To be published in Part-I Section I of the Gazette of India Extraordinary Government of India Department of Commerce Ministry of Commerce & Industry (Directorate General of Anti-Dumping & Allied Duties) 4th Floor Jeevan Tara Building, Parliament Street, New Delhi 110001

Dated the 28th March, 2017

<u>Case No. OI- 20/2017</u> (Fresh Investigation)

Subject: Anti-Dumping investigation concerning imports of "Glassware" originating in or exported from People's Republic of China and Indonesia.

- 1. No. 14/45/2016 DGAD- Whereas, M/s Shreno Limited Glass Division (hereinafter referred to as the applicant) has filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Customs Tariff Act, 1975 (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 (hereinafter also referred to as the Rules) as amended from time to time, for initiation of anti-dumping investigation and imposition of anti-dumping duty concerning imports of Glassware (also referred to as Subject goods) from People's Republic of China and Indonesia (also referred to as the Subject Countries).
- 2. And whereas, the Authority finds sufficient *prima facie* evidence of dumping of the subject goods, originating in or exported from the subject countries, 'injury' to the domestic industry and causal link between the alleged dumping and 'injury' exists justifying 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 consider recommending an amount of antidumping duty, which if levied, would be adequate to remove the 'injury' to the domestic industry.

A. Product under consideration and Like Articles

- 3. The petitioner has alleged that Soda-lime Glassware for Table, Kitchen, Toilet, Office or Indoor Decoration purposes, (excluding Borosilicate Glassware and Opal Glassware) are being exported to India from the subject countries at dumped prices which is affecting the like product domestic industry in India.
- 4. Glass is a non-crystalline, amorphous and generally transparent solid material manufactured primarily from Silica (sand), which is combined with varying compositions of other additives. These additives like lime stone, alumina, dolomite and soda ash or borax impart different physical and chemical properties as desired for different applications. The term "Glassware" describes any article or object made of glass. Depending upon the composition of glass and other properties the glassware is classified as 'Soda lime glassware, Borosilicate glassware, Opal Glassware. Nowadays, glassware is being increasingly used in hotels and households for storage, preparation, preservation, cooking and serving of fresh, cooked and preserved food.
- 5. The petitioner is a producer of Soda Lime Glassware, which covers all type of tableware, drink ware, kitchenware and giftware "for table, kitchen, toilet, office, indoor decoration or similar purposes", for regular and long term use by hotels, restaurants, caterers, corporate and households whether for storage or service. The petitioner has alleged dumping of only Soda lime glassware and has claimed that there is no difference between the soda lime glassware produced by them and imported from China and Indonesia.
- 6. Therefore, for the purpose of this examination the product under consideration (herein after also referred to as the subject goods) is being defined as follows:
- 7. "All types of Soda-lime Glassware for Table, Kitchen, Toilet, Office or Indoor Decoration purposes". The product under consideration excludes Borosilicate Glassware and Opal Glassware. The product under consideration also does not cover glass bottles used for packaging industry.

Product classification

8. Subject goods are classified under chapter 70 of Customs Tariff Act, 1975 under the sub-heading 7013 at 4-digit lev. The products are covered under ITC HS 701329, 701337, 701339, 701349 and 701499. The Custom classification is indicative only and not binding on the scope of investigation. The product attracts 10% basic duty. However, for Indonesia this product is covered under ASEAN FTA attaching concessional duties.

B. Domestic Industry & Standing

9. The petition has been filed by Shreno Limited - Glass Division. There are other producers in the unorganized sector. The petitioner commands a major proportion of the total domestic production of the subject goods. The petitioner is not related to the exporters or importers of the alleged dumped article. The petitioner has not imported the dumped articles from subject countries. Therefore, the applicant commands standing in terms of Rule 5 (3) of the Rules to file this application. Since the applicant commands a major proportion of the domestic production, it constitutes the domestic industry, within the meaning of the terms under Rule 2 (b), for the purpose of injury investigation. Accordingly, the application is deemed to have been filed on behalf of the domestic industry.

C. Countries involved and de minimis limits

10. The petition is filed in respect of the dumping of the Glassware from People's Republic of China and Indonesia. The imports from the above countries are above de minimis limits. Apart from the above countries imports are also taking place from the European Union and Thailand which is above 3% of total imports. However, the imports are stated to be non-dumped and at higher prices, not affecting the domestic industry. Accordingly, the investigation is with respect to only China and Indonesia (hereinafter referred to as subject countries).

