

Government of India
Ministry of Commerce & Industry
Department Of Commerce

(Directorate General of Anti-Dumping & Allied Duties)

New Delhi Dated the 1st January, 2008

INITIATION NOTIFICATION

Subject: Initiation of Anti-Dumping investigation concerning the imports of Cable Ties from China PR and Taiwan.

No. 14/10/2007-DGAD - Whereas M/s. Surelock Plastics Pvt. Ltd, Mumbai have filed a petition before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of anti dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (herein after referred to as AD Rules), alleging dumping of Cable Ties (hereinafter referred to as the subject goods), originating in or exported from China PR and Taiwan (hereinafter referred to as the subject countries) and have therefore requested for initiation of an anti-dumping investigation against the imports of the subject goods from the subject countries and levy of anti-dumping duty on such dumped subject goods.

AND WHEREAS, the Authority finds that sufficient prima facie evidence of dumping of subject goods from the subject countries, injury to the domestic industry and causal link between dumping and injury exist, the Authority hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry in terms of the Rule 5 of the said Rules to determine the existence, degree and effect of the alleged dumping and to recommend the amount of antidumping duty, which if levied would be adequate to remove the injury to the domestic industry.

2. PRODUCT UNDER CONSIDERATION

The product under consideration in the present petition is Cable Ties.

Cable Ties are sturdy Nylon tape with an integrated gear rack on one end a ratchet within a small open case, an economical and versatile method of Cable/Wire bunching systems, etc. 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

to Customer. Cable Ties are a one piece molded mechanism with no metal barbs or cumbersome wedges having fastening & 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.

3. DOMESTIC INDUSTRY AND STANDING

Apart from the petitioner M/s. Surelock Plastics Pvt. Ltd. Mumbai there are four other producers of subject goods in India namely M/s. Microsign Prtducts, 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. The Petitioner Company has claimed that their production constitutes a major proportion of the total Indian production. The petition satisfies the condition of standing under the Rules and the petitioner constitutes "Domestic Industry" within the meaning of the Rules. The applicant has the standing to file the present petition for anti-dumping investigation on behalf of domestic industry as per Rule 2(b) and Rule 5(3) (a) of Anti-Dumping Rules.

4. LIKE ARTICLE

Petitioner has claimed that there is no significant difference in subject goods produced by the domestic industry and exported from the subject countries. 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 is further claimed that the consumers have used the

two interchangeably. For the purpose of present investigation, product under consideration produced by the petitioner is being treated as like article to one imported from the subject countries within the meaning of the Anti Dumping Rules.

5. COUNTRIES INVOLVED

The countries involved in the present investigations are China PR and Taiwan here in after referred to as subject countries for the purposes of this investigation.

6. NORMAL VALUE

The Petitioner has claimed normal value for Taiwan based on international prices of major raw material and considering utilities cost as per domestic industry's cost of production. The Petitioner has claimed China PR to be treated as non-market economy and accordingly claimed constructed normal value on international prices of major raw material (Nylon) and other raw materials & other costs as per domestic industry's cost of production. Normal value has been claimed at ex-factory level.

7. EXPORT PRICE

The petitioner has claimed that the subject goods do not have a dedicated classification and hence the export price has been determined based on the transaction wise data provided by secondary sources viz. IBIS. Net export price has also been determined from the CIF price and adopting various elements of price adjustments towards freight, credit cost, bank charges, inland freight, insurance and commission etc to arrive at ex-works export price.

8. DUMPING MARGIN

There are sufficient evidences that the normal value of the subject goods in the subject countries are significantly higher than their net export prices prima-facie indicating that the subject goods are being dumped by the exporters from the subject countries.

9. INJURY AND CAUSAL LINK

Petitioners have furnished evidence regarding injury having taken place as a result of the alleged dumping in terms of increase in imports in absolute terms and relative to production & consumption in India, significant price undercutting, increase in market share of China PR and Taiwan, decline in the market share of the domestic industry, deterioration in profits, return on capital employed and cash profit etc. There is sufficient, prima-facie evidence of material injury being suffered by the petitioners, caused by dumped imports from subject countries.

Further, in addition to material injury, petitioner has claimed that the imports are causing threat of material injury from the dumped imports based on rate of increase in imports, significant price undercutting and significant unutilized capacities.

10. PERIOD OF INVESTIGATION (POI):

The period of investigation (POI) for the purpose of present investigation is April 2006-June 2007. The injury investigation period will however, cover the period

April, 2003-March, 04; April, 2004-March, 05; April, 2005-March, 06 and Period of Investigation.

11. SUBMISSION OF INFORMATION:

The exporters in the subject countries and their Government through their embassy in India, importers and users in India known to be concerned and the domestic industry are being informed separately to enable them to file all information relevant in the form and manner prescribed. Any other party interested to participate in the present investigation may write to:

The Designated Authority,
Directorate General of Anti-Dumping & Allied Duties
Ministry of Commerce & Industry,
Department of Commerce,
Room No. 240, 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.

12. 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 forty (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 forty (40) days from the date of the letter addressed to them. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record their findings on the basis of the facts available on record in accordance with the Rules supra.

13. SUBMISSION OF INFORMATION ON NON-CONFIDENTIAL BASIS

In terms of Rule 7, the interested parties are required to submit non-confidential summary of any confidential information provided to the Authority and if in the opinion of the party providing such information, such information is not susceptible to summarization, a statement of reason thereof, is required to be provided.

14. INSPECTION OF PUBLIC FILE

In terms of Rule 6 (7), any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable 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.

(R. GOPALAN)
Designated Authority