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**MINISTRY OF COMMERCE & INDUSTRY**  
**(Department of Commerce)**  
**Directorate General of Anti Dumping & Allied Duties**

**INITIATION NOTIFICATION**

the 2nd November, 2001

**Subject:** Initiation of anti-dumping investigation concerning import of lead acid batteries originating in or exported from Taiwan, Singapore and Hong Kong.

**59/1/2001-DGAD-** M/s. Exide Industries Limited, M/s Amara Raja Batteries Limited and M/s Amco Batteries Limited have filed a petition for initiation of anti dumping investigation concerning the import of lead acid batteries from Chinese Taipei (Taiwan), Singapore, Hong Kong, Thailand, Philippines and Indonesia in accordance with Rule 5(1) of the Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules 1995.

**2. Domestic Industry:** The petition has been filed by M/s. Exide Industries Limited, M/s. Amara Raja Batteries Limited and M/s Amco Batteries Limited on behalf of the domestic industry. However as per the records available before the Designated Authority M/s Amco Batteries Limited have imported significant quantities of lead acid batteries from the countries against whom petition for initiation of anti dumping investigation has been filed. The Authority, therefore, has decided to exclude M/s Amco Batteries Limited from the definition of the Domestic Industry as per the Anti Dumping Rules.

On the basis of the evidence available before the Authority, it has been determined that M/s Exide Industries Limited and M/s Amara Raja Batteries Limited have the standing to file the petition on behalf of the domestic industry as per Rule 5 of the Anti Dumping Rules.

**3. Product under consideration:** The product under consideration is "lead acid batteries". Lead Acid Batteries are accumulators of current/power which is discharged over a period of time. They are used in vehicles and also for various industrial uses, such as for back up power for UPS applications, control rooms, power stations, telecommunications etc. Lead acid batteries fall within Chapter 85 of the Custom Tariff Act under the sub-heading 8507. The batteries are described as electric

accumulators under the Customs Tariff and are classified under customs sub-heading No. 8507.10 and 8507.20 of the Customs Tariff Act. The Custom classification is indicative only and not binding on the scope of investigation.

It has been observed that the statistics in the case of lead acid batteries are compiled in terms of number of units and value. But denoting the volume in terms of number of units or value alone may not provide quite meaningful information because different models/types of the batteries have different power capacity, rate of discharge, value, etc.. It has also been observed that there is a correlation between the lead content and the weight of the battery and its associated costs, prices and performance characteristics such as power capacity, rate of discharge etc.. Therefore apart from denoting the product in terms of number of units and value, it will be useful to have the information on the product in terms of lead content, weight and power capacity also. The information on the characteristics mentioned above will be required for the purpose of calculation and comparison of various parameters.

**4. Countries involved:** The petitioners have stated that the producers/exporters from the Chinese Taipei, Singapore, Hong Kong, Thailand, Philippines and Indonesia are dumping the subject batteries in the Indian market. However as per the evidence available, the volume of imports from Thailand, Philippines and Indonesia is less than the de-minimis limit prescribed in the Anti Dumping Rules and anti dumping investigation cannot be initiated against these countries. However there is sufficient evidence of dumping of the product under consideration from Chinese Taipei(Taiwan), Singapore and Hong Kong (hereinafter referred to as subject countries).

**5. Like Article:** The petitioners have claimed that the goods produced by them are 'like article' to the goods originating in or exported from the subject countries. Therefore, for the purpose of investigation, the goods produced by the petitioners are being treated as 'like articles' of lead acid batteries (hereinafter referred to as subject goods) imported from the subject countries within the meaning of the Rules.

**6. Normal Value:** The petitioners have claimed normal value in the countries of export based on the constructed cost of production of the subject goods. Sufficient *prima facie* evidence has been presented to the Designated Authority with regard to the normal value of subject goods in subject countries.

**7. Export Price:** The export price has been claimed on the basis of the data obtained from Director General Commercial Intelligence & Statistics, Calcutta and compiled from secondary sources. Price adjustments have been claimed on account of landing charges, ocean freight, marine insurance, commission, port handling etc., to arrive at

net export price. There is sufficient evidence of export price and the adjustments claimed for the subject goods from subject countries.

**8. Dumping Margin:** There is sufficient prima facie evidence that the 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 the exporters from the subject countries.

**9. Injury and Causal Link:** The petitioner have furnished evidence regarding the injury having taken place as a result of the allegedly dumped imports in the form of fall in their market share, price undercutting, lost sales and substantial decline in profitability for the domestic industry. In addition to the material injury already inflicted on the domestic industry, the allegedly dumped imports are also threatening to cause more injury which will intensify the material injury already being suffered by them.

**10 . Initiation of Anti Dumping Investigation:** 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.

**11. Period of Investigation:** The Period of Investigation for the purpose of present investigations is 1st October 2000 to 30th September 2001.

**12. Submission of Information:** The exporters and importers known to be concerned and 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)

Government of India

Ministry of Commerce & Industry

Udyog Bhavan, New Delhi-110011

**13. Time Limit:** All information relating to this investigation should be sent in writing so as to reach the Authority at the above address not later than 40 days from the date of publication of this notification. 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.

**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.

15. 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