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

NOTIFICATION

Jeevan Tara Building, 4th Floor
5, Parliament Street, New Delhi-110001
Dated 23rd February, 2016

Final Finding

Subject: Sunset Review (SSR) of Anti-Dumping duties imposed on the imports of 'Barium Carbonate', originating in or exported from China PR.

No.15/27/2014-DGAD: Having regard to the Customs Tariff Act 1975, as amended from time to time (hereinafter also referred to as the Act) and the 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) thereof;

B. Background of the case

2. Whereas, an anti-dumping investigation concerning imports of 'Barium Carbonate' (hereinafter also referred to as the subject goods), originating in or exported from China PR, was initiated by the Designated Authority (hereinafter also referred to as the Authority) vide Notification No.14/18/2009-DGAD dated 16th June 2009. The preliminary finding was issued by the Authority, recommending imposition of provisional anti-dumping duties on the imports of the subject goods, originating in or exported from China PR vide Notification No. 14/18/2009-DGAD dated 7th January 2010. The provisional anti-dumping duty was imposed by the Central Government on the imports of the subject goods, originating in or exported from the subject country vide Notification No. 37/2010 dated 23rd March, 2010. The Final Findings notification of the Authority was published vide Notification No. 14/18/2009-DGAD dated 10th December, 2010. The definitive anti-dumping duties were imposed by the Central Government on the imports of the subject goods

originating in or exported from the subject country, vide Notification No. 6/2011 dated 7th February, 2011.

3. WHEREAS, Small Scale Barium Manufacturers Welfare Association (hereinafter also referred to as the applicant) have filed a duly substantiated application before the Authority, in accordance with the Act and the Rules and on behalf of the domestic producers represented by M/s. Solvay Vishnu Barium Pvt. Ltd. and M/s. Ellak Chem Industries (India) Pvt. Ltd., alleging likelihood of continuation or recurrence of dumping of the subject goods, originating in or exported from China PR and consequent injury to the domestic industry and have requested for review, continuation and enhancement of the anti-dumping duties, imposed on the imports of the subject goods, originating in or exported from the said country. M/s. Solvay Vishnu Barium Pvt. Ltd. and M/s. Ellak Chem Industries (India) Pvt. Ltd. have provided required information as domestic industry. Accordingly, the Authority initiated the sunset review (SSR) investigation in accordance with Section 9A(5) of the Act read with Rule 23 of the Anti-dumping Rules, vide Notification No.15/27/2014-DGAD, dated 19th March, 2015 to review the need for continued imposition of the duties in force in respect of the subject goods, originating in or exported from the China PR, (hereinafter also referred to as the subject country) and to examine whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry. The validity of the anti-dumping duty on the imports of the subject goods, originating in or exported from the subject country, has been extended up to 22nd March 2016 by the Central Government vide Notification No 15/2015-Customs (ADD) dated 22nd April 2015.
4. The scope of the present review covers all aspects of the previous investigations concerning imports of the subject goods, originating in or exported from the subject country.

A. Procedure

5. The procedure described below has been followed with regard to the investigation:
 - i. The Authority sent copy of the initiation notification dated 19th March 2015 to the embassy of China PR in India, known exporters from the subject country, known importers and other interested parties, and the domestic producers, as per available information. The known interested parties were requested to file questionnaire responses and make their views known in writing within the prescribed time limit. Copies of the letter and

questionnaires sent to the exporters were also sent to the embassy of the subject country along with a list of known exporters/producers, with the request to advise the exporters/producers from the subject country to respond within the prescribed time.

- ii. Copy of the non-confidential version of the application filed on behalf of the applicants was made available to the known exporters, other domestic producers and the embassy of the subject country in accordance with Rule 6(3) of the Rules.
- iii. The Authority forwarded a copy of the public notice initiating the sunset review to the following known producers/exporters in the subject country and gave them opportunity to make their views known in writing within forty days from the date of the letter in accordance with the Rules:

Quinningdao Rising Intl. Co. Ltd., No. 3-12-2, Bangda Mansion No:- 6, China	Anhui Garments Shoes & Caps Industrial (Group) Co., No:112 Lujiang Road, HEFEI , ANHUI, China
Hunan Mint Import & Export Co. Ltd., Hx 707 108#, Laodong Road West, Changsha. HUNAN, China	M/s Guizhou Redstar Developing Import & Export Co. Ltd., Du Si Road, Guiyang City, Guizhou, China
Hunan Mec Machinery & Electronic Imp. & Exp. Corp. 5/F 98 Wuyiroad Changsha, Hunan, China	Hongkong Jingjiu Industrial Co. Ltd. Fengguang Street, 33, Dalian, China
Tianjin Port Free Trade Zone & Shangshun Int. Trade Co., Room: A-217, No.: -118,Haibin 8 Road, China	Hubei Jingshan Chutian Barium Salt Corp. Ltd., 62,Qinlong Avenue, Songhe, Jinshan County, Hubei Province, China
China Haohua Chemical Industry Grp, Tianzhu Xinji Barium Co. Ltd., No:45, Huagong Road, Xinji, China	Shangs Intl. Trade Co., 3A Sunshine Building, Xiawu, Xiyuan, China
Chemisky Co Ltd, RM1203, No. 1 Building, Centre of City, No. 235, WuYi Road, Changsha, Hunan, China	M/s GuizhouHongtai Chemical Co. Ltd., No.12 Jian Guo Men Wai Avenue, Chaoyang District, Beijing 100022, P.R.C

M/s Hunan Wanfeng Chemical Co. Ltd., 2.Changsha,Office, R1112, Hongfei Building,123# Yanshan Street, Changsha, Hunan, China	M/s Guangzhou Chemicals Import & Export Corporation, 15 th Fl. 691, Renmin Road, North Guangzhou, China
M/s Guizhou Redstar Developing Dalong Manganese Industry Co. Ltd., Dalong Economic Development Zone,Yuping County, Tongren Prefecture, Guizhou, China	

- iv. In response to the initiation of the subject investigation, Hunan Wanfeng Chemical Co. Ltd (producer) and Hunan Mint Import & Export Co. Ltd (exporter) filed exporter's questionnaire response. Another Chinese entity namely Guangzhou Chemicals Import & Export Co. Ltd. filed only Part-II of the exporter's questionnaire response.
- v. Market Economy Treatment (MET) questionnaire was also forwarded to the known producers/exporters in China PR and the Embassy of China PR in India with the request to provide relevant information to the Authority within the prescribed time limit. While for the purpose of initiation, the normal value in China PR was considered based on the cost of production of the subject goods in India, duly adjusted, the Authority informed the known producers/exporters from China PR that it proposes to examine the claim of the applicants in the light of Para 7 and Para 8 of Annexure I of Anti-dumping Rules, as amended. The exporters/producers of the subject goods from China PR were, therefore, requested to furnish necessary information/sufficient evidence as mentioned to enable the Authority to consider whether market economy treatment can be granted to the cooperative exporters/producers in China PR. However, none of the respondent producers/exporters from China PR has filed MET questionnaire response rebutting the non-market economy treatment meted out to China PR.
- vi. Questionnaires were sent to the following known importers/users/associations of subject goods in India calling for necessary information in accordance with the Rules:

M/s Gujarat Alkalies & Chemicals Ltd PO. Petrochemicals- 391346 Dist.: Vadodara, Gujarat	M/s Hindalco Industries Ltd., (Unit: Birla Copper) At/Post Dahej, Dist Bharuch, Gujarat
M/s Hind Lamps, Kanpur Road,Dist. Firozabad,Shikohabad- 205141, Uttar Pradesh	M/s Videocon Industries Ltd, Videocon Narmada Glass Division, Videocon House, Chavaj, Bharuch, Gujarat
M/s United Chemical Industries, 36/2, Bagh Chhinga Mal. Firozabad	M/s Sparkling Traders (P) Ltd, 6 Ravikiran Estate, Plot No. B-58, New Link Road,Andheri West, Mumbai
M/s Mineral Udyog, 1 st Floor, Mohol Complex, Power House Road, Pimpri, Pune	M/s DCM Shriram Consolidated Ltd, No.:749,GIDC Industrial Estate, Jhagadia, Bharuch, Gujarat
M/s Reliance Industries Ltd, Makers Chambers – IV, Nariman Point, Mumbai 400021	M/s Tamilnadu Petro Products Ltd, Manali Express Highway, Manali, Chennai -600068
M/s Sri Krishna Fireworks, 2, Kamak Road, Sivakasi	M/s Jaysree Chemicals, P.O- 761025, Dist: Ganjam
M/s DCW Ltd, Arumuganeri, Sahupuram. P.O – 628229,Tamil Nadu	M/s Pratik Chemicals, No. 7D 1, GIDC Ambawadi, Wadhwan, Surendranagar : 36030, Gujarat
M/s Saral Chem, 50 , Haveli Bldg, 4 th floor, No:-296 , Samuel Street , Mumbai	M/s Maruthi Chemical Company, C/2, Parul Flats, Behind Umiya Vijay Society, Satellite Road, Ahmedabad – 380015
M/s Devanshi Impex (P) Ltd, No:-84 , V.V. Chandan St, Room no:22 , 2 nd floor Vadgadi, Mumbai	M/s LaopalaRg. Ltd., B - 108,EldecoSidcul Industrial Park, Sitarganj, Udham Singh Nagar
M/s Krishna Associates, S- 204, Venkateshwara Tower,B- 13 Central Spine-VID	M/s Om Glass Works (P) Ltd, Gate No.2 Advance Puram, Raja-Ka-Taal, Agra Road, Firozabad – 283203
M/s Reliance Industries Ltd, Gandhar petrochemicals complex, Dahej, Bharuch - 392120, Gujarat	M/s Rishi Enterprises, 67, Govind Nagar, Rishikesh

M/s Prakash Chemicals Agencies, Indu Chacha House, Opp. Chhani Octroi Naka, Vadodara	M/s Piramal Glass Ltd., Nicholas Piramal Tower, Peninsula Corporate Park, Ganpat Rao Kadam Marg, Mumbai

- vii. Except Gujarat Alkalies & Chemicals Ltd, none of the other importers of subject goods in India has filed the importer questionnaire response. Further; M/s SCHOTT Glass India Pvt Ltd has not filed any importers questionnaire response or any information to claim them as an interested party. Therefore, the Authority does not consider them as a cooperative interested party. However, the submissions made by them have been addressed in this finding.
- viii. Questionnaires were also sent to the following known domestic producers/associations of the subject goods in India for necessary information and response. However, none of these domestic producers of the subject goods filed any response.

Solvay Vishnu Barium Pvt. Ltd. 1st Floor, Plot No. 15, D. No. 8-2-704/B/13/1, Sai Enclave, Road No. 12, Banjara Hills, Hyderabad – 500 034	Ellak Chem Industries (India) Pvt. Ltd. 4/133, Chinna Manjavadi, Kombur (P.O.) Pappireddipatti (Tk.), Dharmapuri (Dt.) Tamilnadu – 636 905
Jagadeeswari Chemicals , Plot No. 30, IDA, Kadapa – 516004 (AP)	Muruganatham Chemicals & Co, No. 66, SIDCO Industrial Estate, Kakkalur, Thiruvallur – 602003 (TN)
Maharshi Barium Salts Pvt Ltd, 39 ^a , I.P. Gajulamandhyam, Renigunta Mandal, Chittoor Dist, 517620 (AP)	Sanghamitra Chemicals, Plot No. 97 B,C&D, IDA, Kadapa – 516002 (AP)
Bhargav Chemicals, Plot No. 32, IDA Kadapa, 516002 (AP)	Prem Chemical Industries, 123, Uthamcholapuram, Narlmanam, Nagapattinum, 611002 (TN)
Rahul Barium Chemicals Pvt Ltd, Hindupur, Plot No. 14, APIIC Industrial Estate, Golapuram, Near Tumukunta Village, Hindupur, AnantapurDist. AP	Amravati Chemicals & Fertilisers Pvt. Ltd., Plot No. 2132, Phase – 1, JPN Nagar Colony, Miyapur, Hyderabad – 500049
Kadapa Chemical, Plot NO. 75, IDA Kadapa – 516002, AP	MNS Barium, Plot NO.52, IDA Kadapa – 516002
Ganga Barium Salts, 11, Jai College Road, Vempalli,	Arvind Inorganics Pvt, Ltd., Village Gaitra, RO, Raikheda, Block

Cuddapah – 516329	&Tehsil: Tilda, Dist: Raipur, Chattisgarh
Nandi Chemicals, Plot NO. 94, IDA Kadapa-516004, Andhra Pradesh	

- ix. Initiation notification was also sent to the following concerned associations:

Small Scale Barium Manufacturer's Welfare Association, 106, 'A'Block, Amina Complex, Opp. Survey of India, Uppal Road, Hyderabad – 500039	Alkali Manufacturers Asociación of India (AMAI) 3rd Floor, Pankaj Chember, Preet Vihar Commercial Complex, Vikas Marg, Delhi-110092
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- x. Exporters, producers and other interested parties who have not responded to the Authority, nor supplied information relevant to this investigation, have been treated as non-cooperating interested parties.
- xi. Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to arrange for details of imports of subject goods for the past three years, including the period of investigations, which was received by the Authority. The domestic industry provided information with regard to imports based on DGCI&S imports data. The Authority has also relied upon the DGCI&S imports data for computation of the volume & value of imports and injury analysis.
- xii. Optimum cost of production and cost to make & sell the subject goods in India based on the information furnished by the domestic industry on the basis of Generally Accepted Accounting Principles (GAAP) was worked out so as to ascertain if anti-dumping duty lower than the dumping margin would be sufficient to remove injury to Domestic Industry. The NIP has been determined by the Authority in terms of the principles laid down under Annexure III to the Anti-dumping Rules.
- xiii. The period of investigation for the purpose of the present review is 1st April 2013 to 30th September 2014 (18 months). However, injury analysis covered the periods April, 2010-March, 2011, April, 2011-March, 2012, April, 2012-March, 2013 and the POI.
- xiv. In accordance with Rule 6(6) of the Anti-dumping Rules, the Authority provided opportunity to the interested parties to present their views orally in a public hearing held on 6th November 2015. The parties, who presented their views in oral hearing, were requested to file written submissions of the views expressed orally, followed by rejoinder submissions.

