

Government of India
Department of Commerce
Ministry of Commerce & Industry
Directorate General of Anti-Dumping & Allied Duties

New Delhi the 14th November 2002

INITIATION NOTIFICATION

Subject: Initiation of Anti-Dumping investigations concerning imports of Sodium Hydrosulphite from Germany(EU) and Korea RP.

No.14/34/2002-DGAD. M/s Transpeak Silox Industry Ltd., and M/s. Demosha Chemicals Pvt. Ltd., on behalf of the Domestic industry have jointly filed a petition, in accordance with the customs Tariff (Amendment) Act, 1995 and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on dumped articles and for determination of injury) Rules, 1995 before the Designated Authority (hereinafter referred to as the Authority) alleging dumping of Sodium Hydrosulphite from Germany(EU) and Korea RP (hereinafter referred to as the subject country) and requested for Anti-Dumping investigations and levy of Anti-Dumping Duties.

1. Domestic Industry:- The petition has been filed by M/s. Transpeak Silox Industry Ltd., and M/s. Demosha Chemicals Pvt. Ltd., on behalf of the domestic industry. These petitioners companies represent 54.80% of the production of the subject goods under consideration. As per the evidence available petitioners have the standing to file the case for anti dumping investigation on behalf of domestic industry as per rule 5 of Anti Dumping Rules.

2. Product under consideration: The product under consideration is known as Sodium Hydrosulphite (Also referred to as subject goods hereinafter). It is a chemical and its chemical formula is . It is a white or grayish crystalline powder, free from visible foreign particles with pungent odour. It has been imported under Chapter 28 and 29 of Customs Tariff Act. Though the classifications sub-headings 2831.1001 and 2832.1002 suggest description as Sodium Hydrosulphite but correct Custom classification may be treated under 6 digit heading 2831.10 as Sodium Sulphites. The classification is, however indicative only and is in no way binding on the scope of the present investigation. Petitioners have requested to initiate the anti dumping investigation against the product under consideration irrespective of the types/grades under which they are being imported.

3. Countries involved: The country involved in the present investigation is Germany(EU) and Korea RP.

4. Like articles: Sodium Hydrosulphite produced by the domestic industries and imports from subject countries are comparable in terms of characteristic such as physical and chemical characteristics, manufacturing process and technology, functions and uses, product specification, pricing, distribution and marketing, and tariff classification of the goods. The two are technically and commercially substitutable and used interchangeably. Therefore, for the purpose of investigation the Sodium Hydrosulphite produced by the petitioner is being treated as **like product** of Sodium Hydrosulphite (hereinafter referred to as subject goods) imported from subject countries within the meaning of the Anti Dumping Rules.

5. Normal value: The Authority notes that the petitioner has claimed normal value of subject goods in Germany on the basis of information compiled from data available from secondary sources i.e. sale invoice of actual transaction. With regard to the normal value of Korea the petitioner procured information from Export Imports statistics from Korea, which reveals not only the volume and value material exported from Korea to India but also volume and value imports of material into Korea. Thus the authority has prima facie, consider the normal value of the subject goods in subject countries on the basis of as information made available by the petitioner and it has been considered by the Authority for the purpose of initiation.

6. Export Price: The export price has been claimed on the basis of data obtained from Director General Commercial Intelligence and Statistics, Kolkata and 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 for the subject goods from the subject countries, as made available by the petitioner and it has been considered by the authority for the purpose of initiation.

7. Dumping margin: 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 country.

8. Injury and Causal Link : The petitioners have 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, decline in sales volume and utilisation of capacity, lost sales and substantial decline in profitability for the domestic industries. In spite of levying anti dumping duty imports on dumped imports

from China, the domestic industries are suffering losses. The production and capacity utilisation have declined after showing an increase in 1998-1999 and 1999-2000. There is sufficient prima-facie evidence of the material injury being suffered by the petitioner caused by dumped imports from subject countries.

9. Initiation of Anti-Dumping investigation: The Authority in view of the foregoing paragraphs, initiates anti-dumping investigation into the existence, degree and effect of alleged dumping of the subject goods originating in or exported from the subject country.

10. Period of investigation: The period of investigation for the purpose of present investigation is 1st April 2001 to 30th September 2002.

11. Submission of information: 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

Udyog Bhavan, New Delhi-110011.

12. Time limit: 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.

13. INSPECTION OF PUBLIC FILE: 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.

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

15. 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.

(L V SAPTHARISHI)
Designated Authority