

# MINISTRY OF COMMERCE

## NOTIFICATION

New Delhi, the 30th December, 1994

**Subject:-** Initiation of anti-dumping investigation concerning import of Potassium Permanganate of Chinese Origin.

**No. 46/ADD/94.-**M/s. Universal Chemicals and Industries Pvt. Ltd. has filed a petition before me for initiation of anti-dumping investigation concerning the import of Potassium Permanganate of Chinese Origin in accordance with Rule 7(1) of the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1985.

**2. Domestic Industry:-** The petition has been filed by M/s. Universal Chemicals and Industries Pvt. Ltd., 507, Raheja Centre, 214 Nariman Point, Bombay-400 021. The petitioner has averred that the company accounts for over 95 per cent of the total production in the country and therefore has a standing to file a written request on behalf of domestic industry under the Rules above said.

**3. Product Involved:-** Potassium Permanganate (an inorganic chemical ) is a dark purple crystalline material and is a compound of Manganese, Potassium and Oxygen. It is available in Technical grade (97 per cent purity) and Pure grade (99 per cent purity). It is used for potable and waste water treatment, chemical manufacture and processing, aqua culture, metal refining and surface cleaning, decolourisation, bleaching and special treatment in textile industry, deodorisation fumigation, tanning, reagent in analytical chemistry, zinc processing and as a powerful oxidizing agent in many processes. The product is classified under Customs tariff code 28416001 (Harmonised system) and falls under open general licence category.

**4. Dumping:-** The petitioner has alleged that imports from the People's Republic of China has increased from 73.50 MT (1992-93) to 297.40 MT (1993-94). It has further alleged that the product of Chinese origin is also being imported into India through Hong Kong.

Domestic prices of the product in People's Republic of China has been reported by the petitioner to be Yuan 7800 to 8100 (or USD 915 to 950) PMT, against which the average CIF export price of approx. USD 700 PMT indicates dumping in India.

**5. Injury:-** There is an increasing trend in imports from People's Republic of China in 1993-94 compared to previous year as is evident from the foregoing paragraph. It is

seen that the Production, capacity utilisation, and Sales for the domestic industry have declined drastically in 1993-94 as compared to 1992-93 even though inventory has remained at more or less same level. The domestic industry has been forced to reduce its selling prices to unremunerative level to market its product by matching, by and large, its prices with the declining prices of the like product originating from People's Republic of China. The petitioner has further alleged that it has been forced to reduce its manpower from 175 in 1992-93 to 152 in 1993-94 and has stopped production in Jan., 1994. The decline in selling prices by the petitioner company even below the cost of sales has resulted in losses to the petitioner which has steeply increased from a profit of Rs. 3.25 lacs in 1991-92 to a loss of 0.75 lacs in 1992-93 and Rs. 39.94 lacs in 1993-94.

6. There is prima facie evidence that imports of Potassium Permanganate originating from People's Republic of China are causing material injury to the Indian Industry.

**7. Initiation of Anti Dumping Investigation-** I am, therefore, initiating anti dumping investigation into the existence, degree and effect of alleged dumping of Potassium Permanganate originating from People's Republic of China.

**8. Time Limit and Address for making submissions:-** The exporters in People's Republic of China and Hong Kong and importers known to be concerned are being addressed separately to make their views known in the form and manner prescribed so as to reach me within 40 days of the date of this Notification at the following address:

Dr. J.K. Bagchi  
Designated Authority  
And  
Additional Secretary  
MINISTRY OF COMMERCE  
Room No. 134-A, Udyog Bhawan  
New delhi-101 011 (INDIA)

Other interested parties are advised to make their submissions relevant to the investigation in the prescribed form and within the time limit at the above address.

**J.K. BAGCHI,**  
Designated Authority and Addl. Secy.