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Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
(Directorate General of Anti-Dumping & Allied Duties)  
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Dated 1<sup>st</sup> October, 2015

**NOTIFICATION**

Initiation  
(Sunset Review Investigation)

**Subject: Initiation of Second Sunset Review of the antidumping duty in force on imports of Narrow Woven Fabric originating in or exported from China PR and Chinese Taipei.**

**F. No. 15/14/2015/DGAD** – Whereas having regard to the Customs Tariff Act, 1975 as amended in 1995 and thereafter (hereinafter referred as the Act) and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time (hereinafter referred as the Rules), the Designated Authority (hereinafter referred to as the Authority) initiated an antidumping investigation against import of Narrow Woven Fabric originating in or exported from China PR and Chinese Taipei on 9<sup>th</sup> June, 2004 and preliminary findings were issued by the Authority on 10<sup>th</sup> January, 2005. Provisional duties were imposed on 14<sup>th</sup> February, 2005. The Authority issued its final findings on 7<sup>th</sup> June, 2005 recommending imposition of definitive duties and duties were imposed vide customs notification dated 25<sup>th</sup> July, 2005.

2. Thereafter, the Authority examined whether cessation of anti-dumping duty was likely to lead to dumping and consequent injury to the domestic industry and whether the anti-dumping duties were required to be extended further. The Authority initiated sunset review investigations on imports of Narrow Woven Fabric from the subject countries on 20<sup>th</sup> August, 2009. The Designated Authority issued Final Findings vide Notification No 15/9/2009-DGAD dated 19<sup>th</sup> August, 2010 and definitive anti-dumping duties were imposed by the Central Government vide Customs Notification No 108/2010 dated 6<sup>th</sup> October, 2010 for a period of five years. The duties shall expire on 5<sup>th</sup> October, 2015.

**A. Request for initiation of Sunset Review**

3. WHEREAS in terms of the Customs Tariff (Amendment) Act 1995 and the

Rules made there under, the antidumping duty imposed shall unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition. The Rules supra require the Authority to review from time to time, the need for continued imposition of anti dumping duty and if it is satisfied, on the basis of information received by it that there is no justification for continued imposition of such duty, the Authority may recommend to the Central Government for its withdrawal. Notwithstanding the above provision the authority is required to review, on the basis of a duly substantiated request made by or on behalf of the domestic industry, within a reasonable period of time prior to the date of the expiry of the measure, whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury.

4. And Whereas a petition has been filed by the domestic producer of Narrow Woven Fabric, M/s. Ishi Industries Limited (hereinafter referred to as applicant) in accordance with the Act and the Rules, alleging likelihood of continuation or recurrence of dumping of the above goods, originating in or exported from the above countries and consequent injury to the domestic industry and requesting for initiating a sunset review investigation for continuation of anti-dumping duty in force on imports of Narrow Woven Fabric (hereinafter referred to as the subject goods), originating in or exported from China PR and Chinese Taipei (hereinafter referred to as the subject countries).

#### **B. Grounds for review**

5. The request is for continuation of the antidumping duties in force based on the grounds that dumping of the subject goods has continued from China PR and Chinese Taipei, the expiry of the measure would be likely to result in continuation and intensification of dumping from these countries and consequent injury to the domestic industry. The applicant has, inter-alia, claimed that the exporters from the subject countries continued to dump the subject goods in the Indian market, in spite of the antidumping duty in force.

6. The applicant has further claimed that the subject goods are being imported from Indonesia, Malaysia and UAE in significant volumes and at dumped prices. They have claimed that these imports are transshipments from China as there is no known manufacturing facility to produce the subject goods in Indonesia, Malaysia and UAE.

7. The applicant has claimed that there is a likelihood of recurrence of dumping from the subject countries, considering the production capacity and high export orientation of the exporters of the subject goods, and that would lead to recurrence of dumping and consequent injury to the domestic industry, if the anti dumping duties are revoked.

### **C. Product under consideration and like Article**

8. The product under consideration in the Final Findings of the original investigation of Narrow Woven Fabric dated 7<sup>th</sup> June, 2005 was described as follows:

*"2. The Product under consideration in the present investigations is "narrow woven fabric having pile weave, made up of manmade fibers, used as a fastening tape" (henceforth also referred to as subject goods). In market parlance, the subject goods are known by various synonyms such as "Hook & Loop Tape Fasteners", "Velcro Tapes", "Fastening Tapes", "Fasteners" etc. The distinguishing feature of the product is "pile weave". The subject goods are described in terms of Peel Strength, Shear Strength and Light Fastness. Hook and Loop fasteners are generally made from manmade fibers (yarns) nylon (Nylon 6 and Nylon 6,6), polyester etc. The product under consideration is produced in sizes typically varying between 12mm to 125mm of width. Further, while the product is sold in the market place in terms of length of the product (measured in meters) and the associated costs and prices of various product types vary with width, the same becomes almost homogenous when converted into weight. The major uses of the subject goods are in industries such as garment industries, surgical & orthopedic apparatus manufacturing, shoes & footwear manufacturing, luggage/bags manufacturing, toys, automobile upholstery and various other industrial segments. Narrow Woven fabric is classified under customs Sub heading 580610 of the Customs Tariff Act 1975. After the provisional findings, M/s Country Craft, importer, asked the Authority to clarify whether the investigation has been performed only on hook and look tape, whereas the notification mentions the entire chapter. The Authority confirms that Anti dumping investigations have been conducted with regard to the product under consideration only as mentioned above (also referred to as subject goods) and as stated in the initiation notification, as well as in the preliminary findings, and the customs classification is indicative in nature and is in no way binding on the scope of the investigation."*

9. Present investigation being a sunset review investigation, the product under consideration would remain the same as has been defined in the original investigation.