- xv. A disclosure statement, disclosing the essential facts of the investigation, was issued by the Authority on 11th February, 2016 inviting comments from the interested parties.
- xvi. The submissions made by the interested parties during the course of this investigation, including the post disclosure comments, have been considered by the Authority, wherever found relevant, in this finding.
- xvii. Verification to the extent deemed necessary was carried out in respect of the information & data submitted by the domestic industry.
- xviii. Information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted and such information has been considered as confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.
- xix. Wherever an interested party has refused access to, or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the findings on the basis of the facts available.
- xx. *** represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- xxi. The average exchange rate of 1US\$ = Rs 60.81 prevailing during the POI has been adopted by the Authority in this finding.

B. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

6. The product under consideration in the present SSR application, as in the original investigation, is 'Barium Carbonate'. The Product under Consideration (PUC) was defined in the original investigation as below:

"9. The product under consideration in this investigation is 'Barium Carbonate' (hereinafter also referred to as "subject product" or "subject goods" or "product under consideration") originating in or exported from China PR.

Barium Carbonate is a harmful, non-flammable inorganic chemical in the form of a white powder and granules having chemical formula BaCO₃ manufactured out of Barytes, a mineral product. Barium Carbonate has the following applications:

- a) Purification of brine solution in caustic soda industry.
- b) In production of Hard Ferrite Ring Magnets, Television Glass Shell, Neutral glass, Lamps, Heat treatment salts and other barium salts, rat poison, ceramic glazes and welding flux.
- c) Acts as a flux, matting and crystallizing agent and combines with certain colouring oxides to produce unique colours not easily attainable by other means.
- d) In the manufacture of heavy clay ceramic products because of its property of converting soluble sulfuric salts in the raw material into insoluble barium sulfate.
- e) In the brick, tile, earthenware and pottery industries Barium Carbonate is added to clays to precipitate soluble salts (calcium and magnesium sulfates) that cause efflorescence.

10. The subject goods fall under Chapter 28 of the Act under subheading no. 28366000. However, the Customs classification is indicative only and is in no way binding on the scope of the present investigation.”

- 7. Since the present application is for sunset review investigation, the scope of the product under consideration shall remain the same as that of original investigation. The subject goods fall under Chapter 28 of the Customs Tariff under Subheading No.28366000. However, the customs classification is indicative only and is in no way binding on the scope of the present investigation.
- 8. None of the interested parties has raised any issues with regard to the product under consideration. Further, since the present investigation is for sunset review of existing anti dumping duty and no major developments have been claimed by any of the interested parties, including the applicants since the previous investigations with regard to product under consideration, the scope of the product under consideration is required to be kept the same as that of original investigations.
- 9. Rule 2(d) with regard to like article provides as under: -

"like article" means an article which is identical or alike in all respects to the article under investigation for being dumped in India or in the absence of such article, another article which although not alike in all respects, has characteristics closely resembling those of the articles under investigation;

- 10. Applicants have claimed that there is no known difference in barium carbonate produced by them and exported from the subject country. Barium

Carbonate produced by the applicants and imported from the subject country are having comparable characteristics in terms of parameters such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The Authority notes that the present investigation being a sunset review investigation of the anti-dumping duty in force, the Authority holds that the product under consideration produced by the domestic industry is like article to the imported subject product.

D. SCOPE OF DOMESTIC INDUSTRY AND STANDING

Submissions made by the Exporters/Importers/ users/other Interested Parties

11. With regard to scope of the domestic industry and standing, none of the exporters/importers/users/other interested parties has submitted any views.

Submissions made by Domestic Industry

12. Following submissions have been made by the domestic industry with regard to standing and scope of the domestic industry:
- a. The petition was filed by M/s Solvay Vishnu Barium Ltd. and Small Scale Barium Manufacturers Welfare Association. M/s. Ellak Chem Industries (India) Pvt. Ltd. as one of the members of Small Scale Barium Manufacturers Welfare Association of the product under consideration in India has provided information as co-petitioner with M/s Solvay Vishnu Barium Ltd. M/s Solvay Vishnu Barium Ltd. and M/s. Ellak Chem Industries (India) Pvt. Ltd. also referred to as “petitioner companies” or “petitioners” have provided relevant financial information.
 - b. None of the petitioner companies has imported the subject goods from the subject country. It has been further submitted that none of the petitioners is related to any exporter or importer of the subject goods.
 - c. There are a number of small scale producers of Barium Carbonate in the country. Some of these producers have supported the petition.
 - d. The petitioners along with the supporters command majority proportion in Indian production in the POI and, therefore, constitute domestic industry.

Examination by the Authority

13. The Authority notes that the application has been filed by Small Scale Barium Manufacturers Welfare Association and M/s. Solvay Vishnu Barium Pvt. Ltd. M/s. Ellak Chem Industries (India) Pvt. Ltd. (being member of Small Scale Barium Manufacturers Welfare Association) has provided detailed information as co-petitioner with M/s. Solvay Vishnu Barium Pvt. Ltd. There are a number of small scale producers of Barium Carbonate in the country. During the POI, the

production of the applicant industries constitutes 18784 MT and along with production by the supporting industries it constitutes 32720 MT, which is 66.48% of the total domestic production i.e. 49221MT. Thus, the production of applicant companies along with supporting companies constitutes a major proportion of total domestic production of subject goods in India. The applicants, therefore, satisfy the requirement of standing to file the present petition and constitute 'Domestic Industry' within the meaning of the Rules.

14. It is noted that none of the applicant companies has imported the subject goods from the subject country or is related to any exporter or importer of the subject goods. Therefore, the Authority has considered the present applicants as constituting domestic industry within the meaning of Rule 2(b) of the Rules and the application satisfies the criteria of standing in terms of Rule 5 of the Rules supra.

E. MARKET ECONOMY TREATMENT, NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN

Submissions made by exporters, importers and other interested parties

15. The following submissions have been made on behalf of the respondent Chinese exporters:
- i. Guangzhou Chemicals Import & Export Co. Ltd has not exported subject goods to India during the POI. Hence, they did not file EQ response. They filed only Part-II of the EQ response since the present investigation is a sunset review.
 - ii. Specific anti-dumping duty had been granted to Guangzhou Chemicals Import & Export Co. Ltd in the original investigation. The same duty may be continued for Guangzhou Chemicals Import & Export Co. Ltd in the present investigation as well, if the Authority proposes to continue the duty.

