

# MINISTRY OF COMMERCE

## NOTIFICATION

New Delhi, the 4th March, 1996

**SUBJECT:** Initiation of Anti-dumping investigation concerning import of 8-Hydroxyquinoline from the People's Republic of China.

**No. ADD/IW/36/95-96-** M/s. West Bengal Pharmaceutical & Phytochemical Development Corporation Limited has filed a petition before me for initiation of anti-dumping investigation concerning import of 8- Hydroxyquinoline from the People's Republic of China in accordance with Rule 5(1) of the Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995.

**2. Domestic Industry :** The petition has been filed by M/s. West Bengal Pharmaceutical & Phytochemical Development Corporation Ltd., Haco House, (2nd floor.), 1 & 3 B.T. Maharaj Sarani, Calcutta-700 001. The petitioner is the sole producer of 8-Hydroxyquinoline in India and therefore has a standing to file a written request on behalf of domestic industry under the Rules above said.

**3. Product Involved:** 8-Hydroxyquinoline is manufactured using Glycerine, Ortho Nitro Chloro Benzene, Sodium Sulphide, Caustic Lye, Sulphuric Acid and is a life saving drug, 8-Hydroxyquinoline is classified under the Customs Tariff Code 29334004 (Harmonized System)

**4. Dumping :** The petitioner has expressed its inability to furnish domestic price in the People's Republic of China or the export price to third country. It has however, estimated cost of production of 8-Hydroxyquinoline in the People's Republic of China at US\$ 24.65. Petitioner has submitted the information indicating weighted average export price (cif) of US\$ 13.40 per kg. In 1994-95 and US\$ 11.31 in 1st quarter of 1995-96 and alleged that export price to India is much less than the normal value of 8-Hydroxyquinoline in the People's Republic of China.

**5. Injury:** The petitioner has alleged that exports of 8-Hydroxyquinoline from the People's Republic of China has sharply increased from nil in 1993-94 to 14.5 MT in 1994-95 and 22 MT in the first four months of 1995-96. The increase in imports in absolute terms has resulted in sharp increase in the market share of the exports originating from the People's Republic of China. The CIF export price to India has also declined from Rs. 423 per kg. in 1994-95 to Rs. 362 per kg in 1995-96. The

petitioner has alleged that the sharp increase in the quantum of imports in absolute and relative terms is due to dumping which is causing injury to them.

The petitioner has alleged that it has been forced to reduce its selling prices by Rs. 120 per kg., much below its cost of production, resulting in losses. The sales in absolute quantity, in spite of sharp decline in selling prices, have declined considerably during 1995-96, resulting in decline in production and capacity utilisation.

6. There is a prima facie evidence that imports of 8-Hydroxyquinoline originating from the People's Republic of China are causing material injury to the Indian Industry.

7. **Initiation of Anti Dumping Investigation:** I, therefore, initiate anti dumping investigation into the existence, degree and effect of alleged dumping of 8-Hydroxyquinoline originating from the People's Republic of China.

8. **Time Limit and Address for making submissions:** The exporters in the People's Republic of China 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:

**T.S. VIJAYARAGHAVAN**  
Designated Authority and  
Additional Secretary Ministry of Commerce  
Room No. 134-A, Udyog Bhawan  
New Delhi-110 011 (INDIA)

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

**T.S. VIJAYARAGHAVAN**  
Designated Authority and Additional Secretary