

Ministry of Commerce & Industry
(Department of Commerce)
Directorate General of Anti-Dumping & Allied Duties

New Delhi, the 21st September 2005

Initiation Notification (Mid-term Review)

Subject: Initiation of Mid-term Review of anti-dumping duty imposed on imports into India of D (-) Para Hydroxy Phenyl Glycine Base (PHPG Base) originating in or exported from Singapore.

No. 15/14/2005-DGAD - Whereas having regard to the Customs Tariff Act, 1975, as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the Rules), vide Notification No. 51/1/2001-DGAD dated 20th September 2002, the Designated Authority (hereinafter referred to as the Authority) notified its final findings recommending definitive anti-dumping duty on import of PHPG Base (hereinafter referred to as subject goods) originating in or exported from China PR and Singapore.

And whereas definitive anti-dumping duty was imposed on the subject goods vide Customs Notification No. 122/2002-Customs dated 31st October 2002.

2. Request for Review

Whereas the Rules require the Authority to review, from time to time, the need for continued imposition of Anti-Dumping Duty and if it is satisfied, on the basis of positive information received by it that there is no justification for continued imposition of such duty, the authority may recommend to the Central Government for its withdrawal. Notwithstanding, the above provision, the authority is required to review, on the basis of positive information submitted by any interested party substantiating the need for a review, provided that a reasonable period of time has elapsed since the imposition of the definitive anti-dumping duty, whether continued imposition of the duty is necessary to offset dumping, whether the injury would be likely to continue or recur if the duty were removed or varied, or both.

In terms of the above provision, the producer and exporter M/s Kaneka Singapore Corporation, Singapore (KSC) has filed a request for a changed circumstances mid-term review of the anti-dumping duty in force.

3. Grounds for Review

The producer and exporter of subject goods from Singapore M/s KSC, Singapore has listed the following grounds for changed circumstances review.

1. The export price of KSC to India has significantly reduced.
2. The Customs duty has been reduced from 35% to 20%.
3. The dumping Margin has significantly declined and thus bench mark fixed in the original investigation should be reduced accordingly.
4. The Cost of production has significantly declined in view of significant reduction in raw material price leading to reduction in the Normal value.
5. The profits realized by the company has significantly declined which would be a tantamount to a decline in Normal value.

The Authority has determined that sufficient evidence with regards to change in circumstances exists for the initiation of a mid term review.

4. Initiation

Having regard to the positive information provided by the applicant indicating the changed circumstances necessitating a review of the measure in force, the Designated Authority now considers that a mid-term review of the Anti-dumping Duty is appropriate in view of the changed circumstances, in terms of the provision of Rule 23 supra.

Having decided to review the final findings notified vide Notification No.51/1/2001-DGAD dated 20th September 2002, the Authority hereby initiates the investigations in terms of the Rules, to review whether continued imposition of the duty on imports of PHPG Base originating in or exported from the Singapore is necessary to offset dumping, whether the injury would be likely to continue or recur if the duty were removed or varied, or both.

5. Product under consideration

The product involved in the original investigation and the current review is D (-) Para Hydroxy Phenyl Glycine Base (PHPG Base) falling under heading No.2942.00 in Chapter 29 of the First Schedule to the said Customs Tariff Act and ITC HS classification. This classification, however, is indicative only and, in no way, binding on the scope of the present investigation.

6. Procedure

The investigation will determine whether continued imposition of the duty is necessary to offset dumping, whether the injury is likely to continue or recur if the duty were removed or varied, or both.

- i. The review will cover all aspects of Notification No.51/1/2001-DGAD dated 20th September 2002.
- ii. The period of investigation for the purpose of this review will be 1st July 2004 to 30th June 2005. However, trends of injury analysis shall cover the years from 2002-03 to POI.
- iii. The country involved in this investigation is Singapore.
- iv. The provisions of Rules 6,7,8,9,10,11,16,17,18,19 and 20 of the Anti-Dumping Rules supra shall be *mutatis mutandis* applied in this review.

7. Submission of Information

The exporters in subject country, their government through their embassy in India, the importers and users in India known to be concerned 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:

The Designated Authority

Directorate General of Anti-Dumping and Allied Duties (DGAD)
Ministry of Commerce & Industry
Department of Commerce
Room No. 240, Udyog Bhavan
New Delhi-110011
Fax No.91-11-23063418; 23062335

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 confidential submissions before the Authority is required to file a non-confidential version of the same, for placing the same in the public folder for inspection by all other interested parties to the investigation.

8. Time Limit

Any information relating to the present review 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 review notification. If no information is received within the prescribed time limit or the information received is

incomplete, the Designated Authority may record its findings on the basis of the facts available on record in accordance with the Rules supra.

9. Inspection of Public File

In terms of Rules 6(7), any interested party may inspect the public file containing non-confidential version of the submissions made by other interested parties before the Designated Authority. In case 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 records its findings on the basis of the facts available to it and makes such recommendations to the Central Government as deemed fit.

(Christy L Fernandez)
Designated Authority