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**No. 14/9/2012-DGAD
Ministry of Commerce & Industry
Department of Commerce
Directorate general of Anti Dumping & Allied Duties
Udyog Bhawan, New Delhi**

Final findings

Date: 04.03.2014

Subject: Anti-dumping investigations on imports of ‘Peroxosulphates’ (also known as ‘Persulphates’) originating in or exported from Taiwan, Turkey and USA. – Final findings

Having regard to Customs Tariff Act, 1975 as amended from time to time (hereinafter 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 thereof, as amended from time to time (hereinafter referred to as the AD rules).

A. PROCEDURE

1. The procedure described below has been followed:

- (i) The Designated Authority (hereinafter referred to as the Authority), under the above Rules, received a written application from M/s Gujarat Persalts Pvt. Ltd. Ahmedabad, M/s Calibre Chemicals Pvt. Ltd. Mumbai, M/s VR Persulphates Ahmedabad & M/s Yoyo Chemicals Ahmedabad (hereinafter referred to as the Applicants) on behalf of the domestic industry, alleging dumping of Persulphates originating in or exported from Taiwan, Turkey and USA (hereinafter referred to as subject countries).
- (ii) Preliminary scrutiny of the application revealed certain deficiencies, which were subsequently rectified by the Applicant. The application was, therefore, considered as properly documented.
- (iii) The Authority notified the embassies of the subject countries in India about the receipt of dumping application before proceeding to initiate the investigation in accordance with sub-Rule 5(5) of the Anti-dumping Rules.

- (iv) The Authority, on the basis of sufficient evidence submitted by the Applicant to justify initiation of the investigation, decided to initiate the investigation against imports of the subject goods from the subject countries.
- (v) The Authority issued a public notice dated 28th September 2012 published in the Gazette of India Extraordinary, initiating anti-dumping investigation concerning imports of the subject goods.
- (vi) The Authority forwarded a copy of the public notice to all the known exporters (whose details were made available by the Applicant) and industry associations and gave them opportunity to make their views known in writing in accordance with the Rule 6(2) of the AD Rules.
- (vii) The Authority also forwarded a copy of the public notice to all the known importers of the subject goods in India and advised them to make their views in writing within forty days from the date of the letter.
- (viii) The Authority provided a copy of the non-confidential version of application to the known exporters and the embassy of the subject countries in India in accordance with Rule 6(3) of the AD Rules. A copy of the Application was also provided to other interested parties, wherever requested.
- (ix) The Authority sent questionnaires to elicit relevant information to the following known exporters in subject countries in accordance with Rule 6(4) of the AD Rules:

Degussa Initiators GmbH & Co. KG Dr.Gustav – Adolph Str.3, Pullach,, 82049 DE Tel : 0049-89-74422233 Fax : 0049-89-744226112 Email : yanrong.liang@degussa.com Website : www.degussa-initiators.com	Manufacturing Location Industrial Chemicals Group 78 Sawyer Avenue P.O.Box 845 Tonawanda, New York 14150 United States Phone: +1 716-879-0400
E.I. Dupont Nemours 1007 Market Street Wilmington, Delaware 19898 Phone: +302- 774-1000	FMC Corporation 1735 Market Street Philadelphia, PA 19103 USA Phone: +215-299-6000 Fax: +215-299-5998
Taiwan Wanding Chemical Co., Ltd Jianguo North Road Taiwan00222 Telephone: 886-02-25688991	Ak-kim Kimya Sanayi Ve Ticaret A.Ş Visnezade Mah Suleyman Seba Cad No: 82 Macka Besiktas Istanbul

	Phone: 0090 212 258 31 22 / 0090 212 259 74 02 Fax: 0090 212 259 12 92
Surya Kimya Sanayi Ticaret Ltd. Sti. (Surya Chemical Products) Ferhatpaşa Mah. G-3 Sk. No. 100/B Kartal – Samandıra / Istanbul Tel /Phn: +90 216 572 27 87 Fax : +90 216 572 79 28	

However, no questionnaire response has been received from any producers and exporters of the subject goods from the subject countries.

- (x) Questionnaires were sent to the following known importers / users of subject goods in India calling for necessary information in accordance with Rule 6(4) of the AD Rules:

Gujarat Themis Biosyn Ltd Chemical Plastic Division Rhone Poulenc House Sudam Kalu Ahire Marg Bombay 400 025	Nicholas Piramal India Ltd 3 rd Floor, Arvind Chambers Sai Service Compound Western Express Highway, Andheri E Bombay 400069
Padma Agencies Bulk Drug Division 5-9-30 Road No 4 Basheerbagh Hyderabad 500 063	Aurobindo Pharma Ltd Rhone Poulenc House, S.K. Ahire Marg, Worli, Mumbai, Maharashtra
Artek Surfin Chemicals Ltd 3 rd Floor, Arvind Chambers Sai Service Compound Western Express Highway, Andheri E, Bombay 400069	Novartis India Ltd Rhone Poulenc House, S.K. Ahire Marg, Worli, Mumbai, Maharashtra
Zydex Industris 25-A, Gandhi Compound, Gorwa, Baroda – 390016	Venus Insulators Pvt. Ltd. Gat No. 757, Khe-Shivapur, Tal Haveli, Dist. Pune – 412205

However, no questionnaire response has been received from any importer of the subject goods in India except M/s .Visen Industries Ltd.

- (xi) The comments have been received from following interested parties.

- M/s Chem Intel
- M/s Visen Industries Ltd.
- Republic of Turkey, Ministry of Economy, Directorate General of Exports.

- (xii) The Authority made available non-confidential version of the evidence presented by various interested parties in the form of a public file kept open for inspection by the interested parties. During the investigation proceedings, the interested parties mentioned above as well as the domestic industry submitted information pertinent to the investigations and submissions made by all interested parties have been taken into account in present Disclosure statement.
- (xiii) Information provided by 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 confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis was directed to provide sufficient non confidential version of the information filed on confidential basis.
- (xiv) Additional information was sought from the applicant and other interested parties to the extent deemed necessary. Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to arrange details of imports of the subject goods for the past three years, including the period of investigation.
- (xv) The Non-injurious Price based on the cost of production and cost to make and sell the subject goods in India based on the information furnished by the domestic industry on the basis of Generally Accepted Accounting Principles (GAAP) has been worked out in terms of Annexure III of 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;
- (xvi) Investigation was carried out for the period starting from 1st April 2011 to 31st March 2012 (POI). The examination of trends, in the context of injury analysis covered the period from 2008-09, 2009-10, 2010-11 and POI.
- (xvii) In accordance with Rule 6(6) of the AD Rules, the Authority provided opportunity to all interested parties to present their views orally in a public hearing held on 22nd July 2013. The parties who presented their views orally in the public hearing were requested to file written submissions of the views expressed orally. The interested parties were also given an opportunity to offer rejoinder to the submissions made by opposing interested parties. The arguments made by interested parties in the written submissions/rejoinders received from the interested parties have been considered, wherever found relevant, in this Disclosure statement.
- (xviii). The following interested parties submitted their comments i.e. written submissions and/rejoinders to the Authority after the public hearing.

