

MINISTRY OF COMMERCE

NOTIFICATION

New Delhi, the 7th April, 1999

Subject:- Anti-Dumping investigation concerning imports of Acrylic Fibre from Mexico - Preliminary Findings.

21/1/98-DGAD- Having regard to the Customs Tariff Act., 1975 and the Customs (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for determination of Injury) Rules 1995, thereof:

A. PROCEDURE

1. The procedure given below has been followed with regard to the investigations:
 - i. The Designated Authority (hereinafter referred to as authority), under the above rules, received a written petition from M/s. Indian Acrylics Ltd., Chandigarh, M/s. Pasupati Acrylon Ltd., New Delhi and M/s. Consolidated Fibre and Chemicals Ltd., Calcutta, alleging dumping of Acrylic fibre originating in or exported from Mexico.
 - ii. The preliminary scrutiny of the application revealed certain deficiencies, which were subsequently rectified by the petitioner. The petition was therefore considered as properly documented.
 - iii. The Authority on the basis of sufficient evidence submitted by the petitioner decided to initiate investigations against alleged dumped imports of acrylic fibre originating in or exported from Mexico. The Authority notified the Embassy of the subject country about the receipt of Dumping allegation before proceeding to initiate investigations in accordance with sub-rule 5(5) of the Rules;
 - iv. The authority issued a public Notice dated 30th July, 1998, published in the Gazette of India, Extraordinary initiating anti-dumping investigations concerning imports of Acrylic Fibre classified under Chapter -55 of the Customs Tariff Act, 1975, originating in or exported from Mexico.
 - v. The authority forwarded a copy of the Public Notice to the known exporters (whose details were made available by the petitioner) and industry associations and gave them an opportunity to make their views known in written within forty days from the date of the letter.
 - vi. The authority forwarded a copy of the Public Notice to the known importers (whose details were made available by the petitioner) of acrylic fibre and advised them to make their views known in writing within forty days from the date of the letter.
 - vii. Request was made to the Central Board of Excise and Customs (CBEC) to arrange details of imports of acrylic fibre.
 - viii. The Authority provided copies of the petition to the known exporters and the Embassy of the subject country in accordance with Rule 6(3) supra.
 - ix. The Authority sent a questionnaire to elicit relevant information to the following known exporters, from Mexico, in accordance with Rule 6(4).
 - Fibras Nationale De Acrilico
 - Celulosa Y Derivados, S.A. De C.V.

None of the exporters responded to the questionnaire in the prescribed format.

- i. The Embassy of Mexico was informed about the initiation of the investigation in accordance with Rule 6(2) with a request to advise the exporters/producers from their country to respond to the questionnaire within the prescribed time. A copy of the letter, petition and questionnaire sent to the exporters was also sent to them, along with a list of known exporters/ producers.
- ii. A questionnaire was sent to the following known importers of acrylic fibre in India calling for necessary information in accordance with Rule 6(4)
 - Vardhman Spg and Gen Mills, Ludhiana
 - Nahar Spinning Mills Ltd., Ludhiana
 - Malwa Cotton Spinning Mills Ltd., Ludhiana
 - Rajasthan Spinning & Weaving Mills Ltd., New Delhi
 - Winsome Textiles Industries Ltd., Chandigarh
 - Siddhartha Super Spinning Mills Ltd., New Delhi
 - Bhaiwani Text Mills, Haryana
 - Adhinath Textile Ltd., Ludhiana
 - Shruti Synthetics Ltd., Udaipur

Response to the questionnaire was filled by the following:

- Bhiwani Textile Mills
 - Nahar Spinning Mills Ltd.
 - Winsome Textile Industries Ltd.
 - Adinath Textiles Ltd.
- i. One of the exporting parties requested for extension of time to submit the responses, which was, upon good cause shown, allowed by the Authority.
 - ii. The Authority made available the non-confidential version of the evidence presented by various interested parties in the form of a public file kept open for inspection by the interested parties.
 - iii. Cost investigations were also conducted to work out optimum cost of production and cost to make and sell the subject goods in India on the basis of Generally Accepted Accounting Principles (GAAP) and the information furnished by the Petitioner so as to ascertain if anti-dumping duty lower than the dumping margin would be sufficient to remove injury to the domestic industry.
 - iv. **** in this notification represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules,
 - v. The Authority conducted spot verification at the premises of the petitioners to the extent considered necessary.
 - vi. Investigations were carried out for the period starting from 1st April, 1997 to 31st March, 1998.

