



**Government of Pakistan
National Tariff Commission**

**Report of
Conclusion of Sunset Review of the Anti-dumping
Duties Imposed on Dumped Imports of Hydrogen
Peroxide Imported from the People's Republic of
Bangladesh**

A.D.C No. 34/2015/NTC/HP/SR/20
July 10, 2025

Conclusion of Sunset Review of the Anti-dumping Duties Imposed on Dumped Imports of Hydrogen Peroxide Originating in and/or Exported from the People's Republic of Bangladesh

Introduction

The National Tariff Commission (the "Commission") having regard to the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the "Agreement on Antidumping"), Anti-Dumping Duties Act, 2015 (the "Act") and the Anti-Dumping Duties Rules, 2022 (the "Rules") relating to the investigations /reviews and determination of dumping of goods into the Islamic Republic of Pakistan ("Pakistan"), material injury to the domestic industry caused by such imports, and imposition of anti-dumping duties to offset the impact of such injurious dumping, and to ensure fair competition thereof. Section 58 of the Act relates to the sunset review of anti-dumping duties imposed on dumped imports of the product under review.

2. Having regard to the Section 58(1) of the Act, any definitive anti-dumping duty imposed by the Commission shall be terminated on a date not later than five years from the date of its imposition, however, as per Section 58(3) of the Act, a definitive anti-dumping duty shall not expire if the Commission determines in a review that the expiry of such anti-dumping duty would be likely to lead to continuation or recurrence of dumping of the investigated product and injury to the domestic industry.

3. Pursuant to the notice of impending expiry of definitive anti-dumping duty imposed against dumped imports of Hydrogen Peroxide from People's Republic of Bangladesh ("Bangladesh"), an Application was filed by M/s Descon Oxychem Limited, Lahore and M/s Sitara Peroxide Limited, Faisalabad (the "domestic industry"), for a sunset review. The Commission conducted a sunset review of anti-dumping duties imposed on dumped imports of Hydrogen Peroxide imported from Bangladesh the under the Act and the Rules. On October 14, 2021, the Commission issued the report of conclusion of the sunset review in accordance with Section 39(5) of the Act and Article 12.2 of the Agreement on Antidumping.

4. The Commission continued definitive antidumping duties ranging from 15.38 percent to 16.10 percent on the dumped imports of Hydrogen Peroxide imported from Bangladesh for a period of five years effective from October 16, 2020. The definitive antidumping duty rates were determined on C&F value in ad val. terms. The product under review was classified under PCT heading No. 2847.0000.

5. Pursuant to the conclusion of sunset review determination made by the Commission, exporter of Hydrogen Peroxide namely M/s Samuda Chemical Complex Limited of Bangladesh (Appeal No. 441 of 2021) challenged the decision of the Commission to continue the imposition of antidumping duties on dumped imports of Hydrogen Peroxide from Bangladesh before the Anti-Dumping Appellate Tribunal (the "Tribunal") under Section 70 (1) (ii) of the Act.

6. On December 7, 2022, the Tribunal, after hearing the arguments of all parties, remanded the matter to the Commission for "de-novo consideration" after affording an opportunity of being heard to the appellants strictly in accordance with law. The order of Tribunal was challenged by the Applicants (domestic industry) in the Islamabad High

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Court and obtained stay order on March 09, 2023. The Applicants withdrawn their petition from Islamabad High Court on May 19, 2025. The issues raised by the Tribunal in its order of remanding back the case to the Commission dated December 7, 2022 are as under:

- (i) the Commission's finding that restraint in exports to India from Bangladesh resulting from capacity enhancement and imposition of anti-dumping duty by India would lead to oversupply of investigated product in Bangladesh and then to export to destination like Pakistan, is not supported by the data at Table-VIII of the impugned report;*
- (ii) the Commission's determination of the likelihood of continuation or recurrence of injury is not supported by the data at Table-XIII, XIV and XV of the impugned report; and*
- (iii) the Commission's analysis based on the expansion of plants of domestic industry and commissioning of new plant is flawed for two reasons: i.) the assumptions did not materialize fully within the timeline ii.) any intra-industry competition is likely to affect the price of the domestic like product rather than investigated product.*

7. In the light of judgement of honorable Tribunal, the Commission held a hearing on June 24, 2025. Record note of the hearing has been placed in the Public File. After hearing the parties and examination of the evidence on record, the Commission has made de novo analysis of the issues raised by the Tribunal in its Judgement.

