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GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
DIRECTORATE GENERAL OF ANTI-DUMPING & ALLIED DUTIES
UDYOG BHAWAN, NEW DELHI

Dated the 31th March, 2009

Notification

Final Findings

Subject: Anti-Dumping investigation concerning the imports of Cable Ties originating in or exported from China PR and Taiwan.

Whereas The Designated Authority (herein after also referred to as the Authority), having regard to the Customs Tariff Act, 1975 as amended in 1995 (herein after referred to as the Act) and the Customs Tariff (Identification, Assessment and Collection of Antidumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 as amended from time to time, (herein after referred to as the Rules) received an application from M/s. Surelock Plastics Pvt. Ltd, Mumbai (hereinafter referred to as the Applicant) alleging dumping of Cable Ties (hereinafter referred to as subject goods) originating in or exported from China PR and Taiwan (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. And whereas the Authority on the basis of sufficient evidence submitted by the applicant on behalf of the domestic industry, after examination of the same with regard to adequacy and accuracy issued a public notice dated 1st January 2008 published in the Gazette of India, Extraordinary, initiating Anti-Dumping investigations concerning imports of the subject goods originating in or exported from the subject countries in accordance with the Rule 6 (1) of the Rules to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which, if levied, would be adequate to remove the injury to the domestic industry.

3. Whereas The Designated Authority having regard to the Act and Rules investigated and recommended imposition of provisional Anti Dumping duty on imports of Cable Ties falling under Sub-heading 39.2690/3926.9010 of ITC HS classification

originating in or exported from China PR and Taiwan vide Preliminary Findings of even number dated 23rd September 2008 and provisional antidumping duty was imposed on the subject goods vide Customs Notification No.118/2008-Customs dated 31.10.2008.

A. PROCEDURE

4. The procedure described below has been followed:

i. The Authority notified to the Embassies/trade representatives of subject countries in India about the receipt of application alleging dumping of subject goods made by the Applicant before proceeding to initiate the investigation in accordance with sub-rule (5) of Rule 5 supra;

ii. The Authority sent copies of initiation notification dated 1st January, 2008 to the Embassies/Trade Representatives of the subject countries/territories in India, known exporters from the subject countries, importers and the domestic industry as per the addresses made available by the applicants and requested them to provide relevant information and make their views known in writing within 40 days of the initiation notification.

iii. The Authority provided copies of the non-confidential version of the application to the known exporters and to the Embassies/Trade Representatives of China PR and Taiwan in accordance with Rule 6 supra.

iv. The Embassies/trade representatives of China PR and Taiwan in India were informed about the initiation of the investigation in accordance with Rule 6 with a request to advise the exporters/ producers from their countries to respond to the questionnaire within the prescribed time. A copy of the letters and questionnaire sent to the exporters/producers were also sent to them, along with the names and addresses of the exporters.

v. The applicant requested the Authority to treat China PR as a non-market economy country for the purpose of present investigations. The Authority informed the known exporters from China PR that it proposes to examine the claim of the applicant in the light of para (7) & (8) of Annexure-I of the Anti-Dumping Rules as amended. The concerned exporters / producers of the subject goods from China PR were therefore advised to furnish necessary information/ sufficient evidence, as mentioned in sub-paragraph (3) of paragraph 8 to enable the Designated

Authority to consider whether market economy treatment should be granted to the cooperating exporters/ producers who could demonstrate that they satisfy that market conditions prevail in their case.

vi. The Authority sent questionnaire, to elicit relevant information to the following known exporters in subject countries in accordance with Rule 6(4):

1. Hua Wei Industrial Co.Ltd. (Giantlok)

1048, Xiang Da Rd, Zhaotun Town

Qingau Country, Shanghai , China PR

2. (Yueqing) Gaulin (Huaxin) Electricappratus
Factory

`Zhuyang Industrial Zone

Yueqing, Yuecheng, Zhejiang

China PR

3. Power Industry Part Book Enterprice

ZKE JIANG PHOENIX ELECTRIC POWER
FITTING CO. LTD.

Zheijiang Liushi Jiaksi.

4. Co- Talent n Limited (CTNL)

Unit No. 4, 3/F1, WlinFu Centre,

30, Shiag Yip Street

Kwun Tong, Kowloon, Hong Kong

China Factory: Meizhou, Guangdong,

China PR

5. Kaygo Plastics Manufacturing Co.Ltd.

No. 58, Liule Road, Liushi Town

Wenzhou, Zhejiang

China PR

6. Zhejiang Giujing Meters Co.Ltd.

No.18 Fenjin Road,

Dongfeng Ind Zone

Liushi Tower,

China PR

7. Yueging Qiligang Plastics Manufacturers Co.ltd.

Huaxi Indl. District Huanghua Town

Yueging, Zhejiang

China PR

8. Wenzhou Yongji Electric Equipments

R.No. 2515-16, Harbor Mansion No.12 Changjieng
Road, Dlian

China PR

9. V.Y.Cables Accessories Co.Ltd.

88, Sheng Li Road, Jen-The Hsiang Taiwan
HsieTaiwan

10.Kai Sun Suh Enterprise Co.Ltd.