A. PETITIONERS VIEWS

2. The Petitioner has raised the following major issues in their petition and in their subsequent submissions.

- i. The Petitioner has claimed that acrylic fibre is being produced in India by the following companies:

	Name of Company	Production (MT) 1997-98
(a)	Indian Acrylics Ltd.	27,183
(b)	Pasupati Acrylon Ltd.	18,485
(c)	Consolidated Fibre and Chemicals Ltd.	13,001
(d)	J.K. Synthetics Ltd.	-----
(e)	Indian Petrochemical Corporation	20,800

The Petitioner has stated that J.K. Synthetics Ltd. is presently not in operation. A letter was addressed by the Authority to the Department of Chemicals and Petrochemicals, Ministry of Chemicals and Fertilizers, seeking clarification on the status of M/s. J.K. Synthetics Ltd. It was clarified by the Department of Chemicals and Petrochemicals vide their letter dated 3rd February, 1999, that M/s. J.K. Synthetics Ltd. is having a total installed capacity of 24000 MT of acrylic fibre at Kota and Jhalawar. The production of acrylic fibre by them came down to 593 Mt in 1997-98. Less production of acrylic fibre during 1997-98 was on account of lockout and working capital shortage at both the units which are not in operation at present.

The petitioner companies account for 73.27% of the total Indian production. Further, the petitioners are supported by the Forum of Acrylic Fibre Manufactures. The petitioners therefore satisfy the standing to file the present petition on behalf of the domestic industry.

- ii. It is stated that the Petitioner companies are dependent upon imported Acrylonitrile, which is the main raw material for the product. They are therefore subject to international vagaries.
- iii. Domestic industry, it is claimed, has enough capacity to satisfy current and future demand. Efforts have been made by them to increase the level of awareness about the product under consideration amongst potential customers and in new areas of the country.
- iv. Acrylic fibre is being produced in a number of countries throughout the world in large capacities which exceed the global demand for the product. Many producers are consequently faced with surplus capacity.
- v. Alleged dumping of acrylic fibre is stated to take place from Mexico. Traditionally, there were no imports from Mexico prior to 1996-97. It was only in 1997-98 that Mexico emerged as a leading exporter. The sudden increase in imports from Mexico in absolute terms from 378 mt in 1996-97 to 1800 mt in the first nine months of 1997-98, and the potential increase, which would have occurred had the domestic industry not effectively countered the same, has directly caused injury to the Petitioners.
- vi. The claim of injury to the Petitioners from the dumped imports is based on the following factors:
- Increase in actual imports from Mexico.
 - Increase in market share of Mexican imports.
 - Selling prices of the Petitioners are significantly lower than the cost of production, resulting in huge financial losses.
 - Profits are not sufficient to repay debts and issue dividends to shareholders.
 - Stocks have touched a high level, particularly with Indian Acrylics Ltd.
 - The industry is finding it difficult to expand in view of severe financial constraints arising out of sustained dumping resulting in losses and poor market conditions.

- g. The Petitioners are unable to find research and development efforts directed towards finding new areas of use of acrylic fibre.
- h. Investments in the domestic acrylic fibre industry are to the extent of Rs. 1000 crores. The imports from Mexico have caused significant price depression in the market and prices have not increased to the extent they should have considering the investment made.

C. 3. VIEWS OF EXPORTER, IMPORTERS AND OTHER INTERESTED PARTIES.

I. Importers Views

1. On one pretext or other, Indian manufacturers of acrylic fibre have been initiating anti-dumping proceedings against manufacturers of international quality acrylic Fibres in the world. This shows the in-efficiency of Indian manufacturers who cannot meet international quality standards for end product required to be produced in India for international markets.
2. The Price of the main raw material of acrylic fibre i.e. Acrylonitrile is falling continuously. This is also a reason for lower international prices.

M/s. Bhiwani Textile Mills and M/s. Nahar Spinning Mills have stated that they have not imported acrylic fibre from Mexico during the period investigated.

II. Exporter View

FIBRAS NATIONALE DE MEXICO

This exporter has not responded to the Authority's request for information as per the prescribed questionnaire.

CELULOSA Y DERIVADOS

This exporter has also not responded to the questionnaire sent by the Authority. In a letter addressed to the Authority they have stated that the volume of acrylic fibre exported by them into India is less than 100 tons and as such their case would fall under the rule of "de-minimus".

D. EXAMINATION OF THE ISSUES RAISED

4. The submissions made by the petitioners, exporters and importers have been examined and have been dealt with at appropriate places hereunder.

