

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

NOTIFICATION

New Delhi, the 28th July 2006

Initiation

Subject: Initiation of antidumping investigation involving import of Peroxosulphates (also known as Persulphates) originating in or exported from China PR and Japan

1. Initiation

F.NO. 14/1/2006-DGAD: WHEREAS M/s Gujarat Persalts Pvt. Ltd. Ahmedabad, M/s Calibre Chemicals Pvt. Ltd. Mumbai, & M/s Yoyo Chemicals Ahmedabad, (herein after referred to as the Applicants) have jointly 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 Peroxosulphates (also known as Persulphates and herein after referred to as subject goods), originating in or exported from the China PR, and Japan (herein after referred to as subject countries) 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 application is Peroxosulphates (also known as Persulphates). The applicants have submitted that Persulphates are a group of closely related compounds. Three types of persulphates have been included in the present application, which are:

- I) Ammonium Persulphate (APS), (NH₄)₂S₂O₈)
- II) Potassium Persulphate (PPS) (K₂S₂O₈); and
- III) Sodium Persulphate (SPS) (Na₂S₂O₈).

The applicants have submitted that these Persulphates are a group of closely related compounds produced as Alkali Metal salts. These are the most sensitive and efficient oxidizing agents and releases active oxygen very efficiently and easily. All the three persulphates are manufactured electrochemically and have the same or substitutable end-uses as an initiator and oxidizing agent in the textile and chemical industries. The applicants have also submitted that these products have

been treated as inter se substitutable and one product for the purpose of antidumping investigations in other jurisdictions. In view of the above all the three types of persulphates have been treated as alike and one product for the purpose of defining the 'product under consideration' in this case.

All Persulphates are classified in Chapter 28 of the Customs Tariff Act, 1975 under subheading 2833 40 and under subheading 283340 00 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 M/s Gujarat Persalts Pvt. Ltd. Ahmedabad, M/s Calibre Chemicals Pvt. Ltd. Mumbai, & M/s Yoyo Chemicals Ahmedabad, and the applicants 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. Three types of Persulphates have been imported from China and all the three types are produced and sold in India. Prima facie, the domestic products appear to be like articles to the imported products.

5. Normal value

In view of the non-market economy presumption, 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 subject to rebuttal of the presumptions. 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.

Normal value in case of Japan has been estimated on the basis of estimates of cost of production including SG&A and profit, as no information on the domestic selling available on this account.

6. Export price

The export price of individual products 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 Values of the subject goods in the subject countries are 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 countries. The dumping margins are estimated to be above de minimis.

8. Injury and causal link

Petitioners have furnished information on volume and value of dumped imports from the subject countries 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 and underselling; Price suppression and depression; profitability and cash loss in the manufacturing of subject goods prima-facie indicate that the dumped imports of the subject goods from the subject countries have cumulatively injured 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 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.

10. Procedure

a) **Countries involved** The Countries involved in the present investigation are **the Peoples Republic of China and Japan**

b) **Period of investigation (POI):** The period of investigation (POI) for the purpose of present investigation is **1.1.2005 to 31.12.2005**. The injury investigation period will however, cover the period 2002-03 to 2004-05 and the POI.

c) **Submission of information:** The exporters in the subject Countries, their governments through their embassies in India, the importers and users in India known to be concerned, and the domestic industry are requested to submit relevant information in the form and manner prescribed and to make their views known to the:

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

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).

**Christy L. Fernandez
Designated Authority**