- (i) M/s Chem Intel
 - (ii) M/s Visen Industries Ltd.
 - (iii) Republic of Turkey, Ministry of Economy, Directorate General of Exports.
 - (iv) The domestic industry.
- (xix) Exchange rate for conversion of US\$ to Rs. Is considered for the POI as Rs.48.14 as per customs data.
- (xx) 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 recorded this Disclosure statement on the basis of the ‘facts available’.
- (xxi) In accordance with Rule 16 of Rules Supra, the essential facts/basis considered for these findings was disclosed to known interested parties vide disclosure statement and comments received thereon, subject to being relevant, have been addressed in the final findings. The comments to the disclosure statement have been submitted by domestic industry and M/s Chem Intel and M/s Visen Industries. The Turkish embassy in their email has stated that they do not have any further comments in this matter.
- (xxii) *** in this final finding represents information furnished by an interested party on confidential basis, and so considered by the Authority under the AD Rule.
- (xxiii) The Central government extended the time period to complete the investigation and notify the final findings till 27.03.2014.

B. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

B.1 Submissions made by the Domestic industry

2. The views of the domestic industry are as follows:

- a.) The product under consideration is ‘Peroxisulphates’ commonly known as ‘Persulphates’. Persulphates are a group of closely related compounds. These are produced as Alkali Metal salts which include Ammonium Persulphates (APS), Potassium Persulphates (PPS) and Sodium Persulphates (SPS).
- b.) The Chemical Formula of these Persulphates are, respectively, $(\text{NH}_4)_2\text{S}_2\text{O}_8$, $\text{K}_2\text{S}_2\text{O}_8$, $\text{Na}_2\text{S}_2\text{O}_8$. The three types of persulphates have the same end-uses as an initiator and oxidizing agent in the textile and chemical industries and one can be substituted for another. All three salts are one and same product.
- c.) The present case is the third investigation by Designated Authority and the Designated Authority has already held that the three types of Persulphates constitute one article.

- d.) European Commission has conducted investigations relating to the same product, and the scope of product under consideration included potassium monopersulphate (KMPS) as well. All the types of persulphate were held as one product. USA has conducted investigations relating to the product under consideration and has subsequently conducted two sunset review investigations. The US ITC has held that the three types of Persulphate constitute one article.
- e.) Difference in costs and prices of two products does not render them different article. It only means that the comparison must be done separately for the three products while determining dumping margin

B.2 Views of the other interested parties

- 3. The views of the other interested parties are as follows:
 - a. The three types of persulphates (Ammonium Persulphate, Potassium Persulphate and Sodium Persulphate) are not similar products and hence, should not be treated as a single product.
 - b. The chemical composition of different type of persulphate is not same. Ammonium Persulphate $[(\text{NH}_4)_2\text{S}_2\text{O}_8]$, Potassium Persulphate $[\text{K}_2\text{S}_2\text{O}_8]$ and Sodium Persulphate $[\text{Na}_2\text{S}_2\text{O}_8]$ has evidently got different chemical composition. Thus, chemical composition is different between types of persulphate.
 - c. There is significant difference in cost and prices between various types of persulphate. The average price of Ammonium Persulphate was in the range of Rs. 70-75 per Kg, and Potassium Persulphate was in the range of Rs. 100-110 per Kg and Rs. 100-110 for Sodium Persulphate during the POI.
 - d. Ammonium Persulphate is not commercially interchangeable with the other two types solely because price of Potassium Persulphate and Sodium Persulphate are higher by 40-50% as compared to Ammonium Persulphate.
 - e. Post disclosure, the importers have reiterated their views with regard to submissions made earlier by them that different types of products should not be treated as one single product.

B.3 Examination by the Authority

- 4. The product under consideration in this investigation is Peroxosulphates (also known as Persulphates). Three types of persulphates have been included in the present investigation, which are:

I) Ammonium Persulphate (APS), $(\text{NH}_4)_2\text{S}_2\text{O}_8$

II) Potassium Persulphate (PPS) $(\text{K}_2\text{S}_2\text{O}_8)$; and

III) Sodium Persulphate (SPS) (Na₂S₂O₈).

5. These Persulphates are a group of closely related compounds produced as Alkali Metal salts. These are the most sensitive and efficient oxidizing agents and releases active oxygen very efficiently and easily. All the three persulphates are manufactured electrochemically and have the same or substitutable end-uses as an initiator and oxidizing agent in the textile and chemical industries. All Persulphates are classified in Chapter 28 of the Customs Tariff Act, 1975 under subheading 2833 40 and under subheading 283340 00 under the Indian Trade Classification (Based on Harmonized Commodity Description and Coding system). However, the above classification is indicative only and is no way binding on the scope of this investigation.
6. Though the chemical compositions of the three types of persulphates included in the investigation are different, the applicants have argued that all the three types of persulphates should be included within the scope of the product under consideration as the manufacturing process and end use of the persulphates are same.
7. With regard to the argument of the interested party that three types of persulphates should not be considered as single product, the Authority notes that potassium persulphate, sodium persulphate and ammonium persulphate are merely different types of persulphate. Different types of the product under consideration have been treated as one single product in past by the Designated Authority in India as well as by various Authorities in their anti dumping investigations across the global jurisdiction. In this regard, it is noted that USA and EU have also conducted anti dumping investigations on subject goods, wherein all types of persulphates were considered as one product after examining their physical and chemical properties, interchangeability etc. It is further noted that the Authority has conducted a separate anti dumping investigation on subject goods originating in or exported from China PR, sunset review investigation of which has been recently concluded and all types of persulphates were considered as one product. As regards the different price levels for the different product types, it is noted that price differences between product types per se do not justify the conclusion that a certain product type should be considered as a different product.

B.4 Like Article

8. Rule 2(d) of the AD Rules defines like article as follows:

“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 the characteristics closely resembling those of the articles under investigation”.

9. The domestic industry has claimed that the subject goods produced by the domestic industry are identical to the product under consideration being imported into India. The domestic industry has claimed that there is no known difference in applicant's product and product under consideration exported from the subject countries and the two are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. There is no significant difference in the subject goods produced by the applicant and those exported from the subject country and both are technically and commercially substitutable.
10. The Authority has examined the matter and notes that there is no known difference in subject goods produced by the domestic industry and exported from subject country. The subject goods produced by the domestic industry and that imported from subject country are comparable in terms of characteristics such as 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 are using the two interchangeably. In view of the same, the subject goods produced by the petitioner company are being treated as domestic like article to the product under consideration imported from the subject country in accordance with the anti dumping Rules.

C. Scope of Domestic Industry And Standing

11. Rule 2 (b) of the AD rules defines domestic industry as under:

“(b) “domestic industry” means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those whose collective output of the said article constitutes a major proportion of the total domestic production of that article except when such producers are related to the exporters or importers of the alleged dumped article or are themselves importers thereof in such case the term ‘domestic industry’ may be construed as referring to the rest of the producers”

12. The application was filed by M/s Gujarat Persalts Pvt. Ltd. Ahmedabad, M/s Calibre Chemicals Pvt. Ltd. Mumbai, M/s VR Persulphates Ahmedabad and M/s Yoyo Chemicals Ahmedabad (referred to as the applicants) as the domestic industry of the subject goods in India. The petitioners are the only known producers of the subject goods in India. All the four companies are participating in the present investigations and, therefore, the production of the applicants account for 100% of domestic production of like article in India. None of the interested parties has raised any objection with regard to standing and domestic industry status of the applicant. In view of the above and after due

examination, it is held that the applicants satisfy the requirements of standing and domestic industry in terms of Rule 2(b) and Rule 5(3) of the AD Rules respectively.