E. PRODUCT UNDER INVESTIGATION

5. The product under consideration in the present investigation is Acrylic Fibre in both shrinkable and non-shrinkable forms. Acrylic fibre is a synthetic polymer composed of at least 85 per cent by weight of acrylonitrile. The term acrylic fibre includes

Staple, Tow and Tops. The range of acrylic fibre is stated to extend from 1.5 Denier to 8.0 Denier.

Acrylic fibre is classified under Chapter 55 of the Customs Tariff Act, 1975, under tariff classification H.S. Code No. 5501, 5503. The classification is however indicative only and in no way binding on the scope of the present investigations.

F. LIKE ARTICLES

6. Acrylic Fibre is produced and sold in various specifications, which depict the properties of the fibre and may result in varying end uses. There is however no significant difference in terms of process, equipment or technology for the production of different varieties of acrylic fibre. Each range of fibre (denier) caters broadly to different market segments and are substitutable with one another.

In order to establish that the acrylic fibre produced by the domestic industry is a like article to the fibre exported from Mexico, characteristics such as technical specifications, manufacturing process, functions and uses and tariff classification have been considered.

Acrylic fibre (staple, tow and tops) is produced and sold in different deniers ranging from 1.5, 2.0, 3.0, to 8.0 and consist of both shrinkable and non-shrinkable forms. The process of manufacture is broadly similar throughout the world. Acrylic fibre is produced either through wet spun or dry spun technology. Acrylonitrile is the basic raw material that goes into the production of acrylic fibre.

Acrylic fibre is an economical substitute of wool which is more expensive. It is used in making apparel and has household and industrial applications too. In India however, the uses are limited due to lack of R & D facilities.

There is no argument disputing that acrylic fibre produced by the domestic industry in various deniers has characteristics closely resembling the imported fibre and is substitutable by the acrylic fibre imported from the subject country both commercially and technically. Acrylic fibre produced by the domestic industry has been treated as like article to the product exported from Mexico, within the meaning of Rule 2(d).

G. DOMESTIC INDUSTRY

7. The petition has been jointly filed by M/s. Indian Acrylics Ltd., Chandigarh, Pasupati Acylon Ltd., New Delhi and Consolidated Fibre and Chemicals Ltd., Calcutta. It is stated by the petitioner that Indian Petrochemical Corporation Ltd., at Vadodara is the other company producing acrylic fibre. The petitioner has stated that the fifty companies M/s. J.K. Synthetics Ltd. is presently not in operation. It is stated that these five units have a combined capacity of 108,000 MT. The total production of acrylic fibre in 1997-98 is stated to have been 79,469 MT. If the production of M/s. J.K. Synthetics Ltd. is taken into account, the total production would be 80,062 MT. The production of the petitioner companies was 58,669 MT.

The petition has been supported by the Forum of Acrylic Fibre Manufacturers wherein all the petitioner companies are members. Thus the petitioner accounts for more than 25% of

domestic production and therefore has the required standing to file the petition on behalf of domestic industry under the rules.

H. DUMPING

8. Under Section 9A(1), normal value in relation to an article means:

The comparable price in the ordinary course of trade, for the like article when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6); or

- ii. When there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low value of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either:
 - a. Comparable representative price of the like article when exported from the country or territory or an appropriate third country as determined in accordance with the rule made under sub-section (6); or
 - b. The cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs and for profits, as determined in accordance with the rules made under sub-section (6):

Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transhipped through the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.

The Authority sent questionnaires to the exporters from the subject country in terms of the section cited above. However none of the exporters responded to the questionnaire. Therefore there are no claims made by the exporters with regard to normal value and export prices as provided by the petitioner and as available in official statistics.

I. EXAMINATION OF NORMAL VALUE AND EXPORT PRICE

9. BASED ON AVAILABLE INFORMATION BY THE AUTHORITY

On the basis of the facts available with the Authority, it is observed that the various deniers of Acrylic Fibres do not display any significant difference in terms of the costs or prices and are in the same range. Moreover, there is a considerable amount of substitutability among the different varieties. The Authority has therefore, grouped all fibers (described as product under consideration) for these investigations.

i. NORMAL VALUE

The authority has considered normal value on the basis of the prices of acrylic fibre in the domestic market of Mexico as evidenced by an invoice raised for sale in domestic market in Mexico, enclosed by the petitioner indicating domestic prices at Mexican \$ 20.00 per kg. Considering the applicable exchange rate (generally, 8.10 local Mexican \$ are equivalent to USD 1.00) the normal value comes to US \$ 2.47 per kg. Adjustments on account of inland freight (USD 0.02 kg as per local Mexican quotation) and packing (at the rate of 0.5% or USD 0.20 kg) are allowed by the Authority. After adjustments the normal value comes to US\$ 2.25 per kg.

