

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
(DIRECTORATE GENERAL OF ANTI-DUMPING & ALLIED DUTIES)**

NOTIFICATION

New Delhi, the 26th June 2007

Initiation

Subject: Initiation of Anti-Dumping Investigation concerning import of Sulphur Black from China PR

1. Initiation

F.NO. 14/16/2006-DGAD: WHEREAS Sulphur Black Manufacturers' Association (herein after referred to as the Applicants) have filed an application before the Designated Authority (hereinafter referred to as 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 (herein after referred as Rules), alleging dumping of Sulphur Black (herein after referred to as subject goods), originating in or exported from the China PR, (herein after referred to as subject country) and requested for initiation of Anti Dumping investigations for levy of anti dumping duties on the subject goods.

2. Product under consideration

The product under consideration in the present petition is Sulphur Black. Sulphur Black is a Lustrous Grains, imparts full black shade with a slight radish or greenish tone. Sulphur Black is mainly used for dyeing cellulose fiber. Sulphur Black is also useful for dyeing viscose staple fiber and yarn.

Production of Sulphur Black requires sulphur, sodium hydrogen sulfide, di-nitro-chlorobenzene and caustic soda as the major raw material. The product is sold normally in several concentrations, which may vary from as low as 20% to as high as 100%, most popular being 80%. The applicants have contended that Sulphur Black is known by several names. However, normally these are described as BR 100, BR 200, BR 240, etc. BR 240 represents 100%

concentration. Any other form would have concentration on pro rata basis. It has been argued that though the product is produced in various concentrations they can be interchangeably used.

Therefore, this investigation would cover Sulphur Black of all concentrations classified under Chapter 32 of the Customs Tariff Act. Specific tariff head at Eight Digit level is 32041967. For the purpose of like to like comparison and dumping margin determination the interested parties would be required to submit information in terms of various concentrations represented by their BR numbers.

Sulphur Black is classified in Chapter 32 of the Customs Tariff Act, 1975 under subheading 3204 19 and under subheading 320419 67 under the Indian Trade Classification (Based on Harmonized Commodity Description and Coding system). However, the above classification is indicative only and is no way binding on the scope of this investigation.

3. Domestic industry and Standing

The application has been filed by the Sulphur Black Manufacturers' Association and the constituent domestic producers expressly supporting the application collectively account for more than 50% of the total domestic production of the subject goods in India. The applicants, therefore, command the standing for filing the application and constitute the domestic industry for the purpose of this investigation within the meaning of the Rules.

4. Like article

The applicants have claimed that there is no known difference in the subject goods produced by the participating companies and exported from subject countries in terms of essential product properties. Both products have comparable characteristics in terms of parameters such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification, etc. Therefore prima facie, the domestic products

manufactured by the domestic industry appear to be like articles to the subject goods imported from China PR.

5. Normal value

In terms of para 8 in Annexure I to the Rules, it is presumed that the producers of the subject goods in China PR are operating under non-market economy condition. In view of the above non-market economy presumption, and subject to rebuttal of the same by the responding exporters, normal Value of the subject goods in the Peoples Republic of China has been estimated in terms of para 7 of Annexure 1 to the Rules. The Authority may, however, adopt an appropriate third country for the purpose of the above determination in terms of the above provision and notify the interested parties in due course.

6. Export price

The export price of the subject goods exported from the subject country has been estimated on the basis of data collected from DGCI&S and other secondary sources. Adjustments on account of ocean freight, marine insurance, commission, inland transportation in the Countries of export, port handling and port charges have been made to arrive at the Export Price at ex-factory level.

7. Dumping margin

On the basis of positive evidence placed by the applicants before the Authority it appears that the Normal Value of the subject goods in the subject country is significantly higher than the net export prices to India, indicating prima-facie that the subject goods are being dumped in the Indian market by exporters from the subject country. The dumping margins are estimated to be above de minimis.

8. Injury and causal link

The applicant domestic industry has furnished information on volume and value of dumped imports from the subject country and various parameters relating to injury to the domestic industry, on account of the product under consideration. Parameters, such as increase in volume of imports, both in absolute terms and in relation to the demand of the products; loss in market share; price undercutting; Price suppression and depression; profitability and cash loss in the manufacturing of subject goods prima-facie indicate that the dumped import of the subject goods from the subject country has caused material injury to the Domestic Industry.

9. Initiation

In view of the above the Authority finds that sufficient *prima facie* evidence of dumping of the subject goods from the subject countries, injury to the domestic industry and causal links between the dumping and injury exist, and therefore, the Authority, in terms of the Rules 5 of the said Rules, hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry, 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.

10. Procedure

- a) **Countries involved** The Country involved in the present investigation **the Peoples Republic of China;**
- b) **Period of investigation (POI):** The period of investigation (POI) for the purpose of present investigation is **1.1.2006 to 31.12.2006**. The injury investigation period will however, cover the period 2030-04 to 2005-06 and the POI.
- c) **Submission of information:** The exporters in the subject Country, the government of Peoples Republic of China, through its embassy in India, the importers and users of the subject goods in India and the domestic industry are called upon to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address within the prescribed time limits:

**The Designated Authority
Directorate General of Anti-Dumping and Allied Duties
Ministry of Commerce and Industry
Government of India
Udyog Bhavan
New Delhi-110011.**

Contact Numbers: Phone/Fax # 91-11-23061845

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.

- d) **Time limit:** Any information relating to the present investigation should be sent in writing so as to reach the Designated Authority at the address mentioned above, not later than **forty (40) days** from the date of publication of this notification. The known exporters and importers, who are being addressed separately, are however, required to submit the information within **(40) forty days** from the date of the letter addressed to them.
- e) **Submission of information on Non-confidential basis:** In terms of Rule 6(7), of the Rules the interested parties are required to submit non-confidential summary of any confidential information provided to the Authority and if in the opinion of the party providing such information, such information is not susceptible to summarization, a statement of reason thereof is required to be provided. 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 it may deem fit.
- f) **Inspection of public file:** Any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties in terms of Rule 6 (7).

R. Gopalan
Designated Authority