D. Miscellaneous Submissions

D.1 Submissions made by the Domestic industry

- i. The petitioners filed non confidential version of the petition and gave reasons for claiming confidentiality. The Designated Authority has accepted the same and, therefore there was no breach of confidentiality and the petition cannot be claimed to be deficient.
- ii. Petitioners reported both the production (including and excluding captive consumption) in the non confidential version and Authority has adopted production excluding captive consumption. Interested parties have selectively read the data.
- iii. The Designated Authority has adopted information as verified by the Directorate and considered higher capacity than the one reported by the petitioners in respect of one of the companies. The Authority has adopted its own established methodology for cost allocation and apportionment of expenses which had led to minor inconsequential changes in the trend relating to parameters on As regards difference in profits, return on investment and cash flow.
- iv. The imports from Germany are de minimis and the prices are also higher. Therefore, there was no question of including Germany as the subject country.

D.2 Submissions made by the interested parties

- i. Application does not have sufficient injury related evidences justifying initiation of the investigation.
- ii. The non-confidential information provided was wholly deficient and did not contain sufficient information to gather suitable submissions.
- iii. Certain information appearing in the petition shows inconsistency in terms of comparison with another investigation that was conducted recently
- iv. Germany, whose import price was lesser than that of USA and Turkey, has been excluded from present investigations. Import price that of APS from Turkey and USA and PPS from USA were higher than prices of these products from Germany. Thus, exclusion of Germany is incorrect & discriminatory.
- v. Turkey is far from even posing an irreparable damage to the Complainants. According to International Trade Centre's (Trademap) statistics for 2012, Turkey has a share of 1,4 % in India's subject good imports in terms of quantity. Even if the average of the import levels (approximately 1.049 tons) between 2008 – 2012 is taken into account, Turkey only represents 4 % of India's total subject good imports .

D.3 Examination by the Authority

13. The Authority has examined the miscellaneous submissions as follows:

- i. As regards the argument that application does not have sufficient injury related evidences justifying initiation of the investigation, the Authority notes that the petition had prima facie evidence of dumping causing injury, justifying the need to initiate the investigation.
- ii. As regards the argument that the petition filed by the domestic industry is deficient, the Authority notes that only after receiving a duly documented and being prima facie satisfied on the claims made, the Authority initiated the investigation. Further, it is noted that the evidences and information submitted to the Authority during the process of investigation proceedings are verified during the process of investigation and only thereafter, the same is considered by the Authority while issuing the Disclosure statement.
- iii. As regard the argument on inconsistency in the claims made by the petitioner in different investigations, it is noted that mere claims by the petitioner is not accepted as such by the Authority. The Authority duly examines the claims made by various interested parties including the petitioner during the process of investigation and only after detailed examination and verification of the information, the same has been taken on record.
- iv. As regards the argument that Germany should have been included in the subject investigation, it is noted that Authority analyses imports for the product under consideration as a whole without segregating it into different types. After examining the import volume from the DGCIS transaction wise data, it is noted that imports of subject goods (all three grades of the subject goods) from EU constitute 6.79 % of the imports of subject goods during the POI. However, it is also noted that their import prices are much higher and have therefore not caused injury to the domestic industry. With regard to arguments that turkey's share is negligible in terms of its share in the total imports, it is stated that as per DGCI&S statistics, Turkey's share is much more than negligible in terms of volume.

E. Dumping Margin

E.1. Determination of Normal Value

E.1.1 Submissions made by the Domestic industry

14. The following are submissions of domestic industry

- i. The petitioners have claimed normal value in USA on the basis of a price offer /quotation of one of the producers of subject goods in USA considering low and high volumes.

- ii. The petitioners have further claimed normal value on the basis of the price at which one of the domestic producers has exported the product to USA for consumption in USA as an alternative.
- iii. The petitioners could not provide any information with regard to calculation of normal value in Taiwan and Turkey. Therefore, the petitioners have claimed normal value for these two countries on the basis of constructed cost in India for ammonium persulphate only as the product of this grade only is being imported from these two countries.
- iv. Post disclosure, the domestic industry has stated that constructed normal value determined in the case of turkey is not correct and there is incorrect termination of anti dumping investigations turkey from subject countries. It has also been stated that normal value determination in case of USA is not correct and normal value ought to have been determined based on the consumption price in USA. They have also stated that the Authority has erred in rejecting offer price made by sole producer in USA and exports made by one of the petitioner in US as there are no large no of producers of subject goods in the USA. In addition, it has been submitted that the Authority has failed to utilize best available information available with the authority
- v. Post disclosure, it has also been contended that the constructed normal value cannot be based on cost of production as per NIP.

Submissions made by Importers

- 15. It has been submitted that the domestic industry has determined the normal value for USA on the basis of its export prices to USA and offer prices by one of the producers in USA. In this regard, it is submitted that both methods are not correct for determination of normal value for USA.

E.1.2 Examination by the Authority

- 16. It is noted that none of the exporters from the subject countries has cooperated in the investigation to enable to determine normal value and export price of the subject goods in their countries. It is also noted that the domestic industry in its application had claimed normal value based on the basis of its export prices to USA and offer prices by one of the producers in USA. In this investigation, it was considered appropriate not to base determination of normal value on the basis of few offer prices of subject goods by producers in USA as these would not be reflecting domestic sales prices in the USA during the POI considering the fact that there are large no of sales transactions of subject goods in the USA and also the fact that there are other producers of subject goods in USA whose sales prices are not known. Keeping in view these facts and after careful

examination, the Authority has constructed normal value based on the constructed cost of production and reasonable profit margin.

E.1.2.1 Normal value in USA

17. As provided under the law, the Authority is required to consider selling price of the product when meant for consumption in the domestic market of USA for determining normal value in USA. However, none of the exporters in USA has cooperated with the authority with questionnaire response. After examining the submissions of various interested parties, Normal value in USA has been determined using constructed value approach. Prices of major inputs have been considered on the basis of prevailing international price. Consumption of raw materials per unit of production and the conversion costs have been considered on the basis of best information/data available on record, i.e., on the basis of information/data of the most efficient domestic industry. Selling, general & administrative costs have been taken on the basis of best information/data available on record. Profit has been taken @ 5% of ex-factory costs, excluding interest. The normal value so taken in case of USA is mentioned in the dumping margin table.

E.1.2.2 Normal value in Taiwan

18. As provided under the law, the Authority is required to consider selling price of the product when meant for consumption in the domestic market of Taiwan for determining normal value. However, none of the exporters in Taiwan have cooperated with the authority with questionnaire response. Normal value in Taiwan has been determined using constructed value approach. Prices of major inputs have been considered on the basis of prevailing international price. Consumption of raw materials per unit of production and the conversion costs have been considered on the basis of best information/data available on record, i.e., on the basis of information/data of the most efficient domestic industry. Selling, general & administrative costs have been taken on the basis of best information/data available on record. Profit has been taken @ 5% of ex-factory costs, excluding interest. The normal value so taken in case of Taiwan is mentioned in the dumping margin table.