ii. **EXPORT PRICE**

The export price has been determined on the basis of data published by DGCIS, which indicates an export price of Rs. 58.93 per kg or USD 1.58. The petitioner has furnished a quotation showing local transportation in Mexico at US\$ 1000, ocean freight at US\$ 39000 and Customs expenses at US\$ 261.87 for 40" container with a capacity to carry 38 tons of acrylic fibre. The adjustments on these accounts comes to US\$ 0.14 per kg which is allowed by the Authority.

The ex-works price after allowing the above adjustments works out to US\$ 1.44 per kg.

iii. **DUMPING MARGIN**

Considering the normal at US\$ 2.25 per kg and the ex-works export price at US\$ 1.44 per kg., the dumping margin determined by the Authority comes to US\$ 0.81 per kg (which is 56.25% of export price).

J. INJURY

10. Under Rule 11 supra, Annexure -II, when a finding of injury is arrived at such finding shall involve determination of the injury to the domestic industry "taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles..." In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increase, which otherwise would have occurred, to a significant degree.

Annexure II (iii) under rule 11 supra further provides that in case where imports of a product from more than one country are being simultaneously subjected to anti-dumping investigation, the Designated Authority will cumulatively assess the effect of such imports, only when it determines that the margin of dumping established in relation to the imports from each country is more than two per cent expressed as a percentage of export price and the volume of the imports from each country is three per cent of the imports of the like article or where the export of the individual countries is less than three per cent, the import cumulatively account for more than seven per cent of the imports of the like articles, and cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported article and the like domestic article.

The Authority notes that the margin of dumping and quantum of imports from the subject country are more than the limits prescribed above.

For the examination of the impact of imports on the domestic industry in India, the Authority has considered such further indices having a bearing on the state of the industry as production, capacity utilisation, quantum of sales, stock profitability, net sales realisation, the magnitude and margin of dumping etc. in accordance with Annexure II (iv) of the rules supra.

a. Quantum of Imports

The total imports of acrylic fibre were 10,482 MT, 21,114 MT and 26,422 MT during 95-96, 96-97 and 97-98. Thus the increase was 101% in 1996-97 over 95-96 and 25% in 97-98 over 96-97. The increase was 152% in 97-98 over 95-96. Thus the quantum of imports have gone up significantly during the period of investigation.

The quantum of imports from Mexico was 161 mt, 378 mt and 2341 Mt. in 95-96, 96-97 and 97-98. The quantum of imports have gone up from 135% in 96-97 over 95-96 to 519.3% in 97-98 over 96-97. The increase was 1354% in 1997-98 over that 1995-96. Thus there has been a significant rise in imports from Mexico over the years.

The quantum of imports from other countries was 10321 Mt. 20736 Mt and 24443 Mt in 1995-96, 96-97 and 97-98. The share Mexico in total imports was 1.5%, 1.8% and 9.5% in 1995-96, 96-97 and 97-98 respectively.

b. Production and Capacity Utilisation

It is observed that the production capacity, production and capacity utilisation of the petitioner companies (viz., India Acrylic, Pasupati Acrylon and Consolidated) were as under:

Year	Capacity (MT)	Production (MT)	Capacity Utilisation
1995-96	50000	42309	84.62%
1996-97	55000	55808	101.47%
1997-98	55000	58669	106.67%

The capacity utilisation of Pasupati was 76%, 98% and 103% in 95-96, 96-97 and 97-98 respectively. The capacity utilisation of Indian Acrylics was 93%, 107% and 109% in 95-96, 96-97 and 97-98 while the capacity utilisation of Consolidated Fibres was 82.89%, 103% and 108% in 95-96, 96-97 and 97-98. The petitioner companies have therefore been operating at a capacity utilisation of more than 80%. Although the higher capacity utilisation has helped the petitioners to reduce their incidence of overhead expenditure per unit of fibre produced, it has resulted in increasing stock situation, which in turn resulted in distress selling by the petitioners at prices below cost of producing the fibre. Distress selling resulted in heavy financial losses to the petitioners. The increase in production in 1996-97 was 31% over that of 95-96 whereas the growth in installed capacity was 10% Installed capacity remained at the same level in 97-98 and production increased by 5% only.

