

INITIATION NOTIFICATION

New Delhi, the 11th April 2002.

Subject: Initiation of anti-dumping investigations concerning import of Ferro Silicon originating in or exported from South Africa And Macedonia.

No.14/8/2002- DGAD - M/s Indian Metals and Ferro Alloys Ltd., Bhubaneswar, have filed a petition before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff (Amendment) Act, 1995 and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 alleging dumping of Ferro Silicon originating in or exported from South Africa and Macedonia and have requested for initiation of anti-dumping investigations and levy of anti-dumping duties retrospectively from the date of initiation of investigation.

1. Product under consideration:

The product under investigation in the present case is Ferro Silicon originating in or exported from South Africa and Macedonia. Ferro Silicon is an alloy of iron and silicon containing calcium, aluminum, carbon etc., as impurities. Silicon constitutes the major proportion in Ferro Silicon. It is primarily used as a deoxidiser in the production of steel and alloy steels.

Ferro Silicon is classified under Customs sub-heading no. 7202.21 and 7202.2100 of Chapter 72 of the Customs Tariff Act, 1975. The classification is however indicative only and in no way binding on the scope of the present investigations.

2. Domestic Industry Standing:

The petitioner has stated that the following companies are the producers of Ferro Silicon in India: -

- a. M/s Indian Metals and Ferro Alloys Ltd.,
- b. M/s VBC Ferro Alloys Ltd.
- c. M/s Hi Tech Electrothermics and Hydro Power ltd.
- d. M/s Snam Alloys Pvt Ltd.
- e. M/s J.K Alloys Ltd.
- f. M/s Shri Guru Kripa Alloys Pvt Ltd.
- g. M/s Shri Lakshmi Electrosmelts Ltd.
- h. M/s karthik Alloys Ltd.
- i. M/s Muskan Ferro Silicon, Dhar, MP.
- j. The Silcal Metallurgic Ltd.

M/s Indian Metals and Ferro Alloys Ltd., Bhubaneswar, has filed the petition. The petition has also been supported by M/s HitechElectrothermics& Hydropower Ltd. The authority after going through the evidence available determines that these two producers together satisfy the criteria of standing in terms of 5(3) (a) of Anti Dumping Rules.

3. Country(ies) Involved:

The countries involved in the present investigations are South Africa and Macedonia (referred to as subject countries hereinafter).

4. Like Goods

The petitioner has claimed that goods produced by it are like articles to the goods originating in or exported from South Africa and Macedonia. Therefore, for the purpose of investigation, the ferro silicon produced by the petitioner is being treated as 'like Articles' of ferro silicon (hereinafter referred to as subject goods) imported from the subject countries within the meaning of the Rules.

5. Dumping and Dumping Margin

Normal Value: The petitioners have claimed normal value in South Africa and Macedonia on the basis of constructed cost of production of subject goods.

Export price : The petitioners have claimed export price based on the data published by DGCIS and also from secondary sources. Considering the normal value and export prices the dumping margins are significantly higher than the de-minimis limit.

There is sufficient prima facie evidence that the normal values of the product under consideration in South Africa and Macedonia are significantly higher than the prices at which it has been exported to India, indicating, prima facie, that the subject goods are being dumped by the exporters from the subject countries.

6. Injury and Causal Link:

The petitioner has furnished evidence regarding the injury having taken place as a result of the allegedly dumped imports in spite of imposition of anti-dumping duty on a number of sources. The petitioner has claimed that they have suffered material injury in the form of lost sales/contracts, price undercutting and financial losses. The production of the domestic industry has increased over the years and this has resulted in increased capacity utilization, as capacity of the domestic industry has remained the same. However the domestic industry is continuing to incur losses in spite of significant improvements in production and capacity utilization. Their sales, profit/loss etc. collectively and cumulatively, indicates that the domestic industry has suffered injury. There is sufficient prima facie evidence of the material injury being suffered by the petitioner caused by dumped imports from subject countries.

7. Initiation of Anti-Dumping Investigation

In view of the foregoing paragraph, the Designated Authority initiates anti-dumping investigations to determine the existence, degree and effect of alleged dumping of the subject goods originating in or exported from the subject countries.

8. Period of Investigation:

The period of investigation for the purpose of the present investigations is 1st April 2001 to 31st December 2001 (9months).

9. SUBMISSION OF INFORMATION:

The exporters in the subject territory 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, Ministry of Commerce & Industry, Department of Commerce, Government of India, UdyogBhavan, New Delhi – 110 011

As per Rule 6(5) of Rule supra, the Designated Authority is also providing opportunity to the industrial users of the article under investigation, and to representative consumer organizations who can furnish information which is relevant to the investigation regarding dumping, injury and causality. Any other interested party may also make its submissions relevant to the investigation within the time limit set out below.

10. TIME LIMIT:

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.

11.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. In case where an interest 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.SAPTHRISHI,
Designated Authority**