Submissions made by the domestic industry

16. Following submissions have been made by the domestic industry with regard to normal value, export price and dumping margin:
- i. Since Guangzhou Chemicals Import & Export Co. has not exported the PUC to India, the exporter is not required to participate in the investigations. It is a case of continued dumping. It is not a case of "no current dumping and likelihood of dumping". Such being the case,

considering that the exporter has no exports to India, in any case exporter cannot establish that the PUC has not been exported at dumping prices during the POI.

- ii. China should be treated as non-market economy country and normal value in case of China should be determined in accordance with para-7 Annexure-I to the Rules. Since evidence of price in the domestic markets of subject country is not available, normal value should be constructed.

Examination of the Authority

Determination of Normal Value for producers and exporters in China PR

17. The Authority notes that in the past three years China PR has been treated as non-market economy country in the anti-dumping investigations by other WTO Members. Therefore, in terms of Para 8 (2) of the annexure 1 of AD rules, China PR has been treated as a non-market economy country subject to rebuttal of the above presumption by the exporting country or individual Producers/Exporters in terms of the above Rules.

18. As per Paragraph 8 of Annexure I of the Anti-dumping Rules, the presumption of a non-market economy can be rebutted, if the exporter(s) from China PR provide information and sufficient evidence on the basis of the criteria specified in sub paragraph (3) of Paragraph 8 and establish the facts to the contrary. The cooperating exporters/producers of the subject goods from People's Republic of China are required to furnish necessary information/sufficient evidence as mentioned in sub-paragraph (3) of paragraph 8 in response to the Market Economy Treatment questionnaire to enable the Authority to consider the following criteria as to whether:

- a. the decisions of concerned firms in China PR regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment are made in response to market signals reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs substantially reflect market values;
- b. the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets, other write-offs, barter trade and payment via compensation of debts;

- c. such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms and
- d. the exchange rate conversions are carried out at the market rate.

19. Paragraph-7 of the Annexure-1 to the Anti-dumping Rules provides as follows:

“In case of imports from non-market economy countries, normal value shall be determined on the basis of the price or constructed value in the market economy third country, or the price from such a third country to other countries, including India or where it is not possible, or on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted if necessary, to include a reasonable profit margin. An appropriate market economy third country shall be selected by the designated Authority in a reasonable manner, keeping in view the level of development of the country concerned and the product in question, and due account shall be taken of any reliable information made available at the time of selection. Accounts shall be taken within time limits, where appropriate, of the investigation made in any similar matter in respect of any other market economy third country. The parties to the investigation shall be informed without any unreasonable delay the aforesaid selection of the market economy third country and shall be given a reasonable period of time to offer their comments”

20. According to these Rules, the normal value in China can be determined on any of the following basis:

- a) On the basis of the price in a market economy third country, or
- b) The constructed value in a market economy third country, or
- c) The price from such a third country to other countries, including India.
- d) If the normal value cannot be determined on the basis of the alternatives mentioned above, the Designated Authority may determine the normal value on any other reasonable basis including the price actually paid or payable in India for the like product duly adjusted to include reasonable profit margin.

21. The petitioner has claimed that normal value in China can be determined on the basis of (a) import price from third country into India, (b) selling price in India, and (b) cost of production in India, duly adjusted, including selling, general and administrative expenses and profit. Petitioner has further claimed that since these options for determination of normal value are available, the Designated Authority may not kindly consider "any other

basis" as "any other basis" option is required to be applied only when other basis listed under the law cannot be applied. However, in the instant case, information on other basis is available and therefore "any other basis" should not be applied.

22. The Authority notes that consequent upon the initiation notice issued by the Authority, none of the producers or exporters from China PR has filed response claiming market economy treatment. The Authority notes that no interested party including the domestic industry have made any submission regarding adoption of market economy third country data for the purpose of determination of normal value in case of China PR and made available relevant information. The Authority notes that in the current circumstances, due to unavailability of information, India can be considered as an appropriate surrogate country for Chinese producers which would result in access to accurate and adequate information. Under the circumstances, the Authority is not in a position to apply Para 8 of Annexure 1 to the Rules and therefore proceeds to construct the normal value based on any other reasonable basis in terms of Para 7 of Annexure 1 to the Rules. Accordingly, in terms of Para 7 of Annexure 1 to the Rules, the Authority has constructed the Normal value for the Chinese producers on the basis of efficient consumption norms and conversion cost of the domestic industry, after including selling, general & administrative costs and reasonable profit margin. Accordingly the constructed normal value determined by the Authority is US\$ ***/MT

Determination of Export Price

23. In response to the initiation of the review investigation, the following Chinese entities filed EQ response:

- i. Hunan Wanfeng Chemical Co. Ltd
- ii. Hunan Mint Import & Export Co. Ltd
- iii. Guangzhou Chemicals Import & Export Co. Ltd. (filed only Part-II of the exporter's questionnaire response stating that they have no export of product under consideration during the period of investigation).

24. The Authority notes that Guangzhou Chemicals Import & Export Co. Ltd has filed only Part-II of the exporter's questionnaire response stating that they have no export of product under consideration during the period of investigation. Therefore, filing of Part-II of the exporter's questionnaire response by Guangzhou Chemicals Import & Export Co. Ltd has no relevance for the present investigation.

Wanfeng Chemical Co. Ltd (producer) and Hunan Mint Import & Export Co. Ltd (exporter)

25. As stated in the EQ response, Hunan Wanfeng Chemical Co. Ltd. (Wanfeng) is a producer of only powder form of barium carbonate. Wanfeng sold barium carbonate to Hunan Mint Import & Export Co. Ltd (Mint) and Mint exported products concerned to Indian customers. Wanfeng has no direct exports of product under consideration to India during the POI. As per the information available in the EQ response, the Authority notes that Wanfeng has sold to Mint *** MT of product under consideration during the POI, out of which Mint has exported to India *** MT for a value of US\$ ***. After making due adjustments, as claimed by the exporter, on account of ocean freight, marine insurance, port expenses, commission, VAT adjustment, credit cost and bank commission, the net export price worked out by the Authority is US\$ ***/MT.

Export price for Non-cooperative exporters

26. As no other exporter/producer has provided any information that can be used for determination of the export price, the Authority determined the net export price for all the other exporters from China PR, on facts available basis, in terms of Rule 6(7) of the Anti-dumping Rules, as US\$ ***/MT.