It is stated that the production of acrylic fibre involves continuous process technology and the petitioners have no option but to maximize production once the plant is started. Restricting production would result in increase in unit cost of production by way of material and utilities

wastage and higher incidence of overhead costs per unit of production resultantly all the companies have ensured maximum production.

c. Sales and Market Share

It is observed that demand of acrylic fibre was 53603 MT, 76614 MT and 83461 Mt. in 95-96, 96-97 and 97-98 respectively. The share of imports in total demand was 19.55%, 28.5% and 31.6% in 95-96, 96-97 and 97-98, respectively. The share of the petitioner companies were 80.44%, 71% and 68.34% respectively in 95-96, 96-97 and 97-98. Thus the share of imports are rising in total demand whereas the share of Indian industry is declining. Sale of acrylic fibre, much below fair price has resulted in heavy loss of profit to the petitioners. The selling prices in Rs. Per kg were 100.01, 89.04 and 82 respectively in 95-96, 96-97 and 97-98. Unit selling prices have therefore showed a declining trend.

(c-1) Closing stocks

It is observed that the closing stocks of the petitioner were 367 MT, 2085 Mt and 3693 MT in 95-96, 96-97 and 97-98 respectively. Closing stocks went up by 468% in 96-97 over that 95-96 and by 62.7% in 97-98 over that of 96-97. It is observed that out of 3393 MT of closing stock, 1649 MT was held by Pasupati Acrylon, 1408 MT by Indian Acrylic and 336 MT by consolidated Fibres. It has been submitted that the process of manufacturing acrylic fibre involves a very short cycle time, and the same is typically less than a week. It is claimed that no producer in the world keeps more than a few days stock. The average stock carried by the petitioner companies amounts to 1.4 months production. The petitioners are finding it difficult to hold the present level of inventories and the likelihood of further distress sale is imminent.

d. Price undercutting and price depression

The petitioner companies have stated that imports from the subject country have been undercutting the prices of the fibre being sold by the domestic producers. The consumer industry has forced the domestic industry to reduce the prices under the pretext of cheaper imports from these countries. The petitioners have been constantly forced to offer heavy discounts in view of the threat posed by the dumped imports. In spite of increase in the cost of producing acrylic fibre, the Indian acrylic fibre industry has been prevented from increasing its selling prices. The dumped imports from the subject country have suppressed the prices of the fibre in the Indian market and caused immense losses to the petitioners. It is seen from DGCIS data that imports were priced at a lowest of Rs. 55.8 kg during March'98. The average realisation per kg of acrylic fibre in 1996-97 was Rs. 89.04 per kg which dropped to Rs. 82 per kg during the period of investigation. It is also shown that the losses of the petitioner companies were Rs. 39.62 crores and 13.33 crores during 95-96 and 96-97. In 97-98, the petitioner companies earned a meagre profit of 4.06 crores whereas it is stated that industry should have made a minimum profit of above Rs. 100 crores in 97-98. However it is observed that different producers are charging different selling prices and profit/loss of the different companies vary. The selling price charged were Rs. 87 per kg, Rs. 84 per kg and Rs. 78 per kg by Pasupati Acrylon, Consolidated Fibres and Indian Acrylic respectively. At this price level, Pasupati Acrylon had earned a profit of Rs. 11 crores, Consolidated Fibres suffered a loss of Rs. 17.28 crores and Indian Acrylics earned a profit of Rs. 10.34 crores during the period of investigation. The net profit was lower in view of higher provision for depreciation.

e. Expansion of Capacity

It is stated that Indian Acrylics designed their plant in such a way that the capacity of the same was to be increased from 12000 Mt to 35000 Mt in stages. The company is however finding it extremely difficult both in terms of financial constraints and poor market conditions and is going very slow in their expansion. Imports have caused tremendous injury to the Indian industry in terms of growth.

f. Inability to raise funds

It is claimed that the petitioner companies have found it difficult to repay the loans and the interest on the loans taken from financial institutions. This has prevented the companies from procuring further loans from the financial institutions and consequently affected their future plans for expansion.

g. Inability to fund research and development activity

worldwide, acrylic fibre has numerous applications which include hosiery items, home furnishings (carpet market) and industrial usage too. The fibre can also be used for some specialty areas such as upholstery. However usage of the fibre in these areas requires investment in extensive R & D efforts which is difficult for the Indian industry in a situation where its survival is at stake on account of continuous dumping.