38, Yeh Ping N.Road, Sec.1,

Taipei,Taiwan R.O.C

11. Giantlok1,20th Road, Taichung Industrial Park

Taichung, Taiwan ROC

12. AVC

No. 248-27, Hsin Sheng Road

Chien Zhen District, Kaoshiung City

Taiwan

vii. In response to the initiation notification no exporter/producer from china PR and Taiwan has responded to the questionnaire.

viii. A questionnaire was sent to the following known importers/user associations of the subject goods for necessary information in accordance with Rule 6(4).

1. Krishna Electronics,

2, Digambar Jain Temple Road, 4th Floor

Kolkata.

2. Anandi International , Kolkatta

1, Netai Halder Street

Kolkata –7

3. Multi Impex, Chennai

145 Linghi Chetty Street

1st Floor,

Chennai – 600 001

4. P.S. Enterprise, Kolkatta

32, Ezra Street,

Room No. 518,

Calcutta (W.B) – 700 001

5. Sumati Chand Bothra, Kolkatta

32, Ezra Street, 2nd floor,

Room No. 272(N)

Calcutta (W.B) – 700 001

6. Wire & Cable Corporation, New Delhi

4, Sona Bazar, Bhagirath Palace, Delhi – 110 006

7. Choudhary International

KD-47A Ashok Vihar,

Phase-I, Delhi – 110 052

8. B.B. Corporation, Chennai

No.3, Davidson Street,

Ground Floor,

Chennai – 600 079

9. Hirawat Marketing Services, Kolkatta

32, Ezra Street,

Room No. 518

Kolkata - 700 001

10. Jeetendra Kumar Modi,

2, Digamber Jain Temple Road,

4th Floor, Kolkata – 700 007.

11. Shah Enterprises, Mumbai

147, Lohar Chawl

Tawawala Bldg.

2nd Floor, R.No.45

Mumbai – 400 002

12. Krishna Commercial Corpn.Chennai

#2, Venkatachala

Mudali Lane, 2nd Floor

Chennai – 600 003

13. Pranav Electricals, Vadodara

C/o. Ashish Electricals & Electronics

13, Rajlaxmi Complex

Old Padra Road

Vadodara – 390 007

14. Modi Industrial Interface

82/1-2, 2nd Floor, Prabha Market

A.M.Lane Chickpet Cross

Bangalore – 560052

ix. In response to the above notification the following importers/interested parties have filed their submissions.

(a) M/s. P.S. Enterprise(The Electrical People)

32, Ezra Street, Kolkata-700001.

(b) M/s. Hirawat Marketing Services,

32, Ezra Street, Kolkata-700001.

(c) M/s. Anixter India Pvt. Ltd.,

163, Luz Church Road, Mylapore, Chennai-600004

(d) M/s. Modi Industrial Interface,

82/1-2, 2nd Floor, Prabha Market,

A.M. Lane, Chickpet,

Bangalore-560 053.

(e) M/s. Talawat Trading Co.,

145-F, NSC Bose Road,

Chennai-600079.

(f) M/s. Yash Syndicate Pvt. Ltd.

194/4, Bangur Avenue, 2nd Floor, 'B' Block,

Kolkata-700 055.

(g) M/s. Anandi International

1, Netai Halder Street Kolkata –700 007

(h) M/s. Shefali Enterprises,

11, Yusuf Building, Ground floor,

70, Mangaldas Road, Lohar Chawl, Mumbai-400002

x. Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to arrange details of imports of subject goods for the past three years and for the period of investigation. Information received from the DGCI&S, has been analyzed in the present findings.

xi. The Authority kept available non-confidential version of the evidence presented by various interested parties in the form of a public file maintained by the Authority and

kept open for inspection by the interested parties as per Rule 6(7). A copy of the non-confidential application was also provided to other interested parties, as requested.

xii. The Authority has verified the information furnished by the Domestic Industry to the extent possible to examine the injury suffered and to work out optimum cost of production and cost to make and sell the subject goods in India on the basis of Generally Accepted accounting Principles (GAPP) and the information furnished by the applicant so as to ascertain if Anti dumping Duty lower than the Dumping Margin would be sufficient to remove injury to the domestic industry.

xiii. In accordance with Rule 6(6), the Authority also provided an opportunity to all interested parties to present their views orally in a Public Hearing held on 28th November, 2008. The interested parties who presented their views in the Public Hearing were requested to file written submissions of the views expressed orally.

xiv *** in this Statement represents information furnished by an interested party on confidential basis and so considered by the Authority on merits under the Rules.

xv. The Period of Investigation for the purpose of the present investigation is 1st April, 2006 to 30th June, 2007 (15 months). However, injury analysis has covered the period from 1st April 2003 to the end of the POI.

xvi. The Authority provided opportunity to the importers/ industrial users of the product under consideration to furnish information considered relevant to the investigation regarding dumping, injury and causality.

xvii. The Authority in this case has considered the data relating to customers' price and costing as confidential as the disclosure of the same may give the competitive advantage to the other interested parties. The data relating to volumes of domestic industry has not been treated as confidential.

B. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

5. The product under consideration in the present petition is Cable Ties. Cable Ties consists of sturdy nylon tape with an integrated gear rack and on one end a ratchet within a small open case. This is an economical and versatile method of Cable/Wire bunching systems. Cable Ties are known by several names e.g. non-releasable or releasable (reusable) tags, straps, zip ties, tie wrap, rat belt etc. and produced & sold in different sizes as per requirement of the customers. Cable Ties are a one piece moulded mechanism with no metal barbs or cumbersome wedges having fastening and self locking device. Once a non-releasable cable tie is pulled through, it prevents

from being pulled back allowing tighter pulling only. Cable ties are generally single use devices. However reusable Cable Ties are also produced according to the demand of the customers.

6. Cable Ties are made of nylon and are classified under chapter 39.26 of the Customs Tariff Act, 1975, under Subheading 39.2690/3926.9010. However the customs classification is indicative only and is in no way binding on the scope of the present investigation.

7 The Applicant has claimed that there has been no significant difference in the subject goods produced by the domestic industry and exported from the subject countries and therefore is like article within the meaning of Rule 2(d) of AD Rules. It has been stated that the subject goods produced by the domestic industry are comparable to the imported ones from subject countries in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Both are technically and commercially substitutable and hold close resembling characteristics. It has been claimed that the consumers have used the two interchangeably.

8. The responding importers have claimed that the subject goods exported from China PR & Taiwan and the goods produced by the domestic industry are different in terms of associated qualities. These interested parties have been specifically asked to provide relevant information to establish their claim. However, no duly substantiated claim have been made by these interested parties.

C. DOMESTIC INDUSTRY AND STANDING

9. The anti-dumping investigation has been initiated on the basis of a duly substantiated request submitted by M/s. Surelock Plastics Pvt. Ltd. Mumbai in terms of Rule 5 of the Rules. The applicant claimed that there have been four other producers of subject goods in India, namely M/s. Microsign Products, Bhavnagar, M/s. Novaflex Mktg. Pvt. Ltd. Kolkata, M/s. Blackburn & Co. Pvt. Ltd. 24, Parganas(South) West Bengal and M/s. Flu-Con Enterprises, Mumbai, out of which two have been importers of the product under consideration and accordingly such producers may be deemed not to form part of domestic industry, in terms of Rule 2 (b) of the Rules.

10. The information available on records establishes that the applicant holds over 81% of the total domestic production of the subject goods and that it constitutes the domestic industry within the meaning of Rule 2(b) of the rules supra (as the production of the applicant company constitute more than 50 % of total Indian

production). No comments have been received from any interested party disputing the claim and status of the Applicant. The investigation has not shown that the applicant does not satisfy the requirement of standing or the applicant does not constitute domestic industry.

D. DUMPING MARGIN

D.1 METHODOLOGY OF DETERMINATION

11. There is no response from any producer/exporter from China PR and Taiwan. The Authority has recorded these findings on the basis of best available information in view of non cooperation from the exporters from the subject countries.

D.2 CHINA PR AND EXAMINATION OF MARKET ECONOMY CLAIMS

D.2.1. Views of the domestic industry

12. China PR is a non-market economy country and therefore, the normal value in case of China PR is required to be determined as per procedure described in Para 7 of Annexure I to the Anti Dumping Rules.

D.2.2 Views of other interested parties

13. The production costs in general are quite low in comparison to India in view of lower cost of inputs, labour and other support given to the Chinese companies. The petitioner has higher cost of production and must be directed to reduce its cost of production. The scale of operations of the foreign producers is much bigger than the petitioner giving them economies of scale of operations.

D.2.3 Examination by the Authority

14. The Authority has noted that in the past three years, China PR has been treated as a non-market economy country in the anti-dumping investigations by other WTO Members. None of the producers/exporters from China PR have responded to the Authority. There has been no claim for treatment of market economy status by any Chinese producer/exporter. Therefore, in terms of para 7 and 8(2) of the Annexure I of Anti Dumping Rules, China PR has been treated as a non-market economy country. The Authority has also noted that while advancing the arguments on economies of scale of operations, the interested parties have not provided any verifiable evidence to substantiate their claims. Moreover, none of the exporter/ producer from China PR has responded to the Authority to establish the claims made by the interested parties.

D.3 NORMAL VALUE

15. No exporter/producer from the subject countries have cooperated in the investigation to enable to determine normal value and export price of the subject goods in their countries. The Authority has noted that while advancing the arguments on economies of scale of operations, the interested parties have not provided any verifiable evidence to substantiate their claims. None of the Chinese producers have responded to the Authority in support of the claims made by these interested parties. The Authority, on the spot investigations at the premises of the petitioner company has examined the production process & manufacturing technology and notes that the production process for the product under consideration does not involve substantial production technology or manufacturing process. There has been no evidence that scale of operations could make substantial difference in the cost of production. In view of the same, normal value, export price and dumping margin have been determined on the basis of facts available in terms of Rule 6 (8) of AD Rules read with Article 6.8 of the Agreement.