DUMPING MARGIN

27. Considering the normal values and export prices as determined above, the dumping margins are determined as follows:

Producer		Normal value (US\$/MT)	Net Export Price (US\$/Mt)	Dumping Margin (US\$/Mt)	Dumping Margin (%)	Dumping Margin Range (%)
Producer	Exporter	***	***	***	***	20-30
Hunan Wanfeng	Hunan Mint					
All others		***	***	***	***	40-50

F. METHODOLOGY FOR INJURY DETERMINATION AND EXAMINATION OF INJURY AND CAUSAL LINK

Submissions made by the exporters, importers and Other Interested Parties

28. The Authority notes that in this regard, no relevant submission has been made by exporters, importers and other interested parties. However, M/s SCOTT Glass India Pvt Ltd made the following submissions:

- i. The domestic industry is not able to maintain supply the subject goods as per requirement.
- ii. Imposition of anti-dumping duty on granular barium carbonate should be waived off.

Submissions made by the Domestic Industry

29. Following are the submissions made by the domestic industry in this regard:

- i. Imports from subject country have remained significant despite anti-dumping duty, both in absolute terms and in relation to production/consumption in India.
- ii. Imports would significantly undercut the prices of the domestic industry in the absence of anti dumping measures. Further, imports are suppressing the domestic prices.
- iii. Performance of the domestic industry deteriorated in terms of profits, return on investments, cash flow.
- iv. Performance of the domestic industry has also deteriorated in respect of production, sales volumes, capacity utilization and market share.
- v. Consequent impact of dumping on the domestic industry has been significantly adverse.
- vi. Given the level of price undercutting in the absence of anti dumping measures, it is evident that the demand for the imported product would substantially increase in the event of cessation of anti dumping duties.
- vii. Inventories with the domestic industry have increased significantly in the POI.
- viii. Growth of the domestic industry in terms of volume parameters such as production, sales, capacity utilization and market share is negative. Growth in terms of price parameters such as profits, cash profits and return on investment also reflects negative trend.

EXAMINATION BY THE AUTHORITY

30. As regards the submissions made by M/s SCOTT Glass India Pvt Ltd, the Authority notes that the domestic industry holds the capacity to manufacture the subject goods both in granular and powder forms. As clarified by Solvey Chemicals, they have been regularly supplying barium carbonate in the granular form to M/s SCOTT Glass India Pvt Ltd. On the basis of copies of invoices furnished by Solvey Chemicals, the Authority also notes that they have supplied significant volume of granular barium carbonate to M/s SCOTT Glass India Pvt Ltd during the POI.
31. In consideration of the various submissions made by the interested parties in this regard, the Authority proceeds to examine the current injury, if any, to the domestic industry before proceeding to examine the likelihood aspects of dumping and injury on account to imports from the subject country.
32. Rule 11 of Antidumping Rules read with Annexure–II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, “.... taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles....” In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price under cutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.
33. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, stock, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the rules supra.
34. The present investigation is a sunset review of anti-dumping duties in force. Rule 23 provides that provisions of Rule 11 shall apply, mutatis mutandis in case of a review as well. The Authority has, therefore, determined injury to the domestic industry considering, mutatis mutandis, the provisions of Rule 11 read with Annexure II. Further, since anti-dumping duties are in force on imports of the product under consideration, the Authority considers whether the existing anti-dumping duties on the imports of subject goods from the subject country are required to be considered while examining injury to the domestic industry. The Authority has examined whether the existing anti-dumping measure is sufficient or not to counteract the dumping which is causing injury.

35. According to Section 9(A)(5) of the Customs Tariff Act, anti-dumping duty imposed shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of such imposition, provided that if the Central Government, in a review, is of the opinion that the cessation of such duty is likely to lead to continuation or recurrence of dumping and injury, it may, from time to time, extend the period of such imposition for a further period of five years and such further period shall commence from the date of order of such extension.
36. For the purpose of current injury analysis, the Authority has examined the volume and price effects of dumped imports of the subject goods on the domestic industry and its effect on the prices and profitability to examine the existence of injury and causal links between the dumping and injury, if any. The Authority has examined injury to the domestic industry by considering information relating to M/s Solvay Vishnu Barium Ltd. and M/s. Ellak Chem Industries (India) Pvt. Ltd. (member of Small Scale Barium Manufacturers Welfare Association). Accordingly, the volume and price effect of dumped imports have been examined as follows:-

Volume Effect

Demand and market share

37. The Authority has considered the transaction-wise import data procured from DGCI&S for the assessment of volume and value of imports from the subject country and other countries. Demand for the product under consideration has been determined as the imports of the product under consideration into India from all countries and sales of all the domestic producers in India. The position is as follows:

Demand	UO M	2010- 11	2011- 12	2012- 13	POI	POI (annualized)
Sales of Petitioners	MT	15,708	14,450	14,128	18,085	12,057
Sales of Supporters	MT	5,475	8,240	9,805	14,396	9,597
Sales of other Indian producers	MT	10,711	11,535	11,941	15,316	10,211
Sales of Indian industry	MT	31,894	34,225	35,874	47,797	31,864
Imports - Subject Country	MT	6,683	8,214	6,150	7,923	5,282
Imports - Other Countries	MT	80	-	-	-	-
Demand	MT	38,657	42,439	42,024	55,720	37,146
Market Share						
Petitioners	%	40.64	34.05	33.62	32.46	32.46
Supporters	%	14.16	19.42	23.33	25.84	25.84
Other Indian producers	%	27.71	27.18	28.42	27.49	27.49

Indian Producers		82.51	80.65	85.37	85.78	85.78
Subject country	%	17.29	19.35	14.63	14.22	14.22
Other Countries	%	0.21	0.00	0.00	0.00	0.00

38. The Authority notes that demand for the subject goods has increased up to 2011-12, declined in 2012-13 and declined further in the POI. It has been claimed by the domestic industry that 80% of the product is consumed in the production of Caustic Soda. The user industry is not performing well and, therefore, the demand for the product has declined slightly. The market share of domestic industry has declined over the injury period. The market share of subject imports has also declined. It is noted that subject imports hold significant share in the Indian market in spite of anti dumping duty being in force.

Import volumes and share of subject country:

39. With regard to volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports either in absolute terms or relative to production or consumption in India. Annexure II (ii) of the anti dumping rules provides as under:

“While examining the volume of dumped imports, the said authority shall consider whether there has been significant increase in the dumped imports either in absolute terms or relative in production or consumption in India”

40. The import volumes for the injury period, considering the transaction wise data provided by DGCI&S are as under:

Volume	UO M	2010-11	2011-12	2012-13	POI	POI (A)
China P.R.	MT	6,683	8,214	6,150	7,923	5,282
Other Countries	MT	80	-	-	-	-
Total Imports	MT	6,763	8,214	6,150	7,923	5,282
Subject Imports in relation to						
➤ Total Imports	%	99	100	100	100	100
➤ Indian Production	%	20.83	23.31	16.70	16.10	16.10
➤ Indian Consumption	%	17.29	19.35	14.63	14.22	14.22

41. From the above information, the Authority notes that:

- a) There is a decline in subject imports in the POI. However, subject imports have remained significant in absolute terms in spite of anti dumping duty being in force.
- b) Imports from the subject country have also remained significant in relation to total imports, production and consumption in India.