K. CONCLUSION OF INJURY

11. In view of the foregoing it is observed that : -

- a. the quantum of imports from the subject country have increased in absolute terms;
- b. the market share of the petitioner companies has gone down;
- c. the domestic industry has been forced to sell at prices below its fair price resulting in losses or low return on investigations;
- d. imports are undercutting the prices of the domestic industry;
- e. closing stock of the domestic industry has gone up;
- f. domestic industry is not in a position to expand its capacity.

The Authority therefore concludes that the domestic industry has suffered material injury.

L. CAUSAL LINK

12. In establishing that the material injury to the domestic industry has been caused by the imports from the subject country, the Authority holds that the increase in market share of imports from Mexico resulted in decline in the market share of the petitioner and undercut the prices of the domestic product forcing the domestic industry to sell below its fair price. Resultantly, the domestic industry was not in a position to recover fair selling price. The material injury to the domestic industry was, therefore, caused by the dumped imports from the said country.

M. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES

13. The purpose of anti- dumping duties, in general, is to eliminate dumping which is causing injury to the domestic industry and to re- establish a situation of open and fair competition in the Indian market, which is in the general interest of the country.
14. It is recognised that the imposition of anti- dumping duties might affect the price levels of the products manufactured using the subject goods and consequently might have some influence on relative competitiveness of these products. However, fair competition in the Indian market will not be reduced by the anti- dumping measures, particularly if the levy of the anti- dumping duty is restricted to an amount necessary to redress the injury to the domestic industry. On the country, imposition of anti- dumping measures would remove the unfair advantages gained by dumping practices, would prevent the decline of the domestic industry and help maintain availability of wider choice to the consumers of acrylic fibre. Imposition of anti- dumping measures would not restrict imports from the subject country in any way, and therefore, would not affect the availability of the product of the consumers.
15. To ascertain the extent of anti- dumping duty necessary to remove the injury to the domestic industry, the Authority relied upon reasonable selling price of Acrylic Fibre in India for the domestic industry, by considering the optimum cost of production are optimum level of capacity utilisation for the domestic industry.

N. LANDED VALUE

16. The landed value of imports is determined on the basis of export price of Acrylic Fibre, determined as detailed above in the para relating to dumping, after adding the prevailing level of customs duties and one per cent landing and two per cent handling charges.

O. CONCLUSIONS

17. It is seen, after considering the foregoing, that :
 - a. (a) Acrylic Fibre described under Para 5 originating in or exported from Mexico has been exported to India below normal value, resulting in dumping;
 - b. (b) the Indian industry has suffered material injury;
 - c. (c) injury has been caused by imports from the subject country.
18. It is considered whether a duty lower than the dumping margin would be sufficient to remove injury. Landed price of the imports, for the purpose, was compared with the fair selling price of the domestic industry, determined for the period of investigations.
19. It was considered whether a duty lower than the dumping margin would be sufficient to remove injury. Landed price of the imports, for the purpose, was compared with the fair selling price of the domestic industry determined for the period of investigations. Wherever the difference was less than the dumping margin, a duty lower than the dumping margin is recommended. Accordingly, it is proposed that provisional anti- dumping duties be imposed, from the date of notification to be issued in this regard by the Central Government, on all Acrylic Fibre originating in or exported from Mexico

falling under Customs sub- heading 5501.30 and 5503.30 of the Customs Tariff Act, pending final determination. The anti- dumping duty shall be the amounts mentioned in column 4, provided that the duty shall be the difference between the amounts mentioned in Col.3 and the landed price of imports per kg. in case such difference is more than the amounts mentioned in Col.4.

Country	Name of the Producer	Amount	Amount
1.	2.	3. (Rs.)	4. (Rs.)
Mexico	All exporters	83.7	2.20

20. Landed value of imports for the purpose shall be the assessable value as determined by Customs under the Customs Act, 1962 and all duties of customs except duties levied under Sections 3, 3a. 8B, 9 and 9A of the Customs Tariff Act, 1975.

P. FURTHER PROCEDURE

21. The following procedure would be followed subsequent to notifying the preliminary findings:
- a. The Authority invites comments on these findings from all interested parties and the same would be considered in the final findings;
 - b. Exporters, importers, petitioner and other interested parties known to be concerned are being addressed separately by the Authority, who may make known their views, within forty days of the dispatch of this notification. Any other interested party may also make known its views within forty days from the date of publication of these findings.
 - c. The Authority would provide opportunity to all interested parties for oral submissions;
 - d. The Authority would disclose essential facts before announcing the final findings.

RATHI VINAY JHA...
Designated Authority