16. While responding to the preliminary findings, petitioner argued that production of the subject goods requires a specific type of nylon chips. The petitioner has provided purchase invoices in respect of nylon chips purchased by them and argued that all kinds of nylon chips cannot be consumed in production of the subject goods. The Petitioner argued that the Authority should not adopt weighted average price of different types of nylon chips for determination of normal value. The Authority has noted that the petitioner has not furnished any substantial evidence in support of its claim and adopted weighted average price, as has been adopted in the Preliminary Findings.

D 3.1 Normal Value in China P.R.

17. Normal Value for China PR has been constructed on the basis of international price of major raw material (Nylon) duly adjusted for ocean freight and marine insurance. In view of substantiated argument with regard to the nylon chips used for production of the product under consideration, the Authority has considered prices of raw material for the comparable grade of the product. Other raw materials, conversion cost, general and administrative expenses has been adopted as per domestic industry's cost of production together with a 5% margin of profit (excluding interest). The normal value so constructed in case of China PR has been determined as Rs. *** per Kg (US\$ ***per kg @Rs44.93 per US\$).

D.3.2 Normal Value in Taiwan

18. Normal value for Taiwan has been constructed on the basis of international prices of major raw material (Nylon) at Taiwan duly adjusted for ocean freight and marine insurance. In view of substantiated argument with regard to the nylon chips used for production of the product under consideration, the Authority has considered prices of raw material for the comparable grade of the product. Other raw materials, conversion cost, general and administrative selling expenses has been adopted as per domestic industry's cost of production together with a 5% margin of profit(excluding interest). The normal value so constructed in case of Taiwan has been determined as Rs *** per Kg (US\$ *** per kg @Rs44.93 per US\$).

D.4 EXPORT PRICE

19. The transaction wise data from DGCI&S has been called for the POI and previous three years. The transaction wise data for the injury period as received from the DGCI&S had discrepancies with regard to weight of the subject goods. The DGCI&S was once again requested to provide the transaction wise data with weight of the subject goods. The revised data received from DGCI&S though indicate the gross weight of the subject goods does not show the net weight and accordingly does not reflect the per unit export price. It has been observed from the DGCI&S Data that average export price per/Kg. of the subject goods are quite low in comparison to the data available from the secondary source. It has also been noted that the information furnished by the responding importers have been available in the secondary source data. Therefore, the Authority has considered the data available from secondary source to arrive at CIF/export price. The responding importers at the time of oral hearing argued that the import prices were much higher than what was referred by the domestic industry. The Authority has noted that the export price has been arrived at on the basis of known imports of the product under consideration into India. It has been noted that some interested parties have imported the goods at higher prices as well, while there have been imports at quite low prices also and accordingly, the Authority has considered import price based on weighted average of all imports – including imports at low prices as well as at high prices.

20. The CIF export price has been determined as Rs. ***per Kg. in case of China PR and Rs***per Kg. in case of Taiwan respectively. After considering price adjustments, as provided by the domestic industry on account of ocean freight & marine insurance, the ex factory export price has been determined as Rs. *** (US\$ ***) per Kg. for China PR and Rs. *** (US\$ ***) per Kg. for Taiwan respectively(considering the one US\$ @ Rs.44.93).

D. 5 DUMPING MARGIN

21. The details of dumping margin are as under:

	China PR		Taiwan	
	Rs./Kg.	US\$/Kg.	Rs./Kg.	US\$/Kg.
Normal value	****	***	***	***
Export price	****	****	****	****
Dumping margin	***	***	***	***
Dumping margin % Range	340-350	340-350	105-115	105-115

E. INJURY ASSESSMENT

22. The Authority has examined the injury suffered by the domestic industry in the following paragraphs.

E.1 Examination of Injury Parameters

E.1.1 Views of Domestic Industry

23. The domestic industry has submitted that the share of imports from subject countries i.e. China PR and Taiwan have increased not only in relation to total imports but also in comparison to total demand and total production during the period of investigation as compared to the base year 2003-04. The dumped imports from the subject countries have affected the domestic prices and the price undercutting and price underselling have been significant during the period of investigation. The market share, capacity utilization, profitability, return on investment, cash flow, growth etc. have declined over the injury and investigation period. The sales of the domestic industry have increased, however the increase in sales have been less than the increase in demand. The margin of dumping from both China PR and Taiwan have been significant during the period of investigation.

E.1.2 Views of other interested parties

24. Some importers claimed that the cost of production of the petitioner was very high and that the Authority should direct the petitioner to reduce its cost of production. It was also claimed that the petitioner had inefficient process, lacked economy of scale, was paying higher cost for the raw materials and had high cost of production due to number of factors.

E.2 Examination by the Authority

25. The Authority has taken note of various arguments raised by the interested parties in their submissions.

E.2.1 Cumulative Assessment

26. As per para (iii) of annexure-II, in cases where imports of a product from more than one country are being simultaneously subjected to anti-dumping investigation, the Authority is required to cumulatively assess effect of such imports, only when it determines that (a) the margin of dumping established in relation to imports from each country is more than 2% expressed as percentage of export price and the volume of the imports from each country is 3% of the imports of like article and (b) cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported article and the like domestic article.