10. Applicant has submitted that Narrow Woven Fabric produced by them is like article to Narrow Woven Fabric imported from the subject countries in terms of physical and technical characteristics, manufacturing process and technology, functions and uses, product specifications, pricing, distribution and marketing, and tariff classification of the goods. The imported product and the domestically produced goods are technically and commercially substitutable, and consumers use them interchangeably.

11. The product under consideration is classified under Chapter 58 of the Custom Tariff Act under the subheadings 580610. However, the customs classification is indicative in nature and is in no way binding on the scope of the investigation.

#### **D. Domestic industry**

12. The petition for the sunset review has been filed by M/s. Ishi Industries Limited. Apart from the applicant, the subject goods are produced by Magic Fasteners Pvt. Ltd., Sky Industries Ltd., Sidhartha Filaments Private Limited, Gajanand Elastic Lace Works and Riya Texfeb Pvt. Ltd. Magic Fasteners Pvt. Ltd. and Sky Industries Ltd. have supported the petition. The information regarding the production of the other known Indian producers has been provided by the applicant as per their market intelligence. It is noted that the production of the applicant constitutes a major proportion (49%) of total domestic production of subject goods in India. It is also noted that the applicant has not imported the subject goods nor are they related to any importer or exporter from the subject countries. The Authority has, therefore, considered the applicant as eligible domestic industry.

#### **E. Countries involved**

13. The anti dumping duties are in force against China PR and Chinese Taipei. In view of the *prima facie* evidence of continuation or recurrence of dumping from both the countries and consequent injury as provided by the applicant, the sunset review will cover both China PR and Chinese Taipei.

#### **F. Initiation of Sunset Review**

14. Having satisfied itself on the basis of the positive evidence submitted by the domestic industry, substantiating the need for a review, the Authority hereby initiates a review in accordance with Section 9 a (5) of the Act, read with Rule 23 of Antidumping Rules, to review whether revocation of the duty, imposed vide Customs Notification No. 108/2010 dated 6<sup>th</sup> October, 2010 on imports of Narrow Woven Fabric, shall lead to continuation or recurrence of dumping of the subject goods from China PR and Chinese Taipei and continuation or recurrence of injury to the domestic industry and need for continued imposition of the definitive duty in force against the subject goods.

#### **G. Procedure**

15. The investigation will determine whether the expiry of the measure would be likely to lead to a continuation or recurrence of dumping and injury. The Authority will examine whether the continued imposition of the duties is necessary to offset dumping and whether the injury would be likely to continue or recur if the duties were removed or varied, or both.

- (i) The review will cover all aspects of Final Finding Notification dated 19<sup>th</sup> August, 2010 for Narrow Woven Fabric originating in or exported from China PR and Chinese Taipei;
- (ii) The period of investigation for the purpose of the present review is from April 2014 – March, 2015 (POI). However, for the purpose of analyzing

injury, the data of 2011-12, 2012-13, 2013-14 and the POI shall be considered;

(iii) The provisions of Rules 6,7,8,9,10,11,16,17,18,19 and 20 of the Rule supra shall be mutatis mutandis applicable in this review.

#### **H. Submission of Information**

16. The known exporters in the subject countries, the Government of the subject countries through their embassies in India, the importers and users in India known to be concerned with the product are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address:

**The Designated Authority  
Directorate General of Anti-Dumping and Allied Duties  
Ministry of Commerce and Industry  
Department of Commerce  
4<sup>th</sup> Floor Jeevan Tara Building, Parliament Street  
New Delhi-110001**

17. 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. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other parties.

#### **I. Time Limits**

18. Any information relating to the present review and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (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 its findings on the basis of the facts available on record in accordance with the Anti-dumping Rules.

19. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses and offer their comments to the domestic industry's application regarding the need to continue or otherwise the anti-dumping measures within 40 days from the date of initiation of this investigation.

#### **J. Submission of information on confidential basis**

20. In case confidentiality is claimed on any part of the questionnaire response/submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc.) and (b) other set marked as

Non-Confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either “confidential” or “non-confidential” at the top of each page.

21. Information supplied without any confidential marking shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies of the confidential version and five (05) copies of the non-confidential version must be submitted by all the interested parties.

22. For information claimed as confidential; the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed and/or why summarization of such information is not possible.

23. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out/summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

24. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.

25. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority. The Authority on being satisfied and accepting the need for confidentiality of the information provided; shall not disclose it to any party without specific authorization of the party providing such information.

#### **K. Inspection of public file**

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

#### **L. Non-cooperation**

27. In case any interested party refuses access to and otherwise does not provide

necessary information within a reasonable period, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

**(A K Bhalla)**  
**Designated Authority**