8. Analysis of the issues pointed out by the Tribunal in Its Judgment (Appeal No. 441 of 2021)

8.1 Issue No:01

- (i) the Commission's finding that restraint in exports to India from Bangladesh resulting from capacity enhancement and imposition of anti-dumping duty by India would lead to oversupply of investigated product in Bangladesh and then to export to destination like Pakistan, is not supported by the data at Table-VIII of the impugned report;*

8.2 The observation of the tribunal relates to para 23 of the Report titled "Conclusion of Sunset Review of the Anti-dumping Duties Imposed on Dumped Imports of Hydrogen Peroxide Originating in and/or Exported from the People's Republic of Bangladesh" export surplus /increase in production capacity of the Hydrogen Peroxide in Bangladesh. The Commission has re-considered /reviewed this issue as under:

8.3 The information provided by M/s Samuda Chemical Complex Ltd. Bangladesh and M/s Tasnim Chemical Complex Ltd. Bangladesh (the exporters /foreign producers)

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of Hydrogen Peroxide on their capacities, production, sales, exports, and inventories of the product under review is provided in the following tables:

Table-I
Samuda Chemicals' Capacity, Production, Sales and Inventories

Description	2017-18	2018-19	2019-20
Installed Capacity	50	100	100
Quantity Produced	57	92	94
Opening Inventory	2	0.37	6
Domestic Sales	49	48	36
Export Sales	9	38	58
Closing Inventory	0.37	6	7

Note: Actual figures have been indexed with reference to the figure of installed capacity of year 2019-20 by taking it equal to 100.

Table-II
Tasnim Chemicals' Capacity, Production, Sales and Inventories

Description	2017-18	2018-19	2019-20
Installed Capacity	100	100	100
Quantity Produced	50	83	96
Opening Inventory	1	0.32	4
Domestic Sales	19	26	19
Export Sales	32	53	80
Closing Inventory	0.32	4	2

Note: Actual figures have been indexed with reference to the figure of installed capacity of year 2019-20 by taking it equal to 100.

8.4 The above tables show that the installed capacity of M/s Samuda Chemicals had doubled during the Period of Review ("POR"), however, the installed capacity of Tasnim Chemicals remained the same during the POR. The Commission noted that the exportable surplus, in the shape of closing inventory and unutilized capacity available to the cooperating exporters, i.e. M/s Samuda Chemicals and M/s Tasnim Chemicals was ***** and ***** for the years 2018-19 and 2019-20. The Commission further noted that export surplus was available to the exporters from Bangladesh during the POR, which could be used to export the product under review to Pakistan.

8.5 As per the information provided by M/s Samuda Chemicals and M/s Tasnim Chemicals, India was the biggest export market for the Bangladesh's producers/exporters of Hydrogen Peroxide. Bifurcation of export sales of both the companies is given in table below:

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Table-III
Export Sales of Samuda Chemicals and Tasnim Chemicals

Country	Samuda Chemical			Tasnim Chemical		
	2017-18	2018-19	2019-20	2017-18	2018-19	2019-20
India	6	45	42	34	59	85
Pakistan	10	15	24	1	2	7
Other Countries	0.36	6	34	4	5	8
Total Exports	16	66	100	40	66	100

Note: Actual figures have been indexed with reference to the figure of Total Exports of Samuda Chemicals and Tasnim Chemicals for year 2019-20 by taking it equal to 100.

8.6 The above table shows that major export market of exporters/ producers of Hydrogen Peroxide from Bangladesh was India during the POR. It was noted that despite imposition of anti-dumping duty by Indian Authority, exports to India from Bangladesh continued to increase during the POR. After expansion of capacity, M/s Samuda Chemicals have also increased its exports of Hydrogen Peroxide to Pakistan. Exports sales of M/s Tasnim Chemicals to Pakistan have also increased during the POR. This suggests that dumped imports of Hydrogen Peroxide from Bangladesh had strong presence in the Pakistani market. The growing trend of dumped imports of Hydrogen Peroxide from Bangladesh combined with enhanced installed capacity and export surplus makes it abundantly clear that there is likelihood of continuation of dumping of the product under review from Bangladesh in case antidumping duties are terminated on dumped imports of HP from Bangladesh.