The Authority has noted that :-

- i) The margin of dumping in respect of each of the subject country has been more than 2% and the volume of imports from each country has also been more than 3%.
- ii) The subject goods have been imported from the subject countries under the same tariff classification.
- iii) The imported subject goods have been commercial substitutes of the domestically produced goods.
- iv) The Authority has further noted that the volume of the imports from the subject countries has been rising from base year to POI.

27. In view of the above, the Authority has noted that it is appropriate to cumulatively assess the effect of imports of the subject goods on the domestically produced like article in the light of conditions of competition between the imported products and the like domestic product.

28. Article 3.1 of the ADA and Annexure II of the AD Rules provide for an objective examination of both, (a) the volume of dumped imports and the effect of the dumped imports on prices in the domestic market for the like products; and (b) the consequent impact of these imports on domestic producers of such products. With regard to the volume effect of the dumped imports, the Authority is required to examine whether there has been a significant increase in imports, either in absolute term or relative to production or consumption in India. With regard to the price effect of the dumped imports, the Authority is required to examine whether there has been a significant price undercutting by the dumped imports as compared to the price of the like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increase which would have otherwise occurred to a significant degree.

29. For the purpose of injury analysis the Authority has examined the impact of dumped imports of the subject goods on the domestic industry and its effect on production, capacity utilization, sales, prices and profitability, etc. to examine the existence of injury and causal links between the dumping and injury, if any.

30. Since positive dumping margins have been established for the exports from the subject countries, therefore, entire exports from the subject countries have been treated as dumped imports for the purpose of injury analysis and causal links examinations. The Authority has observed that:

(a) The imports from China PR has increased in absolute terms as same has increased more than four times during POI as compared to the base year. The imports have increased significantly in the investigation period.

(b) Imports from Taiwan has also increased in absolute terms. The imports during POI have been more than two times of the imports made during the base year and significantly increased in the investigation period.

(c) Increase in imports in absolute terms has lead to increase its market share and decrease in the market share of the domestic industry.

F.1 Volume Effect

F.1.1 Import volumes and market share:

31. The applicant has given the transaction-wise data provided by Info Drive. The information provided by Info Drive shows that imports from the subject countries from base year to POI have increased by 152%. The import from China PR has 30% share in the total import during POI. The import from Taiwan has 64% in the total import during POI.

32. The Authority has examined the imports data from other secondary sources (i.e. Info Drive, Mumbai) provided by the domestic industry. The import volumes from the subject countries have been noted as under:

Particulars	Unit	2003-04	2004-05	2005-06	POI	
					POI	Annulised
Imports -						
China P.R.	MT	29	13	15	152	122
Taiwn	MT	122	92	169	323	258
Total Subject Countries	MT	151	105	184	475	380
<i>Trend</i>	Indexed	100	70	122	251	251
Imports - Other Countries	MT	-	3	-	28	23
Total import	MT	151	108	184	503	403
Trend	Indexed	100	72	122	267	267

33. From above, it is evident that imports from subject countries have increased in absolute terms and has increased by 167% from the base year 2003-04 to POI.

34. Demand of cable ties in India has been determined from the imports data available from secondary sources and sales of the domestic industry and the same have been as under:-

Demand	Unit	2003-04	2004-05	2005-06	POI	
					POI	Annulised
Sales of Domestic industry	MT	****	****	****	****	****
Imports –Subject Countries	MT	151	105	184	475	380
Imports-Other Countries	MT	-	3	-	28	23
Total Demand	MT	****	****	****	****	****
Trend	Indexed	100	97	137	304	244

35. The Authority has noted that the demand for the product has increased to the extent of 144% from the base year 2003-04 to POI.

F.2 Effect of dumped imports on the prices of domestic industry

36. The effect of dumped imports on the prices of the domestic industry has been examined in terms of (a) price undercutting (b) price underselling (c) price depression and (d) price suppression and are as under:-

F.2.1 Price undercutting

37. The price undercutting due to dumped imports from each of the subject countries has been significant during entire injury period and POI as detailed in the table below:

(Rs./Kg.)

	2003-04	2004-05	2005-06	POI	POI Annualised
Net Sales Realization	****	****	****	****	****
Landed Value of Imports					
China PR	****	****	****	****	****
Taiwan	****	****	****	****	****
Subject Countries	****	****	****	****	****
Price Undercutting Rs./Kg.					
China PR	****	****	****	****	****
Taiwan	****	****	****	****	****
Subject Countries	****	****	****	****	****
Price Undercutting (%)					
China PR	80-90	80-90	80-90	70-80	70-80
Taiwan	50-60	65-65	60-70	50-60	50-60
Subject Countries	60-70	60-70	60-70	55-65	55-65

F.2.2 Price underselling:

38. The price underselling due to dumped imports has been as under:

Non- injurious price Rs/Kg	****
Landed Price-China PR Rs./Kg.	****
Price underselling-China PR Rs./Kg.	****
Price underselling (%) Range	355-365
Non- injurious price Rs./Kg.	****
Landed Price – Taiwan Rs./Kg.	****
Price underselling – Taiwan Rs./Kg.	****
Price underselling (%) Range	120-130

