

To be published in Part -I Section-1 of the Gazette of India Extraordinary

**MINISTRY OF COMMERCE AND INDUSTRY**  
**(Department of Commerce)**

**INITIATION NOTIFICATION**

New Delhi, the 3rd July, 2001

**Subject:** Initiation of Anti-dumping investigation concerning import of Acrylic Yarn from Nepal into India.

**No. 29/1/2001-DGAD-** M/s. Punjab Fibres Ltd., Nawan Shahar, Punjab; M/s. Vardhman Spinning & General Mills Ltd., Ludhiana; M/s. Sportking India Ltd., Ludhiana and M/s. Malwa Cotton Spinning Mills Ltd., Ludhiana 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 Acrylic Yarn originating in or exported from Nepal and requested for Anti Dumping investigations and levy of anti dumping duties.

**PRODUCT INVOLVED**

2. The product involved in the present petition is Acrylic Yarn (hereinafter referred as subject goods). Acrylic Yarn is made of acrylic fibre and spun in mainly 3-4 counts. It can be made either from 100% acrylic fibre or in combination of 90% acrylic fibre blended with 10% polyester or viscose or 85% acrylic fibre blended with 15% polyester or viscose. Acrylic yarn is used for production of knitwears, hosiery, shawls etc. Petitioners have claimed that Acrylic Yarn imports are being made under various sub-headings of Customs Tariff Classification Major Head 5402 like 5402.39 and 5402.69 and also under sub-heads of Major Head 5509 in respect of Man made/Synthetic Yarn. These Custom 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. Punjab Fibres Ltd., Nawan Shahar, Punjab; M/s. Vardhman Spinning & General Mills Ltd., Ludhiana; M/s. Sportking India Ltd., Ludhiana and M/s. Malwa Cotton Spinning Mills Ltd., Ludhiana. The

petitioners' share in the total domestic production of Acrylic Yarn is more than 25% and therefore, the petitioners satisfy the criteria of standing to file the petition in terms of Rule 5(3) (a) of the Rules supra.

## **COUNTRY INVOLVED**

4. The petitioners have provided prima facie evidence of dumping of the product involved originating in or exported from Nepal ( hereinafter referred to as the subject country).

## **LIKE ARTICLE**

5. The petitioners have claimed that the goods produced by them are like articles to the goods produced, originating in or exported from Nepal. Therefore, for the purpose of the present investigation, the goods produced by the petitioners are being treated as 'like article' of the product involved i.e. Acrylic Yarn (hereinafter referred to as subject goods) imported from the subject country within the meaning of the Rules supra

## **NORMAL VALUE**

6. The petitioners have claimed Normal Value based on the basis of constructed cost of production of the subject goods with reasonable addition for administrative, selling cost and for profits. Prima facie evidence has been made available to the Designated Authority with regard to the Normal Value of Acrylic Yarn.

## **EXPORT PRICE**

7. The petitioners have produced prima facie evidence as regards the export price of the subject goods. The petitioners have based the export price on the published data of DGCI&S in respect of the subject goods. Adjustments have been claimed on account of freight, insurance, commission, loading of material to arrive at the Export Price at ex-factory level.

## **DUMPING MARGIN**

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

## **INJURY AND CAUSAL LINK**

9. Various parameters relating to injury such as the decline in market share, decline in sales, decline in the sales realisation, increase in losses of the Domestic Industry to realize fair and reasonable price from sale of the subject goods, 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 country.

## **PERIOD OF INVESTIGATION (POI)**

11. The period of investigation for the purpose of present investigation is 1st April 2000 to 31st March 2001.

## **SUBMISSION OF INFORMATION**

12. The exporters in the subject country 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.