

14/25/2004-DGAD
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Anti-Dumping & Allied Duties)
Udyog Bhawan, New Delhi

Dated 28.01.2005

INITIATION NOTIFICATION

Subject: Initiation of Anti-Dumping investigations concerning imports of Sodium Formaldehyde Sulphoxylate (SFS) originating in or exported from China PR.

No.14/25/2004-DGAD. M/s. Transpek-Silox Industry limited, Kalaji Road, Atladra Road, Vadodara, Gujarat, M/s. Demosha Chemicals Pvt. Limited, 105 A, Mittal Towers, 210, Nariman Point, Mumbai, M/s. T.C.P. Limited, TCP Sapthagiri Bhavan, No. 4 (Old No. 10) Karpagambal Nagar, Mylapore, Chennai have filed an application before the Designated Authority (hereinafter referred to as the Authority) in accordance with the customs Tariff Act, 1975 as amended in 1995 and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on dumped articles and for determination of injury) Rules, 1995(hereinafter referred to as Rules) for initiation of anti dumping investigation concerning alleged dumping of Sodium Formaldehyde Sulphoxylate (SFS) originating in or exported from China PR.

AND WHEREAS, the Authority finds that sufficient prima facie evidence of dumping of the subject country, injury to the domestic industry and causal links between the dumping and injury exist, the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of the Rules 5 of the said Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of antidumping duty, which if levied would be adequate to remove the injury to the domestic industry.

Domestic Industry:-

2. Application has been filed by M/s. Transpek-Silox Industry limited, Kalaji Road, Atladra Road, Vadodara Gujarat, M/s. Demosha Chemicals Pvt. Limited, 105 A, Mittal Towers, 210, Nariman Point, Mumbai, M/s. T.C.P. Limited, TCP Sapthagiri

Bhavan, No. 4 (Old No. 10) Karpagambal Nagar, Mylapore, Chennai through T. P. M Consultants, K-3A Saket, New Delhi on behalf of the domestic industry. As per the evidence available applicant has the standing to file the case for anti dumping investigation on behalf of domestic industry as per Rule 2(b) and Rule 5(3)(a) of Anti Dumping Rules.

Product under consideration:-

3. The product under consideration is “Sodium Formaldehyde Sulphoxylate (SFS)” (hereinafter referred to as the subject goods) which is being dumped in the Indian market by the exporters from China PR.

4. Sodium Formaldehyde Sulphoxylate (SFS) is mainly used as discharging agent in textile printing. It also find uses in Food, Polymers, Pharmaceuticals and Miscellaneous industries. It is classified under Chapter 28 of the Customs Tariff Act, 1975 under sub-headings No 28311020. The applicant has stated that subject goods are being imported under above mentioned sub-headings. The Custom classification is indicative only and not binding on the scope of investigation.

Like article:

5. The applicant has claimed that the goods produced by them are “like article” to the goods originating in or exported from the subject countries. Sodium Formaldehyde Sulphoxylate (SFS) produced by the domestic industry and imports from China PR are comparable, technically and commercially substitutable in terms of characteristics such as physical and chemical characteristics, manufacturing process and technology, functions and uses, product specifications, pricing, distribution and marketing, and tariff classification of the goods. Therefore, for the purpose of investigation the Sodium Formaldehyde Sulphoxylate (SFS) produced by the applicant is being treated as **like article** of Sodium Formaldehyde Sulphoxylate (SFS) imported from subject countries within the meaning of the Anti Dumping Rules.

Countries involved:

6. The country involved in the present investigation is China PR.

Normal value:

7. The Authority notes that the applicant has claimed normal value of subject goods in China PR based on constructed cost of production with appropriate adjustments treating China PR as non-market economy. The Authority proposes to examine the

claim of the applicant in the light of Para 7 and 8 of Annexure I of Anti Dumping Rules, as amended. The Authority has prima-facie considered the normal value of subject goods in China PR on the basis of constructed cost of production as made available by the applicant and it has been considered by the Authority for the purpose of initiation.

8. The Authority notes that the applicant has claimed normal value of subject goods in China PR on the basis of constructed cost of production. Thus the authority has prima facie, considered the normal value of the subject goods in subject country on the basis of as information made available by the applicant and it has been considered by the Authority for the purpose of initiation.

Export Price:

9. The export price has been claimed on the basis of data obtained from International Business Information Services (IBIS) compiled from secondary sources. Price adjustments have been claimed on account of Ocean freight, marine insurance, inland transportation in the country of exports, port handling and port charges, commissions etc to arrive at the net export price. There is sufficient evidence of export price and the adjustments claimed by the applicant for the subject goods from the subject countries

Dumping margin:

10. There is sufficient evidence that the normal value of the subject goods in the subject countries is significantly higher than the net export price indicating prima-facie that the subject goods are being dumped by the exporters from the subject countries.

Injury and Causal Link :

11. The applicant has furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of fall in their market share because of increased volume of dumped imports, price undercutting, price underselling, lost sales and substantial decline in profitability for the domestic industries. There is sufficient prima-facie evidence of the material injury being suffered by the applicant caused by dumped imports from subject country.

Period of investigation:

12. The period of investigation for the dumping purpose of present investigation is 1st October 2003 to 30th September 2004. The injury investigation period will however cover the periods 2000-2001 to October 2003-September 2004.

Submission of information:

13. The exporters and importers known to be concerned and domestic industry are being informed separately to enable them to file all information relevant in the form and manner prescribed. Any other party interested to participate in the present investigation may write to:

The Designated Authority

(Directorate General of Anti-Dumping & Allied Duties)
Government of India
Ministry of Commerce & Industry
Department of Commerce
Udyog Bhavan, New Delhi-110011.

Time limit:

14. Any information relating to this investigation should be sent in writing so as to reach the Authority at the above address not later than 40 days from the date of publication of this notification. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record their findings on the basis of the facts available on record in accordance with the Rules supra.

INSPECTION OF PUBLIC FILE:

15. In terms of rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

16. All interested parties shall provide a confidential and non-confidential summary in terms of Rule 7 (2), for the confidential information provided as per Rule 7 (1) of the Rules supra.

17. In case any interested party refuses access to and 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 Governments as deemed fit.

(Christy Fernandez)
Designated Authority