

MINISTRY OF COMMERCE

NOTIFICATION

New Delhi, the 28th October, 1994

Subject: - Initiation of Anti-dumping investigation concerning imports of Acrylonitrile Butadiene Rubber (NBR) originating from Japan.

No. 25/ADD/94. - M/s. Gujarat Apar Polymers Ltd. has filed a petitioner before me for initiation of Anti-dumping investigation concerning the import of Acrylonitrile Butadiene Rubber (NBR) from Japan in accordance with Rule 7(I) of the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1985.

2. Domestic Industry

The petitioner has been filed by M/s. Gujarat Apar Polymers Ltd., 24, S. A. Brelvi Road, Bombay-400 001. The petitioner has averred that there is one more producer of the product. The petitioner's production of NBR accounts for 90% approximately of the total production in the country. Therefore, the petitioner satisfies the definition of domestic industry under the Rules above said.

3. Product involved

Acrylonitrile Butadiene Rubber (alternately known as Nitrile Rubber) (NBR) is a synthetic rubber, mainly used for manufacturing various rubber articles, such as Oil Seals, Hoses, Automotive products, Gaskets, Rice Dehusking Rolls, Printers supplies, Footwear products, Aprons and coats, Coated fabrics, Oil field products etc. NBR is classifiable under heading 4002-59 of Schedule I of Indian Custom Tariff Act, 1975 and falls under the Indian Trade Classification (Based on Harmonised Commodity Description and Coding System) No. 4002-59- other Acrylonitrile Butadiene Rubber.

4. Dumping

The total import of NBR increased from 3109 MT in 1992-93 to 6545 MTs in 1993-94. The import from Japan increased from 1863 MT in 1992-93 to 4140 MT in 1993-94 as per the data compiled by the Directorate General of Commercial Intelligence and Statistics, India. The average cif price of the imported product originating from Japan declined from Rs. 37.92 per kg. in 1992-93 to Rs. 36.44 per kg. in 1993-94. The average export price is lower than the price in the domestic market of the exporting country.

5. Injury

The absolute volume of imports-both totally from Japan- has more than doubled in 1993-94 in comparison with 1992-93. Despite the 110% increase in imports, the market share of the Indian industry has fallen from 40% in 1992-93 to 27% in 1993-94. The capacity utilisation has also remained almost stagnant at 35% for the petitioner company and was 29% for the entire industry. The domestic industry has been forced to reduce its selling prices to unremunerative level to market its product by matching by and large its prices with the declining prices of the product originating from Japan. The decline in selling prices by the petitioner company even below the cost of sales has resulted in losses both in 1992-93 and 1993-94 to the petitioner.

6. There is a prima facie evidence that imports of NBR originating from Japan are causing material injury to the Indian industry.

7. Initiation of Anti Dumping Investigation

Therefore, I am initiating anti dumping investigation into the existence, degree and effect of alleged dumping of NBR.

8. Time Limit and Address for making submissions

The exporters in Japan and importers known to be concerned are being addressed separately to make their views known in the form and manner prescribed so as to reach me within 40 days of the date of this Notification at the following address:

Dr. J.K. Bagchi
Designated Authority
AND
Additional Secretary
Ministry of Commerce]
Room No. 134 A, Udyog Bhavan
New Delhi- 110 011
INDIA

Other interested parties are advised to make their submissions relevant to the investigation in the prescribed form and within the time limit at the above address.

J.K. BAGCHI.
Designated Authority and Addl. Secy.