E.1.2.3 Normal value in Turkey

19. As provided under the law, the Authority is required to consider selling price of the product when meant for consumption in the domestic market of Turkey for determining normal value. However, none of the producers and exporters in Turkey has cooperated with the authority with questionnaire response. Normal value in Turkey has been determined using constructed value approach. Prices of major inputs have been considered on the basis of prevailing international price. Consumption of raw materials

per unit of production and the conversion costs have been considered on the basis of best information/data available on record, i.e., on the basis of information/data of the most efficient domestic industry. Selling, general & administrative costs have been taken on the basis of best information/data available on record. Profit has been taken @ 5% of ex-factory costs, excluding interest. The normal value so taken in case of Turkey is mentioned in the dumping margin table.

D.2. Determination of Export Price

20. Export price in respect of product under consideration for all producers and exporters has been determined as per facts available. For the purpose, the Designated Authority has considered Indian customs data relating to imports of the product under consideration in India. Price adjustments have been allowed on the on the Ocean freight, Marine insurance, Port expenses, Bank charges, commission and inland freight on the basis of facts available. The export sales to India (net of all the adjustments) of each subtypes of product under consideration have been considered as ex-factory export price.

E.3. Determination of Dumping Margin

21. It is noted that USA has exported all three subtypes of the Product under consideration during POI while Taiwan and Turkey have exported only APS during the same period. The dumping margin for the product under consideration has been determined after comparing the normal value with the export price of each subtypes i.e APS, PPS and SPS which has been exported by each subject countries during the POI. Thereafter weighted average dumping margin has been determined for subject countries. After the analysis of the data, the dumping margin has been worked out as mentioned in the table. As the dumping margin determined in respect of Turkey is negative, the anti dumping investigation is terminated with respect to Turkey.

All Producers and exporters in USA US\$/Kg					
	APS	PPS	SPS	Weight Average	Dumping margin range
Normal Value	***	***	***	***	
Export Price	***	***	***	***	
Dumping Margin	(***)	(***)	***	***	
Dumping Margin %	(***)	(***)	***	***	0-10

All Producers and exporters in Taiwan US\$/Kg		
	APS	Dumping margin range

Normal Value	***	
Export Price	***	
Dumping Margin	***	
Dumping Margin %	***	5-15

All Producers and Exporters in Turkey US\$/Kg		
	APS	Dumping margin range
Normal Value	***	
Export Price	***	
Dumping Margin	(***)	
Dumping Margin %	(***)	(0-10)

22. The weighted average dumping margin as determined above for product under consideration is shown in the table below.

SN	Countries/Territory All producers and exporters	Dumping Margin US\$/kg	Dumping Margin%	Dumping margin range
1	USA	***	***	0-10%
2	Taiwan	***	***	5-15%
3	Turkey	(***)	(***)	(0-10%)

F. Injury

F.1. Submissions made by Domestic Industry

23. The domestic industry has argued that:

- a) The Designated Authority is not required to determine injury in respect of individual product types. Injury is required to be seen for the product under consideration and like article.
- b) Cumulative assessment is justified in the present case. Mere existence of different product types and supply of some product from a country and non supply of other product type

does not mean that cumulative assessment would be unjustified. The three types of the product under consideration constitute one article.

- c) Demand for the product has shown increase and Indian producers are well aware that export is not their focus market.
- d) Decline in production is more than the decline in export volumes. Further, even the domestic sales volumes declined even when demand for the product under consideration has increased. Decline in domestic sales volumes when demand has increased itself establishes both injury and causal link.
- e) Difference between NIP and NSR is entirely immaterial in injury analysis. The purpose of NIP is only to determine injury margin.
- f) “Difference in costs” and “deterioration in profitability” are two distinct parameters. While difference in costs could be due to other factors, deterioration in profitability cannot be due to cost differences.
- g) The landed prices of import from subject countries are materially lower than selling price of the domestic industry. Existence of significant price undercutting by the exports clearly establishes that it is the dumped import which is the major cause of injury to the domestic industry
- h) Imports from the subject countries are undercutting the prices of domestic industry to a significant extent. The import price is undercutting the domestic price, in spite of low prices already offered by the domestic industry.
- i) Increase in selling price of the domestic industry is not in proportion to the increase in the cost of production of the subject goods. This is because of the significant low prices of the goods as maintained by the imports from the subject countries. Therefore, it is very evident that the dumped imports are causing price suppression to the domestic industry.
- j) Production and sales of the domestic industry improved till 2010-11 and then declined in the POI. The capacity utilization and market share of the domestic industry also declined.
- k) Performance of the domestic industry with regard to profits, return on investment and cash profits was declining and profits turned into losses in POI.
- l) Dumping margin as a measure of extent of dumping is quite significant.
- m) The Designated Authority has imposed fixed form of anti dumping duty in the other investigation conducted in respect of Japan and China. Further, there are three types of Persulphates in the present case and therefore fixed form of duty or ad-valourem duty should be imposed in the present case

- n) Post disclosure, the domestic industry has submitted that non injurious price determined is too low. Petitioners have requested the Designated Authority to consider actual consumption of the raw materials in the investigation period.
- o) The domestic industry has further reiterated their submissions with regard to injury submissions made by them earlier to the Authority. They have requested the Authority to impose anti dumping duties on fixed duty basis in US\$ stating that the depreciation of INR has impacted the costs of the raw materials, utilities and other costs.

F.2. Submissions made by the interested parties

- i. Injury should not be cumulatively assessed from all the subject countries as the goods are not competing at the same level and injury on APS and PPS from Germany. When there are no imports of PPS and SPS from Turkey and Taiwan, it is incorrect to attribute any injury to DI from the same. In such a situation, Cumulative Assessment would give a distorted picture
- ii. Import from subject countries needs to be seen separately for APS, PPS and SPS separately. There were no imports of PPS and SPS from Turkey and Taiwan. This clearly shows that there is no linkage between the imports from subject countries and the performance of the domestic industry.
- iii. Capacity of the domestic industry has gone up by 57% over the injury period. In fact the capacity set up by the domestic industry were all focusing at the export markets.
- iv. Production of the domestic industry during base year was 3,589 MT which went up to 3,857 MT during POI. Further, decline in the production during the POI as compared to 2010-11 is in line with the decline in the exports volume.
- v. The sales volume of the domestic industry in domestic market during base year was 2,066 MT which went up to 2,439 MT during POI
- vi. Cost of production of some petitioners are very high because of process. Therefore, the Authority is required to compare company wise costing (conversion cost, raw material and utility cost) and injury data.
- vii. There is significant increase in interest cost during the POI which should be critically examined by the Authority.
- viii. High cost of production owing to high interest cost, wages, process, decline in exports volume, low priced imports from Germany etc are the root cause for any alleged injury which clearly establishes absence of causal link between dumping from subject countries and injury in the present case.
- ix. Therefore, fixed form of duty, if at all the Authority considers this case for any imposition of AD duty, would render us uncompetitive and unviable to survive and at the same time confer unjust enrichment to the petitioner.
- x. Complainants utilize the same injury and dumping allegations in contrast with financial well being observed in other investigation in terms of production, capacity sales, productivity and employment.

