

**Government of India**  
**Ministry of Commerce**

New-Delhi, the 16th April 2002

**INITIATION NOTIFICATION**

**Subject:** Initiation of anti-dumping investigations concerning import of 'X-ray Baggage Inspection Multi Energy System' (XBIS) from the European Union.

**No.14/12/2002- DGAD** M/s ECIL-Rapiscan Ltd., Secunderabad, which is a joint venture between ECIL (Electronics Corporation of India Ltd.) a Government of India Undertaking and Opto Sensor Incorporation, USA, 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 'X-ray Baggage Inspection Multi Energy System' (XBIS) from the European Union and have requested for initiation of anti-dumping investigations and levy of anti-dumping duties.

**Product Involved:** The product under investigation in the present case is 'X-ray Baggage Inspection Multi Energy System' (XBIS). The petition is against alleged dumping of two models viz., Heimann Models HS6040i and HS9075i with size (tunnel dimension) width x height (1) 60cms x 40cms and (2) 90cms x 75cms. It is used for detection of explosives, firearms, narcotics and contra band at port of importation, security agencies and airports. There is no substitute available to XBIS.

'X-ray Baggage Inspection Multi Energy System' (XBIS) is classified under Customs sub-heading no. 90.22.19 of the Customs Tariff Act, 1975 and the ITC classification is 90.22.1901. The classification is however indicative only and in no way binding on the scope of the present investigations.

**2. Domestic Industry Standing:** The petition has been filed by M/s ECIL –Rapiscan Limited which is a joint venture between Electronic Corporation of India Ltd. (ECIL) a Government of India Public Sector Undertaking and Opto Sensor Inc. (Rapiscan) USA., located at Secunderabad.

ECIL is the only manufacturer of the subject goods in India..

The petitioner therefore satisfies the standing to file the present petition.

**3. Country(ies)/ Territory Involved:** The country/territory involved in the present investigations is European Union (referred to as subject territory hereinafter).

**4. Like Goods:** The petitioner has claimed that goods produced by it are like articles to the goods originating in or exported from European Union. Goods produced by the petitioner are being treated as Like Articles to the goods imported from the subject territory within the meaning of the Rules.

**5. Dumping and Dumping Margin:**

Normal Value: The petitioner has claimed normal value in European Union (Germany) on the basis of M/s Heimann prices as quoted to the Brazil Government Postal Service in the International Tender of the Brazil Postal Services for the acquisition of X-Ray equipments dated 10/2001 for model 6040d which is the same model as 6040i with minor modification for the customer and 9075. As evidence of dumping M/s Heimann's pricing in Brazil as published in The Journal De Brasilia and its English translation have been enclosed as Annexure in the petition. M/s Heimann's pricing in Brazil is accepted by the Authority for determination of normal value for purpose of initiation, that would be as per the provisions of Section 9A(1)© (ii)(a).

Export price: The petitioner has claimed export price based on the price of the colour X-Ray Baggage Inspection System (XBIS) models viz., 28 Nos. XBIS model HS6040i and 11 Nos. XBIS model HS9075Hi Trax quoted by M/s Heimann Systems Inc., Quebec, Canada to the Airports Authority of India. The revised commercial bid is dated 9/4/2001 and the same has been accepted by the Airports Authority vide Order No. 3/3/2000 – AR- II (EQ) dated 20/4/2001 and 23/4/2001. M/s Heimann Canada, (marketing office), obtained the order which is under dumping allegation. The supply of the systems is by M/s Heimann System GmbH, Wiesbaden, Germany.

Considering the normal value and export price the dumping margins are significantly higher than the de-minimis limit.

There is sufficient evidence that the normal values of the product under consideration in the European Union 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 exporter from the European Union.

**6. Injury and Causal Link:** The various economic indicators relating to domestic industry such as production, sales, profit/loss etc. collectively and cumulatively, indicates that the domestic industry has suffered injury. There is sufficient prima facie evidence that the imports of the product under consideration have caused material injury to the domestic industry.

**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 territory.

**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 country and the importers in India known to be concerned are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Designated Authority, Ministry of Commerce, Directorate of Anti-Dumping, 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.

**10. Time Limit:** Any information relating to the present investigations 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 letter addressed to them separately.

**11.** Anti-dumping investigations being a time bound exercise, the Designated Authority may record its findings on the basis of facts available on record in accordance with the Rules supra, if no response is received within the time stipulated or the information is incomplete in any respect.

**12. 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.

**13.** 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