9. Issue No: 02

(i) the Commission's determination of the likelihood of continuation or recurrence of injury is not supported by the data at Table-XIII, XIV and XV of the impugned report; and

9.1 The Commission analyzed price undercutting, price suppression and profit/loss of the domestic industry regarding the above-mentioned issue. The detail of each factor is given below:

9.2 Likely Price Undercutting

9.2.1 Information /data on weighted average ex-factory price of the domestic like product, weighted average landed cost of the product under review, and weighted average landed cost of Hydrogen Peroxide imported from Bangladesh, with and without antidumping duty during the original POI and the POR is given in following table:

**Table-IV
Likely Price Undercutting**

Year/Period	Domestic like product's price	Landed cost of dumped imports		Price undercutting	
		With ADD	Without ADD	With ADD	Without ADD
Jan-Dec 2014*	53	--	48	--	4
Jul 17-Jun 18	62	57	52	5	10
Jul 18-Jun 19	83	104	95	--	--
Jul 19-Jun 20	86	100	91	--	--

Note: Actual figures have been indexed with reference to the figure of landed cost of dumped imports for year 2019-20 by taking it equal to 100.

9.2.2 The above table shows that the domestic industry faced price undercutting in the original POI and during the first year of the POR. There was no price undercutting from dumped imports even without antidumping duties during the last two years of the POR. It was observed during the POR that despite increased export price, the domestic industry although had an opportunity to increase its prices to avoid losses, however, increasing trend of imports of Hydrogen Peroxide into Pakistan (*Volume of dumped imports of the product under review in 2018-19 and 2019-20 increased and remained 33.25 percent of total imports & 49.52 percent of total imports respectively*), constrained the domestic industry to keep its price lower than the landed cost of dumped imports. It forced the domestic industry to lower production volume, which created the demand supply gap and the same was filled by the exports even at higher price. The domestic industry perceived that in view of last year's increase in volume of dumped imports, the likelihood of continuation of dumping could not be overruled.

9.2.3 On the basis of the above information and analysis the Commission has concluded that there was likelihood of price undercutting if antidumping duties imposed on imports of Hydrogen Peroxide were discontinued.

9.3. **Likely Effect on Price Suppression:**

9.3.1 Following table shows the information with regard to weighted average cost to make and sell and weighted average ex-factory sales price of domestic like product:

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Table-V
Price Suppression

Year/ Period	Domestic like product's		Increase/ (decrease) in:	
	Cost to make and sell	Ex-factory price	Cost to make and sell	Ex-factory price
Jan-Dec 2014*	63	62	--	--
Jul 17-Jun 18	64	72	1	11
Jul 18-Jun 19	80	97	16	25
Jul 19-Jun 20	85	100	5	3

Note: Actual figures have been indexed with reference to the figure of ex-factory price for year 2019-20 by taking it equal to 100.

9.3.2 The above table shows that the domestic industry experienced price suppression during the last year of the POR i.e. 2019-20, as it was not able to recover the increase in the increase cost to make and sell by increasing its selling price of the domestic like product. This indicates that there was pressure of decrease in prices of the domestic industry to compete with increasing volume of dumped imports. Although, the domestic industry had margin vis-vis landed cost of dumped imports to increase its sales prices but persistent increasing trend of dumped imports Hydrogen Peroxide in Pakistan, constrained the domestic industry to keep its price lower than the landed cost of dumped imports, which resulted in unutilized capacity and gap of supply and demand was filled by the increase in dumped imports at higher price. Therefore, it is concluded there was likelihood that the domestic industry would face price suppression in case anti-dumping duties were terminated on the product under review.

9.4. Likely Effect on Profit & Loss:

9.4.1 Information on profits /loss of the domestic industry for the original POI and the POR is given in the following table:

Table-VI
Profit/Loss

Year/Period	Gross Profit	Net Profit/(Loss)
Jan-Dec 2014*	25	(14)
Jul 17-Jun 18	56	31
Jul 18-Jun 19	100	63
Jul 19-Jun 20	87	50

Note: Actual figures have been indexed with reference to the figure of gross profit for year 2018-19 by taking it equal to 100.

