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**Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Anti-Dumping & Allied Duties)
4th Floor, Jeevan Tara Building, 5 Parliament Street, New Delhi -110001**

Dated the 14th January, 2016

INITIATION NOTIFICATION

Subject: Anti Dumping investigation concerning imports of 'Hydrogen Peroxide' originating in or exported from Bangladesh, Taiwan, Korea, Indonesia, Pakistan and Thailand.

No. **14/3/2015-DGAD**: M/s National Peroxide Limited and M/s Hindustan Organic Chemicals Ltd (hereinafter also referred to as the applicants) have jointly filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter also referred to as the Act) and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped articles and for Determination of injury) Rules, 1995 as amended from time to time (hereinafter also referred to as the Rules) for initiation of anti-dumping investigation and imposition of anti dumping duty concerning imports of Hydrogen Peroxide (hereinafter also referred to as the subject goods), originating in or exported from Bangladesh, Taiwan, Korea, Indonesia, Pakistan and Thailand. (hereinafter also referred to as the subject countries).

2. And whereas, the Authority prima facie finds that sufficient evidence of dumping of the subject goods, originating in or exported from the subject countries, 'injury' to the domestic industry and causal link between the alleged dumping and 'injury' exist to justify initiation of an anti-dumping investigation; the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of Rule 5 of the Rules, to determine the existence, degree and effect of 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 & Standing

3. The Application has been filed by M/s National Peroxide Limited and M/s Hindustan Organic Chemicals Ltd, as domestic industry of the product under consideration. Apart from the above domestic producers there are two other producers of subject goods in India, namely M/s Gujarat Alkalis and Chemicals Ltd and M/s Asian Peroxide Limited. While the applicants have stated that M/s Asian Peroxide Limited

has made significant imports of subject goods from the subject countries during the period of investigation, M/s Gujarat Alkalies and Chemicals Ltd have supported the present application. The applicants as well as the supporting company have furnished declaration stating that they have not imported the PUC from the subject countries and are not related either to any exporter or producer of the subject goods in the subject countries or any importer of the subject goods in India

4. As per the evidence available on record, the production of the applicants account for a major proportion in the gross domestic production of the like article. The Authority, therefore, determines that the applicants constitute eligible domestic industry within the meaning of Rule 2 (b) of the Anti Dumping Rules and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra.

Product under consideration

5. The product under consideration for the purpose of present investigation is "Hydrogen peroxide of concentration below 90%", originating in or exported from Bangladesh, Taiwan, Korea, Indonesia, Pakistan and Thailand.
6. Hydrogen peroxide can be produced in different concentrations. The product under consideration is sold in both loose and packed conditions. Commercially, the product is produced and sold in 35%, 50%, 60% and 70% concentration. It is generally produced and sold on 50% basis. Applicants have submitted that 90% concentration of the product is used by ISRO and the product is not produced by the domestic industry and hence the scope of product under consideration should be restricted and defined as "Hydrogen Peroxide (H₂O₂) below 90% concentration". However, in the earlier investigation the PUC was defined as 'Hydrogen Peroxide' without any such concentration based restriction. In view of this, the Authority defines the PUC as 'Hydrogen Peroxide' in line with the earlier investigation. However, the request of the applicant for restricting the PUC to 90% concentration can be examined during the course of the investigation and considered at the stage of final finding.
7. Hydrogen peroxide has strong oxidizing properties and is therefore a powerful bleaching agent that has found use as a disinfectant, as an oxidizer, and in rocketry (particularly in high concentrations as high – test peroxide (HTP) as a monopropellant) and in bipropellant systems and finds application in odour control, corrosion control, inorganic and organic oxidation, toxicity reduction/ biodegradability improvement, disinfection/ bio-control, paper and pulp bleaching, manufacture of peroxides and epoxides, therapeutic uses as an antiseptic and antibacterial agent.
8. Subject goods are classified under Chapter 28 under sub heading 28470000 of Customs Tariff Act, 1975. The customs classification is indicative only and in no way it is binding on the scope of the investigation.