PRICE EFFECT

Price effect to dumped imports and impact on domestic industry

42. The impact on the prices of the domestic industry on account of imports of the subject goods from the subject country have been examined with reference to price under cutting, price under selling, price suppression and price depression. For the purpose of this analysis, the cost of production, net sales realization (NSR) and the non-injurious price (NIP) of the domestic industry have been compared with landed value of imports from the subject country. A comparison for subject goods during the period of investigation was made between the landed value of the dumped imports and the domestic selling price in the domestic market. In determining the net sales realization of the domestic industry, taxes, rebates, discounts and commission incurred by the domestic industry have been adjusted. The price underselling is an important indicator of assessment of injury; thus, the Authority has worked out an on-injurious price and compared the same with the landed value to arrive at the extent of price under selling. The non-injurious price has been evaluated for the domestic industry in terms of Annexure III of the Anti-dumping Rules. The position is as follows:

Price Under cutting and Price Under selling

43. The Authority has made price under cutting and price under selling analysis as given below:

Particulars	Unit	2010-11	2011-12	2012-13	POI
Average Selling price of Domestic industry	Rs./MT	***	***	***	***
Trend		100	147	161	168
Landed value of imported Product	Rs./MT	20,409	23,612	27,997	29193
Price Undercutting	Rs./MT	(***)	***	***	***

Price Undercutting	%	(***)	***	***	***
Price Undercutting	Range%	-5 to 0	15-25	10-20	10-20

44. The Authority notes that the landed price of imports, in the absence of anti dumping duty, is significantly below the cost of production as well as net sales realization of the domestic industry throughout the injury period, except the base year 2010-11.

Price Underselling

45. For the purpose of determining price underselling, the landed value of the imports from subject country has been compared with the Non-injurious price of the domestic industry determined for the POI. The price underselling is as follows:

Particulars	Unit	POI
Weighted Average Non-injurious price of Domestic industry	Rs./MT	***
Landed value of imported Product	Rs./MT	29193
Price Underselling	Rs./MT	***
Price Underselling	%	***
Price Underselling	Range %	20-30

46. The Authority notes that during the POI, the price underselling was significantly positive.

Price suppression and depression effects of the dumped imports

47. The price suppression and price depression effect of the dumped imports has also been examined with reference to the cost of production, net sales realization and the landed values of the subject goods from the subject country in relation to injury period including POI.

Particulars	Unit	2010-11	2011-12	2012-13	POI
Cost of Sales	Rs./MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>128</i>	<i>153</i>	<i>166</i>

Average Selling price of Domestic industry	Rs./MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	147	161	168
Landed value of imported Product	Rs./MT	20,409	23,612	27,997	29,193
<i>Trend</i>	<i>Indexed</i>	100	116	137	143

It is seen that the landed price of imports, in the absence of anti dumping duty, is significantly below the cost of production of the domestic industry throughout the injury period, except the base year, 2010-11. Imports have had significant suppressing effect on the prices of the domestic industry in the market. While the domestic industry was able to increase prices to a certain extent, the same remained lower than the cost in 2012-13 and the POI. This shows price suppression effect whereby the domestic industry has not been able to increase the selling price commensurate with increase in the cost of sales.

Examination of Economic Parameters relating to Domestic Industry

48. Annexure II to the Anti-dumping Rules requires that a determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of such products. The Rules further provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. The various injury parameters relating to the domestic industry are discussed below.

Capacity, Production and Sales volumes

49. Performance of the domestic industry with regard to production, sales, capacity and capacity utilization are as follows:

Particulars	Unit	2010-11	2011-12	2012-13	POI	POI (A)
Capacity	MT	47,200	47,200	47,200	70,800	47,200
<i>Trend</i>	<i>Indexed</i>	100	100	100	150	100
Production	MT	15,921	15,502	14,975	18,784	12,522
<i>Trend</i>	<i>Indexed</i>	100	97	94	118	79
Capacity Utilization	%	34	33	32	27	27
<i>Trend</i>	<i>Indexed</i>	100	97	94	79	79

Domestic Sales	MT	15,708	14,450	14,128	18,085	12,057
<i>Trend</i>	<i>Indexed</i>	100	92	90	115	77

50. From the information given above, the authority notes that the capacity of the domestic industry has remained unchanged. Production of the domestic industry has declined over the injury period; consequently capacity utilization of the domestic industry has also declined over the injury period. It is noted that the sales volume of the domestic industry has also declined over the injury period.

Inventories

51. From the information given below, the Authority notes that the inventory position of domestic industry has increased significantly over the injury period, with the exception of 2011-12.

Particulars	Unit	2010-11	2011-12	2012-13	POI
Average Inventory	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	68	105	90

Profits, return on investment and cash flow

52. Performance of the domestic industry with regard to profits, return on investment and cash flow over the injury period was as follows:

Particulars	Unit	2010-11	2011-12	2012-13	POI*
Cost of Sales	Rs./Kg	***	***	***	***
<i>Indexed</i>		100	128	153	166
Selling Price	Rs./Kg	***	***	***	***
<i>Indexed</i>		100	147	161	168
Profit/loss	Rs./Kg	(***)	***	(***)	(***)
<i>Indexed</i>		-100	61	-63	-146
Profit before interest	Rs. In Lacs	(***)	***	(***)	(***)
<i>Indexed</i>		-100	179	-15	-100
Cash profit	Rs. In Lacs	***	***	***	***
<i>Indexed</i>		100	837	361	111
Return on Capital Employed	%	(***)	***	(***)	(***)
<i>Indexed</i>		-100	174	-15	-109

53. From the above information, the Authority notes that Profit/Loss and profitability of domestic industry has remained negative throughout the injury period, except

2011-12. Whereas both cost of production and selling price increased over the period, the increase in the cost of production was more than the increase in selling price. Resultantly, the profitability of the domestic industry deteriorated over the injury period. The domestic industry could make some profits in 2011-12. However, the domestic industry started suffering financial losses in the year 2012-13, which increased further in the POI. Though the domestic industry could make cash profits, the same declined after 2011-12. Return on capital employed followed the same trend as that of profitability.

Employment, wages and productivity

54. From the information given below, the Authority notes that the employment and wages of the domestic industry have increased. However, productivity per employee has declined as a result of decline in production level.

Particulars	Unit	2010-11	2011-12	2012-13	POI	POI(A)
Employment	Nos.	141	142	144	148	148
<i>Indexed</i>		100	101	102	105	105
Wages	Rs. Lacs	***	***	***	***	***
<i>Indexed</i>		100	112	135	240	160
Wages per unit	Rs./Kg	***	***	***	***	***
<i>Indexed</i>		100	115	143	204	204
Productivity per employee	MT	***	***	***	***	***
<i>Indexed</i>		100	97	92	112	75

Factors affecting prices

55. The examination of the import prices from the subject country and other countries, change in the cost structure, competition in the domestic market, factors other than dumped imports that might be affecting the prices of the domestic industry in the domestic market, etc shows that without the anti-dumping duty the landed value of imported material from the subject country is below the selling price and the non-injurious price of the domestic industry, causing price undercutting as well as price under selling. It is also noted that the demand for the subject goods was showing upward trend during the POI and therefore it could not have been a factor affecting domestic prices. Thus, the principal factor affecting the domestic prices is landed value of subject goods from subject country.