- xi. Intervening trend must be seen while analyzing injury. Production has consistently increased. Production increase in 2008 and 2011 is 20.5%. production remained consistently above the demand till 2010-2011.
- xii. Continuously increasing production and capacity outpaced demand causing self inflicted injury.
- xiii. Decrease in production was because of decrease in exports. Further the losses suffered in 2009-10 and 2011-12 was because of the drop in exports.
- xiv. Loss of market share was not because of Turkish imports but was because of the increase in imports from other countries.
- xv. There is no causal link between imports of turkey and injury to the DI.
- xvi. Decrease in profitability is also on account of wages.
- xvii. Post disclosure, it has been submitted that price undercutting is not supported with complete facts. They have further stated that aspects of third country imports have not been examined objectively. It has also been stated that confidential treatment of normal value is unjustified.
- xviii. Post disclosure, it has been submitted that there is no causal link between alleged injury and dumping and further it has been stated that duty , if any, should be in terms of Indian rupees and not US\$ as domestic industry is already protected with large rupee depreciation. They have requested the Authority to terminate the present investigation.

F.3. Examination by the Authority

F.3.1 Cumulative Assessment

- 24. 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....” 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 suppress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.
- 25. 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, stock, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the rules supra.
- 26. Annexure-II of the AD Rules provides for an objective examination of both, (a) the volume of dumped imports and the effect of the dumped imports on prices, in the domestic market, for the like articles; and (b) the consequent impact of these imports on domestic producers of such articles. With regard to the volume effect of the dumped

imports, the Authority is required to examine whether there has been a significant increase in dumped imports, either in absolute term or relative to production or consumption in India. With regard to the price effect of the dumped imports, the Authority is required to examine whether there has been significant price undercutting by the dumped imports as compared to the price of the like product in India, or whether the effect of such imports is otherwise to depress the prices to a significant degree, or prevent price increases, which would have otherwise occurred to a significant degree.

27. In this regard the Authority observes that:

- a) The margins of dumping from each of the subject countries (hence forth also to referred to as USA and Taiwan) are more than the limits prescribed above;
- b) The volume of imports from each of the subject countries is more than the limits prescribed;
- c) Cumulative assessment of the effects of imports is appropriate since the exports from the subject countries directly compete with the like articles offered by the domestic industry in the Indian market. This is evident from the following:
 - i. The subject goods manufactured by the producers from the subject countries *inter-se* and in comparison to the product manufactured by the domestic industry. In other words, the subject goods supplied from various subject countries and by the domestic industry are *inter-se* like articles.
 - ii. There are common parties who are resorting to use of imported material from various sources and domestic material. Imported and domestic materials are, therefore, being used interchangeably and there is direct competition between the domestic product & imported product
 - iii. The sales channels are comparable.
 - iv. Volume of imports from each of the subject countries is significant.
 - v. Consumers make purchase decision on the basis of prices offered by various suppliers.

28. In view of the above, the Authority considers it appropriate to cumulatively assess the effects of dumped imports of the subject goods from USA and, Taiwan (also referred to as subject countries henceforth in this disclosure statement) on the domestic industry in the light of conditions of competition between imported product and like domestic product.

29. The Authority has analyzed injury parameters in accordance with the rules. Information provided by interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has granted confidentiality, wherever warranted and such information has been treated 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.

30. The Authority has considered the views of the interested parties and addressed the same appropriately.
31. Since positive dumping margins have been established for the exports from the subject countries i.e USA and Taiwan, therefore, entire exports from these subject countries have been treated as dumped imports for the purpose of injury analysis and causal links examinations.
32. The Authority has taken note of various submissions of the interested parties on injury to the domestic industry and has analyzed injury to the domestic industry considering the facts available on record and applicable law as follows. The submissions made by the interested parties have been considered to the extent found pertinent and have been examined below and in the relevant sections of this disclosure statement.
33. The Authority notes that the following injury analysis shows the state of the domestic industry and the injury caused by the dumped imports of the subject goods originating in or exported from the subject country. The Authority has considered and addressed the specific and relevant submissions herein below:
 - a. As regards the contention that injury should not be cumulatively assessed from all the subject countries it is noted that the conditions for cumulation exists as noted above. Further, the Authority is not required to segregate the types of product and then assess the same. Since positive dumping margins have been established for the exports from the subject countries, entire exports from the subject countries have been treated as dumped imports for the purpose of injury analysis and causal links examinations.
 - b. As regards the contention that import from subject countries needs to be seen separately for APS, PPS and SPS, it is noted that injury is seen to the domestic industry caused by the imports of the product under consideration. Since the product has been defined as including all types of persulphates, the injury analysis shall also follow for the product under consideration as a whole and not for product types. The Authority has undertaken injury analysis for the product as a whole in the recently conducted sunset review investigation on subject goods from China.
 - c. As regards the contention that sunset review concluded recently on subject goods, noted improvement in performance of domestic industry in certain parameters, the Authority notes that it is a well settled principle of law that injury may not be reflective in all parameters analysed. It is further noted that despite observing improvement in certain parameters in the said investigation, the Authority concluded injury to the domestic industry.

- d. With regards to comments by interested parties post disclosure, it is stated that both the parties i.e. domestic industry as well as exporters have largely reiterated their submissions made earlier to the Authority. With regard to domestic industry submission that non injurious price determined is too low, it is stated that non injurious price has been determined taking into account the principles and rules as per Annexure III of the anti dumping rules.
- e. With regard to the post disclosure comments of the importers that price undercutting is not supported with complete facts, the matter has been examined and it is stated that price undercutting has been examined for the entire injury period in this investigation. It is noted that though price undercutting in respect of subject countries (USA and Taiwan) is negative during the base year i.e. 2008-09. They have turned positive and significant from 2009-10 onwards.
- f. With regard to post disclosure comments that aspects of third country imports have not been examined objectively, the matter has been examined and it is stated that imports from third countries are either negligible in terms of volume, or their prices are higher and these are not injuring the domestic industry. With regard to comments that confidential treatment of normal value is unjustified, it is stated that constructed normal value has been determined taking into account the international raw material prices and consumption norms of the most efficient domestic industry in view of the fact that there was no cooperation from the producers and exporters from subject countries. In view of the above, the absolute value of CNV has not been disclosed. However, the dumping margin range has been disclosed in the dumping margin table.
- g. With regard to other comments relating to injury, these have been dealt in the relevant paragraphs/headings in the final findings.

F.3.2 Volume Effect of dumped imports and Impact on domestic Industry

a) Import Volumes and share of subject country

34. With regard to the volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports, either in absolute terms or relative to production or consumption in India. For the purpose of injury analysis, the Authority has relied on the import data procured from transaction wise data made available from DGCI&S. The volume of imports of the subject good from the subject countries have been analyzed as under:

Imports – (Volume)	Unit	2008-09	2009-10	2010-11	2011-12
USA	MT	134	591	765	702
Taiwan	MT	20	90	132	163
Total subject countries	MT	154	681	897	865

Imports – (Volume)	Unit	2008-09	2009-10	2010-11	2011-12
import					
Trend	Indexed	100	441	581	561
Country attracting ADD					
China	MT	204	266	246	496
Trend	Indexed	100	131	121	244
Other countries (including Turkey)	MT	156	92	114	421
Total Imports	MT	514	1,038	1,257	1,782
Trend	Indexed	100	202	245	347
Market share in imports					
USA	%	26.13%	56.87%	60.86%	39.39%
Taiwan	%	3.89%	8.67%	10.50%	9.17%
Subject countries		30.02	65.54%	71.36%	48.56%
Countries Attracting ADD	%	39.61%	25.60%	19.56%	27.83%
Other Countries(including Turkey)	%	30.36%	8.86%	9.07%	23.61%

35. It is noted that the volume of dumped imports from subject countries has shown significant increase in absolute terms during the injury period. Imports of the subject goods from countries already attracting ADD and other countries have also shown increase over the injury period during the same period.

b) Assessment of Demand and Market Share

36. The Designated Authority has determined demand as the sum of domestic sales of the domestic industry, sales of other Indian producers and imports of the subject goods in India from all sources. The demand so assessed is shown in the following table. It would be seen from the table above that there is steady increase in the demand throughout the injury period.