Non- injurious price Rs./Kg.	****
Landed Price – subject countries Rs./Kg.	****
Price underselling – subject countries Rs./Kg.	****
Price underselling (%) range	180-190

F.2.3 Price Depression and Price Suppression:

39. The price suppression/depression effect of the dumped imports has also been examined with reference to the cost of sales, net sales realization and the landed

values from the subject countries as per the table given below:-

Particulars	Unit	2003-04	2004-05	2005-06	POI	POI (annualized)
Cost of Sales	Rs./Kg.	****	****	****	****	****
Trend	Indexed	100	106	136	150	150
Net Sales Realisation	Rs./Kg.	****	****	****	****	****
Trend	Indexed	100	102	112	114	114
Landed Price - China	Rs./Kg.	****	****	****	****	****
Landed Price - Taiwan	Rs./Kg.	****	****	****	****	****

40. The Authority has noted that both cost of sales and net sales realization of the subject goods has increased during injury period. However, increase in the sales realization has been lower than the increase in the cost of sales. The domestic industry has been prevented from raising its prices in proportionate to the increase in the cost of sales due to dumped imports. Thus even though selling price of the domestic industry has increased during the injury period, the increase has been far less than the increase in the cost of sales.

F.2.4. Examination of various injury parameters

41. The Authority has noted following information on the impact of dumped imports on the domestic industry in terms of various economic factors and indices having a bearing on the domestic industry as detailed below:

(i) Sales Volume:

Sales Volume		2003-04	2004-05	2005-06	POI	Annualised
Domestic	MT	****	****	****	****	****
<i>Trend</i>	Indexed	100	139	161	255	104

Total Demand	MT	****	****	****	****	****
Trend	Indexed	100	97	137	304	244

42. The Authority has noted that domestic sales quantities has increased from 90 MT in 2003-04 to 230 MT during POI recording a increase of 104% as shown above in the table. However, whereas the demand increased by 144 %, sales of the domestic industry has increased only by 104%.

(ii) Market share and Demand

Demand		2003-04	2004-05	2005-06	POI	POI annualized
Sales of Domestic industry	MT	****	****	****	****	****
Imports from China PR	MT	29	13	15	152	122
Imports from Taiwan	MT	122	92	169	323	258
Imports - Subject Countries	MT	151	105	184	475	380
Imports - Other Countries	MT	0	3	0	28	23
Total Demand	MT	****	****	****	****	****
Trend	Indexed	100	97	137	304	244
Market Share in Demand						
China P.R.	%	12	6	5	21	21
Taiwan	%	51	39	51	44	44
Subject Countries	%	63	45	56	65	65
<i>Trend</i>	Indexed	100	71	89	103	103
Other countries	%	-	1	-	4	4
Domestic industry	%	****	****	****	****	****
<i>Trend</i>	Indexed	100.00	145	119	84	84

43. The Authority has noted that increase in sales has been less than the increase in demand. The market share of the subject dumped imports increased from 63% to 65% over the injury period and that of domestic industry has declined from 37% in base year to 31% during the same period. The market share of the Domestic Industry was 37% in 2003-04 and increased to 54% in 2004-05. It declined to 44% in 2005-06 and further declined to 31% in POI, while the demand of the subject goods has increased by 144% from 2003-04 to POI.

(iii) Production and Utilisation Capacity

Particulars	Unit	2003-04	2004-05	2005-06	POI	POI annualized
Installed Capacity	MT	****	****	****	****	****
Capacity (Indexed)	MT	100	100	220	275	220
Production	MT	****	****	****	****	****
Production (Indexed)		100	133	183	226	226

Capacity Utilization	****	****	****	****	****
Index	100	134	83	102	103

44. The Capacity of domestic industry has increased by 120% from 2003-04 to POI and capacity utilization increased from 71% in 2003-04 to 73% during the same period.

(iv) **Productivity and employment:**

Particulars	Unit	2003-04	2004-05	2005-06	POI	POI Annualized
Production	MT	****	****	****	****	****
Production (Indexed)		100	133	183	226	226
Employees	Nos.	****	****	****	****	****
Trend (indexed)		100	113	120	133	133

45. The Authority has noted that there is no fall in productivity as well as employment of the domestic industry.

(v) **Inventory:**

Particulars	Unit	2003-04	2004-05	2005-06	POI	POI Annualized
Average Inventories	MT	****	****	****	****	****
Trend (Indexed)		100	75	140	130	130

46. The Authority has noted that the inventories of the domestic industry has increased from 100 in 2003-04 to 130 during the POI.

(vi) **Cash flow**

Cash Profit		2003-04	2004-05	2005-06	POI	POI annulized
Profit/Loss	Rs/Lacs	****	****	****	****	****
Depreciation	Rs/Lacs	****	****	****	****	****
Cash Profit	Rs/Lacs	****	****	****	****	****
Trend	Indexed	100	129	113	86	69

47. The Authority has noted that cash profit has declined from 100 in 2003-04 to 69 during POI.

(vii) **Wages:**

Particulars	Unit	2003-04	2004-05	2005-06	POI	POI annualized
Wages	Rs/Lacs	****	****	****	****	****
Trend	Indexed	100	153	168	288	230

48. The Authority has noted that wages per unit of production has marginally gone up.

(viii) **Growth:**

49. The Authority has noted that the growth of the domestic industry has been positive with regard to production and sales volumes, while same has been negative with regard to market share, profitability, return on investment and cash flow.