Magnitude of dumping

56. The Authority notes that the dumping margin of the imports of the subject goods from the subject country is positive.

Growth

57. The Authority notes that the growth of domestic industry was negative during injury period in terms of both, volume and price parameters. Production, sales volumes, capacity utilization, market share as well as profits, return on investment and cash flow show negative growth over the injury period.

Growth percent (year by year)	Unit	2010-11	2011-12	2012-13	POI(A)
Production	%	-	-2.63	-3.40	-16.38
Sales Volume	%	-	-8.01	-2.23	-14.66
Selling Price	%	-	160.69	-203.87	-130.83
Profit per unit	%	-	3.83	-9.79	-4.85
Return on Investment	%	-	-0.89	-1.12	-5.20
Capacity Utilization	%	-	-6.58	-0.44	-0.98
Market share of DI	%	-	-2.63	-3.40	-16.38

Ability to raise Capital Investment

58. The Authority notes that the domestic industry has not enhanced its capacity over the injury period.

Causal Link

59. The Authority examined whether other known factors could have caused injury to the domestic industry as follows:

(a) Volume and prices of imports from third countries

60. The Authority notes that during POI, there have been no imports of the subject goods from countries other than the subject country. The domestic industry is facing injury from dumped imports entering into the country from China PR only.

(b) Contraction of demand and changes in the pattern of consumption

61. The Authority notes that there is contraction in the demand during POI. The domestic industry has claimed that 80% of the product is consumed in the production of Caustic Soda. The user industry is not performing well and therefore, the demand for the product has declined slightly.

(c) Developments in technology

62. The Authority notes that none of the interested parties have furnished any evidence to demonstrate significant changes in technology that could have caused injury to the domestic industry.

(d) Conditions of competition and trade restrictive practices

63. The Authority notes that the subject goods are freely importable. There is no perceptible unfair competition among the domestic producers, except that is obvious of a market economy.

(e) Export performance of the domestic industry

64. The export performance of the domestic industry is not relevant since price and profitability in the domestic and export market has been segregated by the Authority for the purpose of assessing injury to the domestic industry.

Magnitude of Injury and Injury Margin

65. The non-injurious price of the subject goods produced by the domestic industry as determined by the Authority has been compared with the landed value of the exports from the subject country for determination of injury margin during POI. The injury margin is as follows:

Particulars		NIP (US\$/MT)	Landed Value (US\$/MT)	Injury Margin (US\$/MT)	Injury Margin%	Injury Margin Range %
Producer	Exporter					
Hunan Wanfeng Chemical Co. Ltd.	Hunan Mint Import & Export Co. Ltd.	***	***	***	***	20-30
Others from China PR		***	***	***	***	35-45

Conclusion on material injury

66. The investigation has thus shown that the volume of dumped imports from China PR has remained significant throughout the injury period despite anti-dumping duty in force. With regard to the effect of the dumped imports on prices, in the absence of anti-dumping duty, there has been significant price undercutting and underselling effect and the effect of such imports from China PR has been to suppress prices to a significant degree. The investigation has shown that performance of the domestic industry has deteriorated significantly in terms of parameters such as production, capacity utilisation, domestic sales

volumes, market share, profits, cash profits and return on investment. The Authority notes that domestic industry has suffered continued injury from the continued dumping of subject goods from the subject country.

G. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF DUMPING AND INJURY

Submissions by the Domestic Industry

67. The domestic industry submitted as under in support of its claim of likelihood of
- a) Significant dumping margin during POI establishes that the dumping is likely to continue and intensify in the event of cessation of present anti dumping duty.
 - b) Volume of imports in case of subject country have remained significant despite imposition of anti dumping duty, thereby showing that the imports would increase in the event of withdrawal of anti dumping duty.
 - c) Producers in the subject country maintain huge capacities to produce Barium Carbonate. China is the largest producer of Barium Carbonate in the world. Further, China is also the largest producer of Barites, which is the raw material for Barium Carbonate. One of the Chinese producers of Barium Carbonate, Guizhou Redstar Developing Co. Ltd., claims on its website that the company accounts for one-third of the world's production and sales of the product under consideration (nearly 3 lac ton/year). Another company, Zaozhuang Yongli Chemical Co. Ltd. produces 25,000 ton/year of Barium Carbonate. In case of revocation of anti dumping duty, the volume of imports is bound to increase further.
 - d) The exporters from the subject country have very high export orientation worldwide as they have capacities in excess of consumption. Therefore, Chinese producers are intensely focused on exports. In the POI, total exports of the product from China to various countries were more than 2 lakh MT. Hence, the dumping and injury is likely to recur at aggravated level in case the existing anti-dumping duties are withdrawn at this stage.
 - e) Exports of the product under consideration from subject country to third countries are also at dumped prices. USA and EU have imposed anti-dumping duty against the imports of subject goods from China. This is clearly suggestive that the dumping would intensify in the event of cessation of anti dumping duty.
 - f) The landed value of imports is undercutting the prices of the domestic industry without anti dumping duty. Therefore, cessation of anti dumping duty is likely to cause significant adverse volume & price effect on the domestic industry.

Submissions by the exporters/importers/other interested parties

68. None of the opposing interested parties has made any submission in this regard.

Examination by the Authority

69. The present investigation is a sunset review of anti-dumping duties imposed on the imports of subject goods from China PR. Under the Rules, the Authority is required to determine whether continued imposition of anti-dumping duty is warranted. This also requires examination whether the duty imposed is serving the intended purpose of eliminating injurious dumping.