Particulars		2008-09	2009-10	2010-11	POI
Demand in India					
Domestic industry sales	MT	2,066	2,524	2,655	2,445
	Indexed	100	122	128	118
Subject imports	MT	154	681	897	865
Other countries attracting anti dumping duties		204	266	246	496
Other countries	MT	156	92	114	421
Demand/consumption	MT	2,580	3,562	3,912	4,227
Trend	Indexed	100	138	152	164

Market Share in Demand					
Domestic industry	%	80.09%	70.85%	67.88%	57.84%
Subject Countries	%	5.98%	19.11%	22.93%	20.47%
Countries Attracting ADD	%	7.89%	7.46%	6.28%	11.73%
Other Countries	%	6.05%	2.58%	2.91%	9.95%

37. The Authority further notes that while imports from subject countries have increased during the injury period, the sales of the petitioners could not increase in proportion to the increase in demand and in fact declined in the POI as compared to the previous two years. The market share of imports of subject goods from the subject countries have increased significantly during the injury period whereas the market share of domestic industry has constantly decreased in view of the dumped imports.

E.3.3 Price Effect of the Dumped imports on the Domestic Industry

a) Price Undercutting

38. With regard to the effect of the dumped imports on prices, Annexure II (ii) of the Rules lays down as follows:

“With regard to the effect of the dumped imports on prices as referred to in sub-rule (2) of rule 18 the Designated Authority shall consider whether there has been a significant price undercutting by the dumped imports as compared with the price of like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increase which otherwise would have occurred to a significant degree.”

39. With regard to the effect of the dumped imports on prices, it has been examined whether there has been a significant price undercutting by the dumped imports as compared with the price of the like product 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. In this regard, a comparison was made between the landed value of the product concerned and the average selling price of the domestic industry net of all rebates and taxes, at the same level of trade. The prices of the domestic industry were determined at the ex factory level.

Particulars	UOM	APS	SPS	PPS	Weighted Average
Subject Countries as a whole					
Net Sales Realization	Rs./Kg	***	***	***	***
	Indexed	100	154	144	122

Particulars	UOM	APS	SPS	PPS	Weighted Average
Landed Price	Rs./Kg	57.73	94.78	86.32	72.33
	Indexed	100	164	150	125
Price Undercutting	Rs./Kg	***	***	***	***
Price Undercutting	%	***	***	***	***
Price under cutting	range %	10-20	5-15	5-15	5-15
USA					
Net Sales Realization	Rs./Kg	***	***	***	***
	Indexed	100	154	144	127
Landed Price	Rs./Kg	60.42	94.78	86.32	76.82
	Indexed	100	157	143	127
Price Undercutting	Rs./Kg	***	***	***	***
Price Undercutting	%	***	***	***	***
Price under cutting	range %	5-15%	5-15	5-15	5-15
Taiwan					
Net Sales Realization	Rs./Kg	***	***	***	***
	Indexed	100	154	144	100
Landed Price	Rs./Kg	53.03	No import	No import	53.03
	Indexed	100			100
Price Undercutting	Rs./Kg	***			***
Price Undercutting	%	***			***
Price under cutting	range %	15-25			15-25

40. It is noted from the table above that landed price of the subject goods from the subject countries have been below the selling price of domestic industry during the POI thereby undercutting the prices of domestic industry. The imports are significantly undercutting the prices of the domestic industry in the POI for all grades of per sulphates individually and collectively. It is also noted that landed price of the subject goods from the subject countries have been below the selling price of domestic industry throughout the injury period except base year thereby undercutting the prices of domestic industry

b) Price underselling

41. The Authority has also examined price underselling if any, suffered by the domestic industry on account of dumped imports from the subject country. After examination, it is

determined that the domestic industry has suffered significant price underselling during the investigation period.

POI

Particulars	UOM	APS	SPS	PPS	Weighted Average
Subject Countries as a whole					
Non Injurious Price by DI	Rs./Kg	***	***	***	***
	Indexed	100	123	151	122
Landed Price	Rs./Kg	57.73	94.78	86.32	72.33
	Indexed	100	164	150	125
Price Underselling	Rs./Kg	***	(***)	***	***
	%	***	(***)	***	***
Price under selling	range %	15-25	(15-25)	5-15	5-15
USA					
Non Injurious Price	Rs./Kg	***	***	***	***
	Indexed	100	123	151	127
Landed Price	Rs./Kg	60.42	94.78	86.32	76.82
	Indexed	100	157	143	127
Price Underselling	Rs./Kg	***	***	***	***
	%	***	(***)	***	***
Price under selling	range %	5-15	(15-25)	5-15	5-15
Taiwan					
Non Injurious Price	Rs./Kg	***	***	***	***

Particulars	UOM	APS	SPS	PPS	Weighted Average
	Indexed	100	123	151	100
Landed Price	Rs./Kg	53.03	No import	No import	53.03
Trend	Indexed	100			100
Price Underselling	Rs./Kg	***			***
	%	***			***
Price under selling	range %	15-25			15-25

c) Price Suppression and Depression

42. The cost and price movement of the domestic industry and the landed value of imports from the subject countries have been compared over the injury period to examine whether the effect of dumped imports is to depress prices to a significant degree or prevent price increases which otherwise would have occurred to a significant degree.

Particulars	UOM	2008-09	2009-10	2010-11	POI
Cost of production	Rs./Kg	***	***	***	***
Trend	Indexed	100	121	97	141
Net Selling Price	Rs./Kg	***	***	***	***
Trend	Indexed	100	108	106	107
Profit/loss	Rs./Kg	***	***	***	(***)
Trend	Indexed	***	***	***	(***)
Landed Price USA	Rs./Kg	92.00	68.89	68.88	76.82
Landed Price from Taiwan	Rs./Kg	62.44	48.86	53.00	53.03
Landed Price from Subject Countries	Rs./Kg	88.47	66.25	66.54	72.33

43. The Authority notes from the above that there is no decline in the selling price of the domestic industry during the injury period as compared to base period. Thus, there is no price depression effect in this case. However, from the above table, it is noted that increase in selling price of the domestic industry is not in proportion to the increase in the cost of production of the subject goods. This could be because of the significant low

prices of the subject goods imported from the subject countries. Therefore, it is evident that the dumped imports are causing price suppression to the domestic industry in respect of subject goods. The Authority notes that during the POI, there was significant increase in the input cost of the subject goods. As a result the cost of production of the domestic industry increased significantly. However, the landed value of imports of subject goods has remained below the cost of production during the same period. As a result the domestic industry was not able to increase its selling prices commensurate with the increase in the cost of production. This resulted in significant erosion of profitability of the domestic industry during the POI.