(ix) **Ability to raise Capital or investments:**

50. The Authority has noted that with reduction in return on capital employed, ability to raise capital on investments has been adversely affected.

(x) **Factors affecting domestic prices:**

51. The Authority has noted that the cost of sales increased by 50% during the injury period while sales realization increased only by 14% and the domestic industry has not been able to increase selling prices commensurate to cost of sales.

(xi) **Magnitude of margin of dumping:**

52. Margin of dumping from the subject countries individually have been significantly higher than the de minimis level of 2%.

F.3 Examination by the Authority

53. In view of the above, the Authority has noted that:

- a. There has been significant increase in the quantum of dumped imports of the subject goods from the subject countries and the same has gone up in absolute terms as well as in relation to total imports, demand and domestic production in India.
- b. The market share of the domestic industry in demand has declined, while that of imports has increased.
- c. The CIF import price and landed price of subject goods have declined over the injury period in spite of increase in cost of raw material and cost of production.
- d. Landed price of imports from subject countries were significantly below the selling price and non-injurious price of domestic industry, resulting in significant price undercutting and price underselling. This has impacted the domestic industry adversely.
- e. Price undercutting from the subject countries and increase in raw materials costs resulted in price suppression being caused in the market. The domestic industry has not been able to increase its price in proportion to increase in costs.

f. The significant positive price undercutting and consequent price suppression faced by the domestic industry resulted in deterioration in profits, cash flows, return on investment.

g. Even though production and sales volumes of the domestic industry increased over the period, the increase in the same has been far less than the increase in the production capacity with the domestic industry and demand in the Country.

h. The capacity utilization of the domestic industry has declined.

i. The dumping margin as determined for the subject countries have been are significant.

G. CAUSAL LINK:

54. The Authority has examined the impact of all known factors and their consequences on the situation of the domestic industry, in order to reach to its conclusions on the cause of the injury suffered by the domestic industry in accordance with Article 3.5 of Agreement on anti-dumping and as per Para (v) of Annexure-II under Rule 11 under Customs Tariff Act as amended. Known factors other than dumped imports, which could at the same time have injured the domestic industry has also been examined to ensure that the possible injury caused by these other factors has not been attributed to the dumped imports.

G.1. Other Known factors and Causal Link

55. The Authority has also examined the issue of causal link and other non-attributing factors as laid down in the Rules to segregate injury if any caused by other factors. In this regard the following indicative factors as laid down in the Rules have been examined.

a. **Imports from Third Countries:** Imports of subject goods from other countries have been negligible in comparison with the imports from subject countries and the imports from other countries do not appear to have caused injury to the domestic industry.

b. **Contraction in demand or change in the pattern of consumption:** It is noted that there is no contraction in the demand and also the pattern of demand has not significantly changed during the period of investigation. On the contrary, the overall demand for the subject goods has increased and the pattern of consumption is changing in favour of the product under consideration. Therefore, the possible decline in demand does not appear to be a factor, which could have caused injury to the domestic industry and it does not appear that the pattern of consumption has caused injury to the domestic industry.

c. **Trade restrictive practice and conditions of competition:** The Authority notes that no trade restrictive practices followed by the Indian producer and other competing industries or any other conditions of competition that have caused injury to the domestic industry.

d. **Technology:-** There appears to be no significant change in technology over the injury period which could have caused injury to the domestic industry. Further, none of the interested party has submitted any evidence that the technology is a factor of injury to the domestic industry.

e. **Export performance:-** The Domestic Industry has exported the subject goods during the period of investigation as well as during previous three years. The Authority notes that the export performance has shown improvement and has not been a factor of injury to the domestic industry.

f. **Productivity:** The productivity of the domestic industry has improved over the injury period and therefore, could not be a cause of injury to the domestic industry.

H. MAGNITUDE OF INJURY MARGIN

56. The domestic industry has stated that at the time of working of NIP for the Preliminary Findings, the annual accounts for 2007-08 have not been finalised and NIP for the subject goods has been determined based on the audited accounts for 2006-07 and provisional financial statements for first quarter of 2007-08 as the petitioner has no requirement to prepare quarterly financial results. Therefore, the provisional financial results provided earlier by the petitioner did not provide most of its overhead expenses for 2007-08 and in NIP for the final findings overhead expenses for 2006-07 and April 07-June 07(Fifteen Months.) may please be taken into account. NIP at the time of Preliminary Findings was determined on duly verified data on the basis of Audited Annual Report for the period 2006-07 and duly certified provisional Annual Report for the quarter ending 30th June, 2007. At the time of verification, it has not been brought to the notice that most of the overheads are booked on annual basis and accordingly the Authority has noted that the request made by the domestic industry has no force at this stage and agree to the NIP as determined on the basis of information furnished earlier by the domestic industry.

