

MINISTRY OF COMMERCE

Notification

New Delhi, the 30th December, 1994

Subject:- Initiation of anti-dumping investigation concerning import of Bisphenol-A from Russia and Brazil.

No. 9/11/94-TPD- M/s. Kesar Petroproducts Ltd., has filed a petition before me for initiation of anti-dumping investigation concerning the import of Bisphenol-A from Russia and Brazil in accordance with Rule 7(1) of the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995

2. Domestic Industry

The petition has been filed by M/s. Kesar Petro Products Ltd., 7, Nagin Mahal, 2nd Floor, 82, Veer Nariman Road, Churchgate, Bombay-400 020. The petitioner has averred that there is one more producer of the product, but since he is an importer, he does not qualify as domestic industry. The petitioner's production of Bisphenol-A accounts for about 85% approximately of the total production in the country and therefore has a standing to file a written request on behalf of domestic industry under the Rules above said.

3. Product Involved

Bisphenol-A (an organic chemical) is manufactured out of Phenol and Acetone and is used for the manufacture epoxy Resins which is an important input in paint industry and Polycarbonates. Bisphenol-A, classified under the Customs tariff code 29072300 (Harmonized system) falls under open general licence category.

4. Dumping

The petitioner has alleged that inspite of fall in the total imports of Bisphenol-A from 1109 MT (1992-93) to 817 MT (1993-94), the import from Brazil has increased from 112.7MT to 177 MT and from nil to 295 MT in case of Russia during the corresponding period. The average cif price as averred by the petitioner was USD 840 and USD 824 per MT from Brazil and Russia respectively during 1993-94. It has been further alleged that prices has been further reduced to level of USD 712 to USD 736 per MT resulting in imports of about 400 MT from Russia in the first four months of 1994-95. The rates at which the imports are being made from these countries are

stated to be even below the cost of major raw material. Acetone and Phenol, which is reported to the above USD 800 per MT.

Domestic prices of the product in Russia has been reported by the petitioner to be USD 1052 PMT and that in Brazil in the range of USD 1232 to 1400 PMT indicating dumping of Bisphenol-A by these countries.

5. Injury

There is an increasing trend in imports from Brazil and Russia in 1993-94 compared to previous year as is evident from the foregoing paragraphs. Even though the production, capacity utilisation and sales have improved and inventory has declined, 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 like product originating from Russia and Brazil. The decline in selling prices by the petitioner company even below the cost of sales has resulted in the losses to the petitioner which has steeply increased from Rs. 3.43 crores (1992-93) to Rs. 8.45 crores (1993-94)

6. There is a *prima facie* evidence that imports of Bisphenol-A originating from Russia and Brazil are causing material injury to the Indian industry.

7. Initiation of Anti Dumping Investigation

I am, therefore, initiating anti dumping investigation into the existence, degree and effect of alleged dumping of Bisphenol-A originating from Russia and Brazil.

8. Time Limit and Address for making submission.

The exporters in Russia and Brazil and importer 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 Bhawan
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