

F. No. 7/6/2018-DGAD  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Directorate General of Anti-Dumping & Allied Duties  
4<sup>th</sup> Floor, Jeevan Tara Building,  
Parliament Street, New Delhi-1.

Dated: the 23<sup>rd</sup> March, 2018

To,  
M/s Calibre Chemicals Pvt. Limited  
(Through: A.K.Gupta,  
TPM Consultants,  
K-3/A, Saket,  
New Delhi - 110 017).

**Subject: Order in respect of Application for Initiation of Sunset Review Investigation for continuation of Anti-Dumping Duty on imports of Sodium Perchlorate from China PR.**

1. Whereas, M/s Calibre Chemicals Pvt. Limited has filed an application for initiation of Sunset Review investigation for continuation of existing Anti-Dumping Duty on Sodium Perchlorate originating in or exported from China PR. It has been claimed that cessation of present anti-dumping duties is likely to lead to continuation or recurrence of dumping and/or injury.
2. The Designated Authority decided to give an opportunity of hearing to the applicant to present their case and substantiate their claim for initiation of sunset review investigation as the examination of application had revealed that severe reduction in demand is the main reason of injury to the applicant and not the alleged dumped imports or the likelihood of dumped imports..
3. Whereas, the applicant availed the opportunity and appeared before the Designated Authority on 14.03.2018 along with their counsel. It was stated that there is huge drop in demand, which is showing signs of picking up in future. The applicant industry is already suffering due to huge drop in demand and cessation of existing ADD will further aggravate the damage caused to the applicant industry. Post hearing submissions were made by the applicant enclosing therewith a statement of imports and economic parameters, copies of earlier findings highlighting the fact where the Authority has taken into account the fact of contraction in demand and that DI has to be protected against declining demand. Findings of USA & EU were also attached wherein the argument of decrease in volume of imports was not considered as the imports were still considered to exert price pressure on DI.
5. Whereas, the facts have been re-examined and the Authority after due consideration decided that the case is not fit for initiation of sunset review investigation. The various reasons for rejection of the case are as follows:

(i) The application has been filed on the basis of detailed import data (obtained from DGCI&S), which clearly show that quantity of imports from the subject country during the proposed period of investigation (October 2016-September 2017) is only 25 MT which is insignificant as compared to the total demand of 626.76 MT in India i.e. only 0.04%.

(ii) The share of exports to India is insignificant as compared to total exports of China to the world, indicating that India is not an important market for Chinese exporters. It is further supported by the fact that during the original investigation there was no response from any of the exporters from China indicating lack of interest in Indian market.

(ii) The applicant had stated that China has an installed production capacity of 50,000 MT. The total demand in India is only 626.76 MT which is around 1.25% of the total Chinese production capacity. This indicates that China has created the large capacities to cater other global markets. .

(iii) It is further noted that the capacity utilisation of the applicant has reduced to 48% leading to increase in per unit cost of sales due to reduced production, which is also a reason for decline in cash profit. The return on capital employed shows an improvement during the entire injury period as compared to the base year. Further, there is no decline in profits. They have been able to maintain export market even though the total production has declined. These factors do not support the claims of any injury suffered by the applicant.

(iv) The demand for the product under consideration has declined significantly during the entire injury period which is the main reason for the adverse economic health of the domestic industry.

6. As regards the submission of the applicant referring to earlier findings of the Authority and practices prevailing in EU & USA, the same cannot be taken as guiding principle since the facts and circumstances of each case are different and have to be assessed and analysed on case to case basis.

7. In view thereof, the Authority notes that the applicant has not been able to provide sufficient and satisfactory evidence in support of its prayer to initiate sunset review investigation. Therefore, the Authority decides that the case is not fit for initiation of sunset review investigation.

  
23.3.18  
(Sunil Kumar)

Additional Secretary & Designated Authority