70. The Authority notes that in the present investigation, there is continuous dumping of the subject goods from China PR, causing continued injury to the domestic industry, which ipso facto indicates likelihood of dumping and injury from the subject country in the event of cessation of the anti-dumping duty. In view of the above position and due to favorable market conditions prevailing in the Indian market as far as demand and price for the subject goods are concerned, the Authority has reason to believe that in the event of cessation of anti-dumping duties, dumping may intensify from China PR. Moreover, China PR being a major producer of subject goods in the world and being the sole exporter to India and anti-dumping duties having been imposed by USA and EU against Chinese imports, in the event of cessation/revocation of anti-dumping duty by India, the entire Indian demand can be met by the Chinese imports and the domestic industry may have to go out of the market. Although likelihood analysis is not a necessity in the present review investigation due to continued dumping and continued injury to the domestic industry on account of such dumping, the Authority has made the following likelihood analysis to reinforce the argument that cessation/revocation of the existing anti-dumping duty may result in intensified dumping and injury.

a) Level of current and past dumping margin

71. The level of dumping margin in respect of China in the earlier as well as present investigation is significant. Despite the Indian industry holding significant capacity to meet the demand, the import of the subject goods from the subject country still continues at significant level and at dumped prices. Given the level of price undercutting and price underselling effects from the imports of subject goods from China PR without anti-dumping duty and considering the capacity held by China with their penchant for exports, volume of dumped imports is likely to increase further in the event of cessation/revocation of anti-dumping duty.

b) Price attractiveness of Indian market

72. The price at which the subject goods are being exported by China PR is itself an indicator of the likelihood of continuation and intensification of dumping.

c) Export orientation of producers in the subject country

73. The domestic industry has contended that the producers/exporters in subject country are highly export oriented. Considering the significant capacity held by China with their export orientation and anti-dumping duty in force on the Chinese product under consideration in EU and USA, the Authority holds that in the event of cessation of anti dumping duties, the exporters from China PR are likely to increase their exports to India at dumped prices.

d) Huge production capacity in the subject country

74. The evidence provided by the domestic industry, as given below, shows that China PR has high capacity, which is capable of getting dumped in to Indian market in the event of cessation of the antidumping duties.

Name of Company	Production Capacity PA
Hubei Jingshan Chutian Barium Salt Corp Ltd	7,000
Zaozhuang Yongli Chemical Co. Ltd.	25,000
Guizhou Redstar Developing Co. Ltd.	3,00,000
Hunan Wanfeng Chemical Co. Ltd.	10,000

e) Price undercutting, suppression, depression in the absence of measures

75. The prices at which subject goods are being imported from China PR are substantially lower than the price at which the goods are being sold in the domestic market. Therefore, in the event of cessation of the anti-dumping duties, it is likely that exporters from the subject country may channelize their output in the Indian market in view of the significant capacities being held by them.

H. CONCLUSIONS

76. Having regard to the contentions raised, information provided and submissions made by the interested parties and facts available before the Authority as recorded in this finding and on the basis of the above analysis of the state of continuation of dumping and consequent injury and likelihood of continuation/recurrence of dumping and injury, the Authority concludes that:

- (i) There is continued dumping of the product concerned from China PR, causing injury to the domestic industry.

- (ii) Both price undercutting and underselling effects of dumped imports from China PR are positive without anti-dumping duty.
- (iii) Despite the anti-dumping duty in force, the financial performance of the Domestic Industry has deteriorated. During the POI, the domestic industry has shown negative growth in terms of the economic parameters such as production, sales, profitability and ROCE. The dumped imports from China PR continue to cause injury to the domestic industry.
- (iv) Dumping of the product under consideration from China PR is likely to continue/intensify should the current anti-dumping duty be revoked.

I. Indian industry's interest and other issues

77. The Authority recognizes that the imposition of anti-dumping duties might affect the price levels of the product in India. However, fair competition in the Indian market will not be reduced by the anti-dumping measures. On the contrary, imposition of anti-dumping measures would remove the unfair advantages gained by dumping practices, prevent injury to the domestic industry and help maintain availability of wider choice to the consumers of subject goods. The Authority notes that the imposition of the anti-dumping measures would not restrict imports from the subject country in any way, and therefore, would not affect the availability of the product to the consumers. The consumers could still maintain two or even more sources of supply.
78. The purpose of anti dumping duties, in general, is to eliminate injury caused to the Domestic Industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country.

J. Post Disclosure Comments

79. The post disclosure comments made by the domestic industry and considered relevant by the Authority are as follows:
- i. Both dumping margin and injury margin in the current POI are positive and significant.
 - ii. There is likelihood of intensified imports in case existing anti dumping duty ceases.
 - iii. The domestic industry is likely to suffer continued injury in the event of cessation of anti dumping duty.
 - iv. The anti dumping duty is required to be continued.
 - v. Duty may be recommended on fixed amount basis in US\$ term.

80. The following post disclosure comments have been made on behalf of Guangzhou Chemicals Import & Export Co., Ltd, China PR:

- i. Exporter's questionnaires response Part-II, which has been filed by Guangzhou Chemicals Import & Export Co., Ltd., (Exporter/Trader) may be accepted.
- ii. In a sunset review, as per Section 9A (5) of Customs Tariff Act, the Authority has to examine whether cessation of duty is likely to lead to continuation or recurrence of dumping and injury.
- iii. Guangzhou Chemicals Import & Export Co., Ltd., (Exporter/Trader) China PR, did not export the subject goods during the period of review. Hence in the Sunset review investigation, if the Authority proposes to continue the duty, the original duty applicable to Guangzhou Chemicals Import & Export Co., Ltd., (Exporter/Trader) China PR, in the original investigation may please be continued.

Examination by the Authority

81. In the present sunset review, Guangzhou Chemicals Import & Export Co., Ltd, China PR did not file complete exporter's questionnaire response in the prescribed format. They filed only Part II of the response stating that they had no exports of product under consideration to India during the POI. The Authority informed Guangzhou Chemicals Import & Export Co., Ltd, China PR that such incomplete response cannot be accepted and requested them to make good the deficiency. But, despite such request by the Authority, Guangzhou Chemicals Import & Export Co., Ltd, China PR did not cooperate and did not file complete exporter's questionnaire response. In view of the above position, the Authority notes that individual margin cannot be determined for Guangzhou Chemicals Import & Export Co., Ltd, China PR.

K. Recommendations

82. Having concluded as above, the Authority is of the view that the anti-dumping measures are required to be extended in respect of China PR. Therefore, Authority considers it necessary to recommend continued imposition of definitive anti-dumping duty on imports of subject goods from China PR in the form and manner as described in the duty table given here in below.

83. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of anti-dumping duty equal to the lesser of the margin of dumping and the margin of injury, on the imports of the subject goods, originating in or exported from China PR, so as to remove the injury to the

domestic industry. Accordingly, the anti-dumping duty equal to the amount indicated in Col. 8 of the table below is recommended to be imposed by the Central Government on the imports of the subject goods, originating in or exported from China PR.

Duty Table

No.	Heading/ Subheading	Description of goods	Country of Origin	Country of Exports	Producer	Exporter	Duty Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	28366000	Barium Carbonate	China PR	China PR	Hunan Wanfeng Chemical Co. Ltd	Hunan Mint Imp & Exp Company Ltd.	96.94	MT	US\$
2	28366000	Barium Carbonate	China PR	China PR	Any other combination other than S.N. 1 above		144.82	MT	US\$
3	28366000	Barium Carbonate	Any country other than China PR	China PR	Any	Any	144.82	MT	US\$
4	28366000	Barium Carbonate	China PR	Any country other than China PR	Any	Any	144.82	MT	US\$

L. Further Procedures

84. An appeal against this order, after its acceptance by the Central Government, shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act, 1975.

A. K. Bhalla
Designated Authority