D. Evidence of Dumping

- 11. The petitioner has submitted that in the absence of availability of reliable information in the public domain on domestic prices of the subject goods in the subject countries the Normal values in the subject countries have been estimated on the basis of cost of production, taking into account prevailing prices of raw materials and utilities in those countries, conversion costs of the most efficient domestic industry, and duly adjusted selling, general & administration expenses, plus a reasonable profit.
- 12. Net ex-works export prices of the subject goods exported from the subject countries have been estimated on the basis of import data obtained from DGCI&S for the proposed period of investigation after due adjustments toward ocean freight and marine insurance; port expenses, inland freight, commission and bank

charges; and VAT adjustments, wherever applicable on facts available basis.

13. The above estimation of the Normal Values and Export Prices indicates that there is sufficient *prima facie* evidence that the subject goods are being exported from the subject countries to India at significantly dumped prices and the dumping margins are above *de-minimis*.

E. Evidence of Injury and Causal Link

14. The applicant has claimed that they have suffered material injury because of cumulative volume and price impacts of the dumped imports from the subject countries. Information provided by the petitioners indicates that there has been significant rise in the volume of dumped imports during the period under examination despite moderation of demand in the country and availability of capacity in the country. The production and capacity utilization of the domestic industry has been significantly affected. The price realization also continues to be significantly below the cost of sales, apparently because of the volume and price effects of dumped imports leading to significant financial losses. Therefore, *prima facie* it appears that the applicant domestic industry is suffering material injury in terms of production loss, negative profits and negative return on investments due to the volume and price effects of the dumped imports from the subject countries.

F. Initiation of the Investigation

15. And Whereas, having regard to the above Rules, the Authority finds sufficient prima facie evidence of dumping of the subject goods, originating in or exported from the subject countries; injury to the domestic industry and causal link between the alleged dumping and injury, to justify initiation of an anti-dumping investigation 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. Accordingly, the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of Para 5 of the Rules.

i. Product under investigation

The product under investigation is defined as follows:

"All types of Soda-lime Glassware for Table, Kitchen, Toilet, Office or Indoor Decoration purposes". The product under consideration excludes Borosilicate

Glassware and Opal Glassware. The product under consideration also does not cover glass bottles used for packaging industry.

ii. Period of Investigation (POI)

16. The period of investigation for the present investigation is from April 2015-September 2016 (18 months). The injury investigation period shall cover the periods 2012-13, 2013-14, 2014-15 and the period of investigation.

iii. Submission of Information

17. The known producers/exporters in the subject countries, their governments through their Embassies in India, the known importers and users in India, and the domestic industry are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address, so as to enable the Authority make appropriate determinations in a timely manner:

The Designated Authority

Directorate General of Anti-Dumping & Allied Duties

Department of Commerce,

Jeevan Tara Building, 4th Floor,

Parliament Street, New Delhi -110001

dgad.india@gov.in

18. Any other interested party may also make its submissions, relevant to the investigation, in the prescribed form and manner (downloadable from the website of the Authority at (www.dgtr.gov.in) within the time limit set out below.

iv. Time Limit

19. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter within 2 weeks from the date of this notification and file their questionnaire responses and offer their comments to the domestic industry's application within forty days (40 days) from the date of publication of this Notification. The information must be submitted in hard copies as well as soft copies.

- 20. The exporters/importers and other interested parties, being notified individually may file their responses within forty days (40 days) from the date of the letter of intimation to be addressed to them separately.
- 21. It may be noted that if no information is received from an interested party 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.

v. Submission of information on confidential basis

- 22. The parties making any submission (including Appendices/Annexure attached thereto), before the authority, including questionnaire response on confidential basis, are required to file a non-confidential version of the submissions made, which will be made available to all other interested parties to make their comments. Soft copies of both the versions will also be required to be submitted, along with the hard copies, in two (2) sets of each.
- 23. The "confidential" or "non-confidential" submissions must be clearly marked so 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.
- 24. The confidential version may contain all information which are by nature confidential and/or other information which the supplier of such information claims as business proprietary information, disclosure of which will adversely affect the commercial interest of the supplier of such information. For information which is 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.
- 25. 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, the information may be 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, 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. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim shall not be taken on record by the Authority

26. 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 if the supplier of the information is either not willing to make the information public, or to authorize its disclosure in generalized or summary form, it may disregard such information. 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.

vi. Inspection of Public File

27. In terms of Rule 6(7) of the AD Rules, any interested party may inspect the public file containing non-confidential version of the evidence submitted by all interested parties to the investigation.

vii. Non-cooperation

28. 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 with it and make such recommendations to the Central Government as it deems fit.

Inder Jit Singh Additional Secretary & Designated