E.3.4 Economic parameters of the domestic industry

44. Annexure II to the AD Rules requires that a determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of like product. With regard to consequent impact of these imports on domestic producers of such products, the 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. An examination of performance of the domestic industry reveals that the domestic industry has suffered material injury. The various injury parameters relating to the domestic industry are discussed below.

(a) Capacity, Production, Capacity Utilization and sales

45. Information on capacity, production, capacity utilization and sales volumes of the domestic industry has been as under:-

SN	Particulars	UOM	2008-09	2009-10	2010-11	POI
1	Capacity	MT	5,200	5,600	6,400	6,400
2	Production	MT	3,343	3,653	4,041	3,507
3	Capacity utilization	%	64%	65%	63%	55%
4	Domestic Sales	MT	2,066	2,524	2,655	2,445
5	Demand	MT	2,580	3,562	3,912	4,195

46. It is noted that the production and sales of domestic industry has increased up to 2010-11 and then declined in POI. The capacity utilization has declined during the injury period.

(b) Profits, Return on Capital Employed and Cash Profit

47. The Profits, return on investment and cash flow of the domestic industry has been examined as under:

Particulars	Unit	2008-09	2010-11	2011-12	POI
Cost of production	Rs./Kg	***	***	***	***
Trend	Indexed	100	121	97	141
Selling price	Rs./Kg	***	***	***	***
Trend	Indexed	100	108	106	107
Profit/Loss	Rs./Kg	***	***	***	(***)
Trend	Indexed	100	57	142	-18
Profit/Loss	Rs. Lacs	***	***	***	(***)
Trend	Indexed	100	69	180	-21
Profit before Interest tax	Rs. Lacs	***	***	***	***
Trend	Indexed	100	121	89	152
ROCE	%	***	***	***	***
Trend	Indexed	100	121	74	89
Cash Profit	Rs. Lacs	***	***	***	***
Trend	Indexed	100.00	82.70	81.03	86.39

48. It is noted that both the cost of production and net selling price increased during the POI as compared to the immediate preceding as well as the base year. However, the cost of production has increased more than the selling price. The return on investment declined in the POI as compared to base year. The profitability of the domestic industry reached to negative levels in the POI.

(c) Employment and wages:

49. The Status of employment levels and wages of the domestic industry has been as under:

Particulars	UOM	2008-09	2009-10	2010-11	POI
No. of Employees	Nos	***	***	***	***
Trend	Indexed	100	115	144	151
Wages	Rs. Lacs	***	***	***	***
Trend	Indexed	100	139	167	314

50. The Authority notes that employment level and wages have increased over the injury period.

(d) Productivity

51. The productivity of the domestic industry is given in the following table:

Particulars	UOM	2008-09	2009-10	2010-11	2011-12
Productivity per Employee	MT	***	***	***	***
Trend	Indexed	100	95	84	69
Productivity per Day	MT	***	***	***	***
Trend	Indexed	100	109	121	105

52. It is noted that the productivity has increased up to 2010-11 and then declined in the POI as the production of the domestic industry declined.

(e) Inventories

53. The Designated Authority has examined the inventory level of the domestic industry, which is given in the following table:-

Inventories	UOM	2008-09	2009-10	2010-11	POI
Opening Stock	MT	***	***	***	***
Closing stock	MT	***	***	***	***
Average Stock	MT	***	***	***	***
Index	Indexed	100	114	114	108

54. It is noted that the average inventories with the Domestic Industry increased up to 2010-11 and then declined in the POI as compared to the previous year.

(f) Ability to raise capital

55. With regard to ability to raise investments, it is noted that the domestic industry has increased its capacity with increase in demand. The major constituent of the domestic industry i.e M/s Calibre Chemicals Pvt. Ltd is multi Product Company and ability to raise capital may not get impacted adversely due to this product.

(g) Growth

56. There has been significant growth in the import volumes of the subject goods from the subject country. On examination of various economic parameters of the domestic industry, it is noted that both the volume parameters and price parameters showed improvement up to 2010-11 and has declined thereafter in the POI. The domestic

industry incurred financial losses in the POI. Thus, overall growth of the domestic industry was adverse.

(h) Magnitude and Margin of Dumping

57. Magnitude of dumping as an indicator of the extent to which the dumped imports can cause injury to the domestic industry shows that the dumping margin determined against the subject countries are above de minimis and significant.

(i) Factors Affecting Domestic Prices

58. Consideration of the import prices from the subject countries and other 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 shows that the landed value of imported material from the subject countries is below the selling price and cost of production of the domestic industry, causing significant price undercutting in the Indian market. It is further noted that imports of subject goods from other countries are at much higher prices or are attracting anti dumping duty. There is no viable substitute to this product. It is also noted that demand for the subject goods was showing significant increase during the injury period and this could not have been a factor affecting domestic prices. Thus, the principal factor affecting the domestic prices is landed value of subject goods from subject countries and cost of raw materials.

MAGNITUDE OF INJURY MARGIN

59. Based on the analysis of the cost data submitted by the domestic industry, for the POI, the Authority has also determined the Non Injurious Price (NIP) for the domestic industry in accordance with the provisions of the Anti Dumping Rules. The injury margin for the product under consideration has been determined after comparing the corresponding NIP, as determined by the Authority with the landed price of each subtypes i.e. APS, PPS and SPS which has been exported by subject countries during the POI. Thereafter weighted average injury margin has been determined for subject countries. After the analysis of the data, the injury margin has been worked out as mentioned in the table. Accordingly, the injury margin in the present case works out as follows:

USA : All Producers and Exporters

	APS	PPS	SPS	Weighted Average injury margin	Injury Margin range
NIP US \$/Kg	***	***	***	***	
Landed value in US\$/Kg	***	***	***	***	

Injury Margin US\$/Kg`	***	***	***	***	
Injury Margin %	***	***	***	***	5-15

Taiwan : All Producers and Exporters

	APS	Weighted Average injury margin	Injury Margin range
NIP US \$/Kg	***	***	
Landed value in US\$/Kg	***	***	
Injury Margin US\$/Kg`	***	***	
Injury Margin %	***	***	20-30%

60. The weighted average injury margin as determined above for product under consideration is shown in the table below.

SN	Countries/Territory	Injury margin US\$/kg	Injury Margin%	Injury margin range %
	All producers and exporters			
1	USA	***	***	5-15
2	Taiwan	***	***	20-30%

E.4 Causal Link

61. As per the AD Rules, the Designated Authority is, inter alia, required to examine any known factors other than dumped imports which at the same time are injuring the domestic industry, so that the injury caused by these other factors must not be attributed to the dumped imports.

62. Factors which may be relevant in this respect include, inter alia, the volume and prices of imports not sold at dumping 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. The Authority has examined whether other factors listed under the AD Rules could have contributed to injury to the domestic industry. The examination of causal link has been done as follows:

(a) Imports from third countries and other Known Factors

63. It is noted that imports of subject goods from third countries were either negligible or are already subject to anti dumping duties or like in case of EU, when their import volume is more than negligible, their prices are higher and therefore could not have caused injury to the domestic industry. As regards the argument that import prices from Germany are higher for PPS grade, it is noted that Authority analyses imports for the product under consideration as a whole without segregating it into different types. After examining the import volume from the DGCIS transaction wise data, it is noted that imports of subject goods (all three grades of the subject goods) from EU constitute 6.79% of the imports of subject goods during the POI. However, it is also noted that their prices are much higher and have not caused injury to the domestic industry.

