicating, prima facie, that the subject goods are being dumped into the Indian market by the exporters from the subject country.

G. INJURY AND CAUSAL LINK

14. Information furnished by the petitioner has been considered for assessment of injury to the domestic industry. The petitioner has furnished evidence regarding the injury having taken place as a result of alleged dumping in the form of increase in volume of dumped imports in absolute terms and in relation to production and consumption in India, price undercutting, price depression, price underselling and consequent significant adverse impact on the domestic industry in terms of profits, return on capital employed, cash flow and market share of the domestic industry. There is sufficient prima facie evidence of 'injury' being suffered by the domestic industry caused by dumped imports from subject country to justify initiation of an anti-dumping investigation.

H. INITIATION OF THE ANTI-DUMPING INVESTIGATION

15. And whereas, the Authority prima facie finds that sufficient evidence of dumping of the subject goods, originating in or exported from the subject country; injury to the domestic industry and causal link between the alleged dumping and injury exists to justify initiation of an anti-dumping investigation, the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of Rule 5 of the Rules, to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which if levied, would be adequate to remove the 'injury' to the domestic industry.

I. PERIOD OF INVESTIGATION (POI)

16. The period of investigation (POI) is 1st April 2017 to 31st March 2018 (12 months). However, for the purpose of analysing injury, the data of previous three years, i.e. Apr'14-Mar'15, Apr'15-Mar'16, Apr'16-Mar'17 and the POI will be considered.

J. SUBMISSION OF INFORMATION

17. The known exporters in the subject country, the Government of the subject country through its embassy in India, the importers and users in India known to be concerned with the product are being 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 Trade Remedies,
Department of Commerce
Ministry of Commerce & Industry,
4th Floor, Jeevan Tara Building, 5 Parliament Street,
New Delhi -110001.**

18. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below. Any party making any confidential submission before the Authority is required to submit a non-confidential version of the same to be made available to the other parties.

K. TIME LIMIT

19. Any information relating to the present investigation and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (40 Days) from the date of publication of this Notification. 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 Anti-Dumping Rules.

20. 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 and offer their comments to the Domestic Industry's application regarding the need to continue or otherwise the Anti-dumping measures within 40 days from the date of initiation of this investigation.

L. SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS

21. In case confidentiality is claimed on any part of the questionnaire response/submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc.) and (b) other set marked as Non-Confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either "confidential" or "non-confidential" at the top of each page and accompanied with soft copies.

22. Information supplied without any confidential marking shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies of the confidential version and two (2) copies of the non-confidential version must be submitted by all the interested parties.

23. For information claimed as confidential, 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 and/or why summarization of such information is not possible.

24. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out /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, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.
25. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
26. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority. 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

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

N. NON-COOPERATION

28. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

(Sunil Kumar)
Additional Secretary & Designated Authority