57. The Authority has compared the non-injurious price as worked out with the average landed value determined based upon the data available from the secondary source and Injury margin has been arrived at as given below:

I. Injury margin Calculations

Particulars	Unit	China PR	Taiwan
NIP	Rs./per kg.	****	****
Landed Price	Rs./per kg.	****	****
Injury margin	Rs./per kg.	****	****
Injury margin range	%	355-365	120-130

J. Comments on Disclosure Statement:

58. The domestic industry has stated that there are numerous types and sizes of Cable Ties and claims with regard to appropriate weight of the product can become highly subjective since it is not feasible for the Customs Port Authorities to verify the weight of each type of the product. It has also been stated that correct assessment of weight of a consignment is a herculean task for the Customs Port Authorities and has requested to recommend definitive duties in terms of fixed amount of duty so that the domestic industry can survive. The domestic industry has also referred decisions of the CESTAT in the matter of Vitrified Tiles wherein conversion of Anti Dumping Duty from variable form in the Preliminary Findings has been revised to fixed amount in the final findings to support their request. The domestic industry has also requested to recommend the duty in terms of US\$ in view of significant deterioration of Indian rupees.

59. No comments on disclosure Statement have been received from any interested party.

J.1. Examination by the Authority:

60. The contention of the domestic industry that to assess the correct weight of a consignment is a herculean task for the Customs Port Authorities and it is not feasible for the Customs Port Authorities to verify the weight of each type of the product does not hold good and the Authority holds that the domestic industry's request for definitive anti dumping duty has no valid grounds because the duty is recommended on weight basis and the Customs Port Authorities have to verify the weight irrespective of the type of the duty levied. Further, The Authority notes that the share of the subject countries in the domestic demand has increased from 63% in 2003-04 to 65% during POI registering an increase of 2% only and share

of the domestic industry has been 37% in 2003-04 which has decreased to 31% during POI registering a decline of 6% only. Moreover, though the landed price from the subject countries has been quite low, there has been no major impact on the Net Sales Realization of domestic industry and accordingly the reference price duty as has been recommended in the Preliminary Findings hold good for the Final Findings also. However, the Authority finds that request to express duty amount in US dollar terms hold good and agrees to the same.

K. Final Findings:

61. On the basis of the above analysis and taking into account the contentions raised, information provided and submissions made by the interested parties and the facts available on record, the Authority concludes that:

(a) The subject goods have been exported to India from the subject countries at dumped prices and dumping margins have been substantial and above de minimis level.

(b) The domestic industry has suffered material injury.

(c) The injury has been caused by the dumped imports from the subject countries.

L. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES

62. The Authority notes that 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. Imposition of anti-dumping measures would not restrict imports from the subject countries in any way and therefore would not affect the availability of the products to the consumers.

63. The Authority notes that the imposition of anti-dumping duties might affect the price levels of the product manufactured/subject goods and consequently might have some influence on relative competitiveness of these products. However, fair competition in the Indian market will not be reduced by the antidumping measures, particularly if the levy of the anti-dumping duty is restricted to an amount necessary to redress the injury to the domestic industry. On the contrary, imposition of anti-dumping measures would remove the unfair advantages gained by dumping practices, would prevent the decline of the domestic industry and help to maintain availability of wider choice to the consumers of the subject goods. Imposition of anti-dumping measures would not restrict imports from the subject countries in any way and therefore would not affect the availability of the product to the consumers.

M. Recommendations

64. The Authority has noted that the investigation has been initiated and notified to all interested parties and adequate opportunity has been given to the exporters, importers and other interested parties to provide positive information on the aspect of dumping, injury and causal links. On preliminary investigations, the Authority recommended imposition of provisional duty to offset dumping and injury pending completion of the investigation vide Preliminary Findings of even number dated 23.9.2009. The Authority on completion of investigations considers it necessary and recommends imposition of anti-dumping duty on imports of subject goods from the subject countries in the form and manner described hereunder.

65. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of definitive anti-dumping duty equal to the lesser of margin of dumping and margin of injury, so as to remove the injury to the domestic industry. Accordingly, definitive Anti Dumping Duty equal to the difference between the amount indicated in Col 9 of the table below and landed value of imports is recommended to be imposed from the date of imposition of the provisional duty notified by the Central Government on all imports of subject goods originating in or exported from the subject countries.

DUTY TABLE

Heading/										
Sl. No	Sub-heading/	Description of goods	Specifica-tion	Country of origin	Country of export	Producer	Exporter	Duty amount	Unit	Currency
Tariff										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	39.2690	Cable Ties	Any size	China PR	Any	Any	Any	6.05	per kg.	US\$
2	39.2690	Cable Ties	Any size	Any country other than China PR & Taiwan	China PR	Any	Any	6.05	per kg.	US\$
3	39.2690	Cable Ties	Any size	Taiwan	Any	Any	Any	6.19	per kg.	US\$
4	39.2690	Cable Ties	Any size	Any country other than Taiwan & China PR	Taiwan	Any	Any	6.19	per kg.	US\$

66. 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 relevant provisions of the Act.

(R. Gopalan)

Designated Authority