

MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT OF COMMERCE  
(Directorate General of Anti-Dumping & Allied Duties)

**NOTIFICATION**

New Delhi, the 6<sup>th</sup> November, 2007

**Initiation**

**(Sunset Review)**

**Subject: Initiation of Sunset Review of the definitive anti-dumping duty imposed on import of D(-)Para Hydroxy Phenyl Glycine Methyl Potassium Dane Salt (PHPG DS) originating in or exported from China PR and Singapore.**

**No. 14/23/2002(SSR)-DGAD** Having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Designated Authority (herein after referred to as Authority) recommended imposition of Anti Dumping Duty on imports of D(-)Para Hydroxy Phenyl Glycine Methyl Potassium Dane Salt (PHPG DS) (hereinafter referred to as subject goods) originating in or exported from China P.R. and Singapore (hereinafter referred to as subject countries). The preliminary findings and final findings of the Authority were published vide notifications dated 1.10.2002 and dated 24.6.2003 respectively. On the basis of findings, provisional duty and definitive anti dumping duties on the subject goods imported from subject countries were imposed by the Department of Revenue vide notifications No. 124/2002-Cus. dated 11.11.2002 and notification No. 117/2003-Cus. dated 24.7.2003 respectively.

**2. Request for Review**

WHEREAS in terms of the Customs Tariff (Amendment) Act 1995 the antidumping duty imposed shall unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition.

AND WHEREAS the Rules supra 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 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 a duly substantial request made by or on behalf of the domestic industry, within a reasonable period of time prior to the date of the expiry of the measure, whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury.

AND WHEERAS, in terms of the above provisions, the Domestic Industry has approached the authority with a duly substantiated petition requesting for such a review, the Designated Authority considers that initiation of sunset review proceedings for the Anti Dumping Duty in force would be appropriate to examine the need for continued imposition of such duty to offset dumping and whether the injury would be likely to continue or recur if the duty were removed or varied or both.

### 3. Grounds for review

The request is for continuation of the antidumping duties in force. The request is based on the grounds that dumping has continued in spite of imposition of antidumping duty on import of the subject goods from China PR and Singapore and the domestic industry continues to suffer injury on account of dumping from the subject countries. The applicant has further argued that expiry of the measure against these countries would be likely to result in continuation or recurrence of dumping and injury to the domestic industry.

### 4. Initiation

Having satisfied itself on the basis of the positive evidence submitted by the domestic industry substantiating the need for a review, the Authority hereby initiates a review in accordance with Section 9 A (5) of the Act, read with Rule 23 of Antidumping Rules, to review the need for continued imposition of duties in force and whether the expiry of the duty would be likely to lead to continuation or recurrence of dumping and injury.

### 5. Product under Consideration

The product involved in the present investigation is D(-)Para Hydroxy Phenyl Glycine Methyl Potassium Dane Salt (PHPG DS) also known as :

- (i) D(-)Para Hydroxy Phenyl Glycine Methyl Potassium Dane Salt (Methyl Potassium)
- (ii) D(-)Alpha Para Hydroxy Phenyl Glycine Dane Salt (Methyl Potassium)
- (iii) D(-)Alpha Para Hydroxy Phenyl Glycine Methyl Potassium Dane Salt
- (iv) D(-)Alpha Para Hydroxy Phenyl Glycine Methyl Aceto Acetate Potassium Salt (Dane Salt)

Predominantly 'D (-) Para Hydroxyl Phenyl Glycine Base' (hereinafter referred to as "PHPG Base") is imported in to India, which is then converted in-situ to "D(-) Para Hydroxy Phenyl Glycine Methyl Potassium Dane Salt" by the various importers/manufacturers and further used for the production of Amoxicillin and Cefadroxyl, (i.e. bulk drugs).

In other words, PHPG Base cannot be used directly for the production of Amoxicillin etc. It is only when PHPG Base is converted to PHPGDS; the same is used for the production of Amoxicillin etc. This conversion may either be done at the PHPG/PHPGDS manufacturers' end, or at the users end, i.e. producers of Amoxicillin etc.

All types of PHPG are classified in Chapter heading 29.42.

The product investigated in the original investigation was D(-)Para Hydroxy Phenyl Glycine Methyl Potassium Dane Salt (PHPG DS), therefore, the same product will be covered within the scope of this investigation.

### 6. Procedure

I) The investigation will determine whether the expiry of the measure would be likely to lead to a continuation or recurrence of dumping and injury. The authority will examine whether the continued imposition of the duties are necessary to offset dumping and whether the injury would be likely to continue or recur if the duties were removed or varied, or both.

- i. The review will cover all aspects of Notification No.14/23/2002-DGAD dated 24.6.2003
- ii. The countries involved in this review investigation are China PR and Singapore.
- iii. The period of investigation for the purpose of the present review is from 1st April 2006 to 31st March 2007.
- iv. The provisions of Rules 6,7,8,9,10,11,16,17,18,19 and 20 of the Rule supra shall be mutatis mutandis applicable in this review.

## **II) Submission of Information:**

The exporters in subject countries, their governments through their embassies 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 Authority in the following address:

**The Designated Authority**  
Directorate General of Anti-Dumping and Allied Duties  
Ministry of Commerce and Industry  
  
Department of Commerce  
Udyog Bhavan  
New Delhi-110011. Fax: 91-11-23061377

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

## **III) Time Limit**

Any information relating to the present sunset 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 Sunset 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.

## **IV) Inspection of Public File**

In terms of Rule 6(7), any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties. In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

**(R. Gopalan)**  
**Designated Authority**