Like Article

9. The applicants have claimed that there is no known difference between the subject goods exported from subject countries and that produced by the applicants. As submitted by the applicants, the hydrogen peroxide produced by the domestic industry and imported from subject countries are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers can use and are using the two interchangeably. The applicants have further claimed that the two are technically and commercially substitutable and, hence, should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the Authority treats the subject goods produced by the applicants in India as 'Like Article' to the subject goods being imported from the subject countries/territories.

Countries involved

10. The present investigation is in respect of alleged dumping of the product under consideration from Bangladesh, Taiwan, Korea, Indonesia, Pakistan and Thailand (referred to as the "subject countries").

Normal Value

Pakistan

11. As stated by the applicants, they have made efforts to get evidence of price of product concerned in the domestic market of Pakistan. Normal value in Pakistan has been determined on the basis of financial information pertaining to one company from Pakistan as furnished by the applicants.

Bangladesh, Taiwan, Korea, Indonesia and Thailand

12. Applicants have submitted that best possible efforts were made to procure evidences of domestic price in these countries, but however they were unable to get any documentary evidence or reliable information with regard to the domestic prices of the subject goods in these countries. The applicants have claimed the normal value in respect of Bangladesh, Taiwan, Korea, Indonesia and Thailand on the basis of best estimates of cost of production in these countries, considering international price of the major raw materials, consumption norms of the applicant industries, power prices of respective subject countries. In view of significant difference in cost and price, normal value has been determined for loose and packed subject goods separately and then weighted averaged.

Export Price

13. The applicants have determined export price on the basis of data procured from transaction wise DGCI&S data. Price adjustments have been claimed on account of

commission, ocean freight, port expenses, inland freight, bank charges, and marine insurance to arrive at the net export price.

Dumping Margin

14. The normal value has been compared with the export price at ex-factory level. There is sufficient prima facie evidence that the normal value of the subject goods in the subject countries are higher than the ex-factory export price, indicating, that the subject goods are being dumped into the Indian market by the exporters from the subject countries. The dumping margins are estimated to be above de minimis. In view of significant difference in cost and price, dumping margins have been determined for loose and packed subject goods separately and then weighted averaged.

Injury and Causal Link

15. Information furnished by the applicants has been considered for assessment of injury to the domestic industry. The applicants have furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to production and consumption in India, price suppression, price underselling and consequent significant adverse impact in terms of profits, return on capital employed, and cash flow to the domestic industry. There is sufficient prima facie evidence of the 'injury' being suffered by the domestic industry caused by dumped imports from subject countries to justify initiation of an antidumping investigation.

Period of Investigation (POI)

16. The period of investigation (POI) for the present investigation is from 1st April, 2014 to 30th June 2015 (15 months). The injury investigation period will however cover the periods April' 2011-March' 2012, April' 2012-March' 2013, April' 2013-March' 2014 and the POI.

Submission of information

17. The known exporters in the subject countries, the Government of the subject countries through their embassies in India, the importers and users in India known to be concerned with the product under consideration are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address:

**The Designated Authority,
Directorate General of Anti-Dumping & Allied Duties,
Ministry of Commerce & Industry, Department of Commerce
4th Floor, Jeevan Tara Building, 5 Parliament Street,
New Delhi -110001.**

18. 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.

Time limit

19. Any information relating to the present investigation and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (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 its findings on the basis of the facts available on record in accordance with the Anti-dumping Rules.

20. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses and offer their comments to the domestic industry's application regarding the need to continue or otherwise the Anti-dumping measures within 40 days from the date of initiation of this investigation.

Submission of Information on Non-Confidential basis

21. In case confidentiality is claimed on any part of the questionnaire's response/submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc.) and (b) other set marked as Non Confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either "confidential" or "non-confidential" at the top of each page.

22. Information supplied without any confidential marking shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies of the confidential version and five (05) copies of the non confidential version must be submitted by all the interested parties.

23. For information claimed as confidential; the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed and/or why summarization of such information is not possible.

24. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out /summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

25. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.

26. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority. The Authority on being satisfied and accepting the need for confidentiality of the information provided; shall not disclose it to any party without specific authorization of the party providing such information.

Inspection of Public File

27. 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.

Non-cooperation

28. 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 declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

(A.K. Bhalla)
Designated Authority