

MINISTRY OF COMMERCE AND INDUSTRY
(Department of Commerce)
(DIRECTORATE OF ANTI-DUMPING AND ALLIED
DUTIES)

NOTIFICATION

New Delhi, the 10th November, 2000

Subject:- Initiation of anti-dumping investigation concerning imports of Partially Oriented Yarn (POY) from Indonesia, Taiwan, Thailand and Malaysia.

F. No. 19/1/2000-DGAD.- Association of Synthetic Fibre Industry, on behalf of the domestic industry for Partially Oriented Yarn (POY), has filed a petition in accordance with the Customs Tariff Act, 1975 as amended in 1995 and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 before the Designated Authority (hereinafter referred to as the Authority) alleging dumping of Partially Oriented Yarn from Indonesia, Taiwan, Korea RP, Thailand and Malaysia and requested for anti-dumping investigation and levy of anti-dumping duties.

1. Production Involved: The product involved in the present investigation is Partially Oriented Yarn of Polyester (also referred as subject goods hereinafter) originating in or exported from Indonesia, Taiwan, Korea RP, Thailand and Malaysia. Partially Oriented Yarn is classified under customs sub-heading No. 5402.4200 of the Customs Tariff Act, 1975. The classification is, however only indicative and in no way binding on the present investigation.

2. Domestic Industry Standing: The petition is filed by the Association of Synthetic Fibre Industry, 125, Uday Park, Ist Floor, New Delhi-110049 on behalf of the domestic industry for POY. There are 39 producers of POY in the country out of which five producers companies, eligible to form part of the domestic industry under the Rules, have expressly supported the petition. Two other producers supporting the petition namely, M/s. Indorama and M/s.DCL Polyesters, are found ineligible to form part of domestic industry under the Rules as they are related to the exporter of the dumped articles (Indorama) and importers of the allegedly dumped articles themselves. The total production of the subject goods of the five eligible producers, namely, M/s. Century Enka, M/s. JCT Limited, M/s. Raymonds Synthetics, M/s.,Sanghi Polyesters Ltd. and M/s. Reliance Industries, during the POI, constitutes 54% of the total production of the domestic industry. Therefore, the petitioner having

the express support of the said five eligible producers, prime-facie, has the requisite standing to file the petition on behalf of the domestic industry.

3. Countries involved:- The countries involved in the present petition against which dumping has been alleged are Indonesia, Taiwan, Korea RP, Thailand and Malaysia (also referred to as subject countries hereinafter).

4. Like Articles: It is claimed by the petitioner that there is no significant difference in the goods produced by the participating companies and the Indian industry in general and the Partially Oriented Yarn (POY) exported from the subject countries. POY produced by the Indian industry and that imported from these countries are similar in physical and chemical characteristics, manufacturing process, functions and uses and in tariff classification. The two are claimed to be technically and commercially substitutable and both are used interchangeably. Therefore, the POY domestically produced and that imported from the subject countries are prima-facie treated as like articles within the meaning of the anti-dumping Rules.

5. Dumping and Dumping margin:

Normal value:- The petitioner have claimed normal value for different countries on the basis of the constructed cost which has been examined in the light of the data and figures furnished by the petitioner. There is sufficient prima-facie evidence with regard to normal value of POY in the subject countries under reference.

Export price: Reasonable information is available with regard to export price from the subject countries which is based on the DGCI&S data. Adjustments are claimed on Ocean freight, Marine insurance, Commission, Inland freight and Port expenditure. Thus, there is prima-facie evidence of export price at ex-factory level from the subject countries.

Dumping Margin: Comparison of the Normal Value and Export price, calculated on the basis of evidence as detailed above, prima facie indicates dumping in the case of the subject countries except in the case of Korea RP, where the export price is higher than the Normal Value. For other subject countries, namely, Taiwan, Indonesia, Thailand and Malaysia, the dumping margin is significantly higher than the de-minimus limit.

This prima-facie indicates that the subject goods are being dumped in India by the exporters of Indonesia, Taiwan, Thailand and Malaysia. These countries are, therefore, treated as subject countries for the purpose of the present investigation.

Injury and Causal Link: The various economic indicators relating to domestic industry such as profitability, sales realisation and indicators such as volume and price of imports indicate prima-facie that the domestic industry has suffered material injury. There is also prima-facie evidence that the dumped imports of the product under consideration from the subject countries have caused injury to the domestic industry.

Initiation of Anti-Dumping Investigation: The Designated Authority, in view of the foregoing, initiates anti-dumping investigation into the existence, degree and effect of alleged dumping of the subject goods originating in or exported from the subject countries.

The period of investigation for the purpose of the present investigation is 1st January, 1999 to 31st December, 1999.

9. Submission of Information: The exporters in the subject countries and the known importers of the subject goods in India are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Designated Authority, Ministry of Commerce & Industry, Department of Commerce, Anti-Dumping Division, Udyog Bhavan, New Delhi-110011. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below.

10. Time Limit:- Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above not later than 40 days from the date of publication of this notification. The known exporters and importers, who are being addressed separately, are however, required to submit the information within 40 days from the date of letter addressed to them separately. The Designated Authority, in no circumstances, will grant to the interested parties extension of time for their response.

11. Inspection of Public File:- In terms of Rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties after the expiry of time limit set out.

12. In case any interested party refuses access to or otherwise does not provide necessary information within the stipulated period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

(**L.V. SAPTHARISHI**)
Designated Authority

