

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE**

NOTIFICATION

New Delhi, the 25th July, 2003.

PRELIMINARY FINDING

Subject: -Anti-Dumping Investigations concerning imports Sun/Dust Control Polyester film into India of originating in or exported from Taiwan and United Arab Emirates (UAE) – Preliminary Findings.

14/53/2002-DGAD - Having regard to the Customs Tariff Act 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, thereof.

A. PROCEDURE:

1. The procedure described below has been followed with regard to the investigations:-

- i. The Designated Authority (hereinafter referred to as Authority), under Rules, received written application from M/s. Garware Polyester Ltd., Mumbai alleging dumping of Sun/Dust Control Polyester Film (hereinafter referred to as subject goods), originating in or exported from Taiwan and UAE (hereinafter referred to as subject countries).
- ii. The Authority, on the basis of sufficient evidence submitted by the petitioner, decided to initiate investigations against imports of Sun/Dust Control Polyester Film from the subject countries. The Authority notified the Embassies/High Commissions/ Representatives of subject countries about the receipt of dumping allegation before proceeding to initiate investigations in accordance with sub-rule 5(5) of the Rules;
- iii. The Authority issued a Public Notice dated the 3rd March, 2003, published in the Gazette of India, Extraordinary, initiating Anti-Dumping investigations concerning imports of Sun/Dust Control Polyester Film originating in or exported from the subject countries, classified under Custom sub-headings 39.20.69.04 under Chapter 39 of the Customs Tariff Act, 1975.

- iv. The Authority forwarded a copy of the Public Notice to the known exporters (whose details were made available by the petitioners) and industry associations and gave them an opportunity to make their views known in writing in accordance with Rule 6(2);
- v. The Authority forwarded a copy of the Public Notice to the known importers of subject goods in India (whose details were made available by the petitioners) and advised them to make their views known in writing within forty days from the date of the letter;
- vi. Request was made to the Central Board of Excise and Customs (CBEC) to arrange details of imports of subject goods for the past three years, including the period of investigations;
- vii. The Authority provided a copy of the petition to known exporters and the Embassies/High Commissions of the subject countries in accordance with Rules 6(3) supra.
- viii. The Authority sent questionnaire, to elicit relevant information, to the known exporters from subject countries as mentioned below in accordance with the rule 6(4):
 - a. M/s Gain Per Enterprise Co. Ltd., Taiwan.
 - b. M/s Cawor Enterprise Co. Ltd., Taiwan.
 - c. M/s Solartek Top Colour Film Ltd., Taiwan.
 - d. M/s Al-Khateeb Bros Trading L.L.C. Dubai, UAE.
 - e. M/s Orpro Company L.L.C. Sharjah, UAE.

The response was, however, filed by the following exporters of subject goods:

- a. M/s Orpro Company LL.C. Sharjah, UAE.
- ix. The Embassies/High Commissions/ Representatives of the subject countries in New Delhi were informed about the initiation of the investigations 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 exporter was also sent to the Embassies/High Commissions of subject countries along with a list of known exporters/ producers.

A questionnaire was sent to known importers and Consumers of subject goods in India calling for necessary information in accordance with Rule 6(4). No response was, however, filed by any of the importers / consumers of subject goods.

- x. Additional information regarding injury parameters including cost of production was sought from the petitioner, which was also received;

- xi. The Authority made available 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;
- xii. Optimum cost of production and cost to make and sell the subject goods in India based on the information furnished by the petitioner on the basis of Generally Accepted Accounting Principles(GAAP) was worked out so as to ascertain if Anti-Dumping duty lower than the dumping margin would be sufficient to remove injury to Domestic Industry;
- xiii. *** in this Notification represents information furnished by the petitioner on confidential basis and so considered by Authority under the Rules;
- xiv. Investigation was carried out for the period starting from 1st April, 2002 to 31st December, 2002.

B. PETITIONER'S VIEWS:

2. The petitioners have submitted that:-

- a. There is a very significant increase in the imports of the subject goods.
- b. The price at which subject goods are being imported is ridiculously low . The extent of price undercutting is unprecedented and has not been seen in any other cases.
- c. The Domestic Industry is making financial losses from the sales in the domestic market, whereas it is making decent profits in the export markets.
- d. The price at which the imports have been made would have serious suppressing / depressing effect on the prices of the Domestic Industry.
- e. The Domestic Industry has been forced to reduce the prices below the cost of production as a result of significant dumping in the country. The financial situation of the Domestic Industry has deteriorated significantly. The Domestic Industry has been forced to a situation of significant financial losses from a situation of profit.
- f. The price at which the material has been exported to India is far below the raw materials cost associated with production of the subject goods.
- g. The price at which material is being exported is the price at which plain polyester film is being imported.
- h. Considering the normal value and export price the dumping margin is not only significant but also substantial.
- i. The Anti Dumping Duty against the subject countries may be imposed with retrospective effect in accordance with Section 9A(3) of the Act
- j. Imports have increased in absolute terms. The increase is significant and material;