(b) Contraction in demand

64. The Authority notes that the demand for the subject goods has shown significant increase during the injury period.

(c) Pattern of consumption

65. It is noted that no significant change in the pattern of consumption for the subject goods has come to the knowledge of the Authority, nor any interested party has made any submission to that regard.

(d) Conditions of competition

66. The Authority notes that the investigation has not shown that conditions of competition or trade restrictive practices are responsible for the claimed injury to the domestic industry.

(d) Developments in Technology

67. There is no allegation of developments in technology, nor has the investigation so far shown that possible injury to the domestic industry could have been caused by developments in technology.

(e) Export performance

68. The domestic industry has also made export sales of subject goods. However, the injury analysis has been done without including export performances of the domestic industry.

(f) Productivity of the Domestic Industry

69. It is noted that there is no material change in productivity of the domestic industry. Possible decline in productivity cannot be the reason for the established injury to the domestic industry.

E.4.1 Parameters establishing causal link

70. The Authority notes that while listed known other factors do not show that injury to the domestic industry has been caused by these factors, following parameters show that injury to the domestic industry has been caused by dumped imports.

- a. The volume of dumped imports from the subject country increased significantly resulting in increase in the share of dumped imports in demand of the product in India. Consequently, the domestic industry lost its market share.
- b. The imports were significantly undercutting the prices of the domestic industry. Resultantly, the domestic industry was not able to increase its prices in line with the increase in the costs. Imports were thus resulting in price suppression being faced by the domestic industry.
- c. Imports of the product under consideration were undercutting the domestic prices, as a result of which the volume of imports increased. Resultantly, the domestic industry faced decline in capacity utilization. Though the sales volume increased during the injury period, it did not increase proportionate to increase in demand.
- d. The operating performance of the domestic industry has deteriorated during the injury period. Thus, dumping of the product has led to deterioration in operating performance of the domestic industry.
- e. The domestic industry is faced with significant increase in inventories
- f. The level of dumping margins and injury margins as determined are considered significant.

E.5 Conclusion on Injury and causation

71. It is noted that the imports coming into India from the subject countries except Turkey are above the de minimis. The dumping margin determined from USA and Taiwan is considered significant. It is concluded that the dumped imports of the subject goods from the subject countries have increased significantly in absolute terms as also in relation to production and consumption of the subject goods in India. Subject imports are significantly undercutting the prices of domestic industry. The imports are causing significant price suppression. With regard to consequent impact of the dumped imports on the domestic industry, it is concluded that the performance of the domestic industry has deteriorated in respect of production, capacity utilization, domestic sales, market

share, profit, cash flow, return on investment, productivity and inventories. Thus the Authority concludes that the domestic industry has suffered injury on account of dumped imports of subject goods from USA and Taiwan. .

F. Indian industry's interest & other issues:

72. The Authority notes that the purpose of anti-dumping duties, in general, is to eliminate injury caused to the Domestic Industry by the unfair trade practices of dumping so as to reestablish a situation of open and fair competition in the Indian market, which is in the general interest of the Country. Imposition of anti-dumping measures would not restrict imports from the subject countries in any way; and therefore, would not affect the availability of the product to the consumers.
73. It is recognized that the imposition of anti-dumping duties might affect the price levels of the product manufactured using the subject goods and consequently might have some influence on relative competitiveness of this product. However, fair competition in the Indian market will not be reduced by the anti-dumping measures, particularly if the levy of the antidumping duty is restricted to an amount necessary to redress the injury to the domestic industry. On the contrary, imposition of anti-dumping measures would remove the unfair advantages gained by dumping practices, would prevent the decline in the performance of the domestic industry and help maintain availability of wider choice to the consumers of the subject goods.

Recommendations

74. Having regard to contentions raised, information provided and submissions made by interested parties and facts available before the Authority as recorded in the above findings and on the basis of above analysis of the state of dumping and consequent injury to domestic industry, the Authority concludes that
- (a) The product under consideration has been exported to India from the subject countries except Turkey below their associated Normal values. As dumping margin in case of turkey is de minimis, the investigation is terminated against Turkey. The dumping margins of the subject goods imported from USA and Taiwan is above de-minimis;
 - (b) The domestic industry has suffered material injury on account of imports of subject goods from USA and Taiwan
 - (c) The material injury has been caused by the dumped imports of subject goods from USA and Taiwan
75. The Authority notes that the investigation was initiated and it was notified to all interested parties. Adequate opportunity was given to the exporters, importers and other interested parties to provide information on the aspects of dumping, injury and causal

link. Having initiated and conducted a investigation into dumping, injury and the causal link thereof in terms of the AD Rules and having established positive dumping margins (except Turkey) as well as material injury to the domestic industry caused by such dumped imports, the Authority is of the view that imposition of duty is required to offset dumping and injury. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of definitive 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. For the purpose of determining injury margin, the landed value of imports of product under consideration has been compared with the non-injurious price of the domestic like product produced by domestic industry determined for the period of investigation.

76. With regard to duty structure, keeping into account factual matrix of the case and having regard to contentions raised, information provided and submissions made by interested parties, it is deemed appropriate to recommend fixed duty form of anti dumping duties, equal to the difference between the amount indicated in the column 9 of the table below and landed value, to be imposed from the date of notification to be issued in this regard by the Central government on all imports of subject goods originating in or exported from USA and Taiwan.

Duty Table

S. No.	Heading/ Subheading	Description of goods	Specifications	Country of Origin	Country of Exports	Producer	Exporter	Duty Amount	Unit	Currency
1	2	3	4	5	6	7	8	9	10	11
1	28334000	Peroxosulphates or Persulphates	Ammonium Persulphates, Potassium Persulphates or Sodium Persulphates	USA	USA	Any	Any	62	MT	US \$
2	28334000	Peroxosulphates or Persulphates	Ammonium Persulphates, Potassium Persulphates or Sodium Persulphates	USA	Any other than USA	Any	Any	62	MT	US \$
3	28334000	Peroxosulphates or Persulphates	Ammonium Persulphates, Potassium Persulphates or Sodium Persulphates	Any other than USA and Taiwan	USA	Any	Any	62	MT	US \$

S. No.	Heading/ Subheading	Description of goods	Specifications	Country of Origin	Country of Exports	Producer	Exporter	Duty Amount	Unit	Currency
4	28334000	Peroxosulphates or Persulphates	Ammonium Persulphates, Potassium Persulphates or Sodium Persulphates	Taiwan	Taiwan	Any	Any	94	MT	US \$
5	28334000	Peroxosulphates or Persulphates	Ammonium Persulphates, Potassium Persulphates or Sodium Persulphates	Taiwan	Any other than Taiwan	Any	Any	94	MT	US \$
6	28334000	Peroxosulphates or Persulphates	Ammonium Persulphates, Potassium Persulphates or Sodium Persulphates	Any other than Taiwan and USA	Taiwan	Any	Any	94	MT	US \$

Further Procedure

77. An appeal against the order of Central Government arising out of this Final Finding Notification shall lie before the Customs, Excise and Service tax Appellate Tribunal in accordance with the relevant provisions of the Act.

(J S Deepak)
Designated Authority