9.4.2 The above table shows that the domestic industry earned gross profits of 25 percent during the POI of original investigation. After imposition of duties, the gross profit of the domestic industry increased to 100% in 2018-19. However, gross and net profit decreased in last year of POR (2019-20) due to prices suppression faced by the domestic industry, which is attributed to the increase in volume of dumped imports of Hydrogen

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Peroxide from Bangladesh. Furthermore, there was a likelihood of a decline in prices of product under review after termination of antidumping duties, therefore, there was likelihood that the domestic industry would suffer further price suppression in case antidumping duties are removed on the product under review, which will effect to the profits of the domestic industry.

10. Issue No. 03

(ii) the Commission's analysis based on the expansion of plants of domestic industry and commissioning of new plant is flawed for two reasons: i.) the assumptions did not materialize fully within the timeline ii.) any intra-industry competition is likely to affect the price of the domestic like product rather than investigated product.

10.1 The Commission, on de novo consideration, has analyzed the exportable surplus of the exporters of Hydrogen Peroxide from Bangladesh, price effects namely price undercutting and price suppression and profits. The Commission's current analysis is not based on the expansion of plants of domestic industry and commercial operation of the new plant.

11. Conclusion

11.1. Considering the information, analysis and findings as stated above, the Commission has concluded that:

- i. The growing trend of dumped imports of HP from Bangladesh to Pakistan combined with enhanced installed capacity and export surplus of exporters /producers from Bangladesh, makes it clear that there was likelihood of continuation of dumping of the product under review from Bangladesh in case antidumping duties were terminated.
- ii. There was a likelihood of continuation or recurrence of injury to the domestic industry if antidumping duties imposed on the product under review were terminated.

12. IMPOSITION OF DEFINITIVE ANTIDUMPING DUTIES

12.1. In terms of Section 58(3) of the Act, definitive anti-dumping duties shall not expire if the Commission determines in the sunset review that the expiry of such anti-dumping duties would be likely to lead to the continuation or recurrence of dumping of the product under review and material injury to the domestic industry.

12.2 In view of the above information, analysis and conclusion in the foregoing paragraphs, the Commission has determined that expiry of anti-dumping duties imposed on dumped imports of the product under review from Bangladesh would be likely to lead to continuation of dumping of Hydrogen Peroxide and as a result, there was likelihood that the domestic industry will suffer injury. Therefore, the Commission has decided to

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impose antidumping duties till October 15, 2025, on imports of product under review as per the rates provided in the following table:

Table-VII
Definitive Anti-Dumping Duty Rates

Exporter/Foreign Producer	Duty Rates (%)
Tasnim Chemical Complex Limited	16.10
Samuda Chemical Complex Limited	15.38
All others	16.10

12.3. Hydrogen Peroxide imported from sources, other than the Bangladesh shall not be subject to above mentioned antidumping duties. Further, in accordance with Section 51(e) of the Act, definitive antidumping duties will not be levied on imports of the product under review that are used as inputs in products destined solely for exports and are covered under any scheme exempting customs duty for exports under the Customs Act, 1969.

12.4. In accordance with Section 51 of the Act, the anti-dumping duties shall take the form of *ad valorem* duty and be held in a non-lapsable personal ledger account established and maintained by the Commission for this purpose. Release of the dumped imports of the product under review for free circulation in Pakistan shall be subject to imposition of such antidumping duties.

12.5. Definitive antidumping duties levied would be in addition to other taxes and duties leviable on import of the product under review under any other law.

12.6. The definitive antidumping duties would be collected in the same manner as customs duty is collected under the Customs Act, 1969 (IV of 1969) and would be deposited in Commission's Non-lapsable PLD account No. 187 with Federal Treasury Office, Islamabad.

(Ahmed Sheraz) Member-IV July 10, 2025	(Imran Zia) Member-III July 10, 2025
(Muhammad Iqbal Tabish) Member-II July 10, 2025	(Naeem Anwar) Chairman July 10, 2025