

MINISTRY OF COMMERCE AND INDUSTRY
Department of Commerce
Directorate General of Anti-dumping & Allied Duties

INITIATION NOTIFICATION

New Delhi, the 21st May, 2003

Subject: Initiation of Anti-dumping investigation concerning import of Flexible Slabstock Polyol of Molecular weight 3000 to 4000 from China PR, Korea, Taiwan and Brazil.

No.14/4/2003-DGAD – M/s Manali Petrochemicals Ltd., Manali, Chennai have 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 Flexible Slabstock Polyol of Molecular weight 3000 to 4000 originating in or exported from China PR, Korea, Taiwan and Brazil and requested for Anti Dumping investigations and levy of anti dumping duties.

PRODUCT INVOLVED

2. The product involved in the present petition is Flexible Slabstock Polyol of Molecular weight 3000 to 4000 (hereinafter referred to as subject goods). Flexible Slabstock Polyol of Molecular weight 3000 to 4000 is used in the manufacture of slabstock foam. The product is classified under Chapter 39 of the Customs Tariff Act under sub-heading 3907.20. It is also cleared under sub-heading 3907.99 & 3907.91. The Customs classifications are however, indicative only and are in no way binding on the scope of the present investigation.

DOMESTIC INDUSTRY

3. The petition has been filed by M/s Manali Petrochemicals Ltd., Chennai. The petitioner is the only producer of subject goods in India and therefore, accounts for 100% of the domestic production of subject goods. Therefore, the petitioner satisfies the criteria of standing as domestic industry to file the petition in terms of Rule 5(3) (a) of the Rules supra.

COUNTRIES INVOLVED

4. The countries involved in the present investigation are Peoples' Republic of China, Korea, Taiwan and Brazil (hereinafter referred to as the subject countries).

LIKE ARTICLE

5. The petitioner has claimed that there is no difference between the product manufactured by them and the subject goods being imported from subject countries. Therefore, for the purpose of the present investigation, the goods produced by the petitioner are being treated as 'like article' to that imported from the subject countries within the meaning of the Rules supra.

NORMAL VALUE

6. The petitioner has claimed Normal Value in respect of exports of subject goods from subject countries on the basis of constructed cost of production by taking International price of main raw materials. The petitioner has also claimed Normal Value in respect of People's Republic of China treating them as Non-market economy. The Authority proposes to examine the claim of the petitioner in respect of P.R. China in the light of para 7 and 8 of Annexure 1 of the Anti Dumping Rules as amended.

EXPORT PRICE

7. The petitioner has determined export price of subject goods from subject countries on the basis of analysis of import figures collected from secondary sources. Adjustments have been claimed on account of ocean freight and marine insurance to arrive at the Export Price at ex-factory level.

DUMPING MARGIN

8. There is sufficient evidence that Normal Value of the subject goods in the subject countries is significantly higher than the net export price indicating prima-facie that the subject goods are being dumped by exporters from the subject countries.

INJURY AND CAUSAL LINK

9. Petitioners have furnished information on various parameters relating to injury. Parameters such as increase in volume of imports from subject countries, increased share of alleged dumped imports in total demand, price under-cutting, loss in sales of subject goods, inability to raise investments, adverse cash flow position, loss of

contracts, prima-facie indicate collectively and cumulatively that the Domestic Industry has suffered material injury on account of dumping.

INITIATION OF ANTI-DUMPING INVESTIGATIONS

10. The Designated Authority, in view of the foregoing paragraphs, initiates anti-dumping investigations into the existence, degree and effect of alleged dumping of the subject goods originating in or exported from the subject countries.

PERIOD OF INVESTIGATION (POI)

11. The period of investigation for the purpose of present investigation is 1st April 2002 – 31st December, 2002.

SUBMISSION OF INFORMATION

12. The exporters in the subject countries and the importers in India known to be concerned with this investigation are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Designated Authority, Directorate General of Anti Dumping & Allied Duties, Department of Commerce, Ministry of Commerce and Industry, Government of India, 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.

TIME LIMIT

13. 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 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 days from the date of the letter addressed to them separately.

INSPECTION OF PUBLIC FILE

14. 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.

(L.V. SAPTHARISHI),
Designated Authority