- k. Imports have increased significantly from Taiwan / UAE in relation to imports of the product in India;
- l. Imports have increased in relation to production of the domestic industry in India;
- m. Imports have increased in relation to demand of the subject goods in India;
- n. As a result of increase in imports, the sales of the domestic industry have declined.
- o. Production, which has been increasing till 2001-02 declined in proposed period of investigation. Moreover, it should also be seen that the domestic industry has significant export activities. Thus, increase in production till 2001-02 is due to higher export volumes. The domestic sales of the domestic industry have declined in period of investigation when compared to previous years;
- p. Sales volumes in the domestic market of the Domestic Industry , which has been increasing till 2001-02, declined in investigation period. Due to dumping of subject goods from subject countries, the domestic industry has not been able to increase its sales in spite of increase in demand of product in India.
- q. Should the dumped imports from subject countries continue, the domestic industry would loose further sales, as in spite of reducing prices, the imports are significantly undercutting the prices of the domestic industry.
- r. The landed price of imports after charging prevailing level of customs duties is significantly below the selling price of the domestic industry. Thus, the domestic industry is facing severe price undercutting. As a direct result, the domestic industry has lost significant sales volumes;
- s. The landed price of imports is significantly below the non-injurious price of domestic industry causing price suppression;
- t. The selling price of domestic industry is below the non-injurious price of the domestic industry. The imports are thus resulting in price underselling in the market.
- u. The price at which material is being imported do not permit recovery of even raw material cost, leave aside other variable cost. The domestic industry can not even think to match the price of imported material.
- v. Company has been making very marginal profits. In spite of very competitive pricing, the company is loosing volumes, rather than increasing the same, due to unfairly priced dumped imports.
- w. In spite of reduction in production, the domestic industry is faced with increasing inventory levels.
- x. Even when the demand for the product has been growing and is positive, the growth of the company in the domestic market has been negative due to dumped imports.

- y. Volume and value of imports from other countries are either de-minimus or the prices are significantly higher. Imports from other countries are not causing injury to the domestic industry.
- z. Demand for the product is on the increase.

C. VIEWS OF EXPORTERS, IMPORTERS AND OTHER INTERESTED PARTIES:

3. EXPORTERS' VIEWS

M/s ORPRO COMPANY , LCC , SHARJAH, UAE

M/s ORPRO requested the Authority for grant of extension to file response by eight weeks. The Authority, however, granted an extension of 15 days to file reply to the initiation in the prescribed questionnaire. No response in the form and manner has been received from the exporter. However, the exporter has submitted that the price difference is due to the simpler reason and more efficient process of production employed by Orpro and it is therefore different from used by Garware Polyester Ltd.

No other exporter from the subject countries has filed any response to the questionnaire.

4. VIEWS OF OTHER INTERESTED PARTIES

5. None of the other interested parties filed any response to the initiation .

D. EXAMINATION OF THE ISSUES RAISED:

6. The submissions made by the exporters, importers, petitioner and other interested parties have been examined, considered and have been dealt with at appropriate places hereinafter.

E. PRODUCT UNDER CONSIDERATION:

7 (i) views of the Domestic Industry

- a. Product under consideration in the present case is sun film, known by different names in the trade and market parlance such as Sun Control Films, Sun Films, Solar films, Solar Control Films, Solar Window Films, Window Films, largely used for heat rejection/glare reduction U.V. rejection, safety, by applying on window glasses, for automobiles as well as buildings, etc.

b. Petitioner has submitted that the product is also described by various names, which include the following: -

- i. Sun Control Films
- ii. Sun Films,
- iii. Solar films,
- iv. Solar Control Films,
- v. Solar Window Films,
- vi. Window Films,
- vii. Sun Control Polyester Film
- viii. Heat Solar Film, etc.

c. Sun control films are broadly categorized as follows:-

- Non-reflective films: standard sun control film with different shades, available in different degree of light transmission.
- reflective or semi-reflective films: these are sun control films with a metallised coating/ metallised film lamination. The metallisation helps in rejecting higher degree of solar heat.
- matte films: these are films with a matte finish, which ensures that the transmitted light to be diffused. They are also called privacy films.
- safety films: these are thicker films used for protecting the glass from splintering due to accidental breakage. They may be clear or with coloured shades.

Whatever be the types, subject goods with adhesive coating would invariably have lamination with another film. This lamination is done with the release liner and is removed before end application. The adhesive on the subject good helps in sticking the film to the glass.

- d. The process of manufacturing of the subject goods involves Production of Dyed Film from Plain Polyester Film, Siliconizing on the Plain Polyester Film (Liner), Scratch resistant coating on the dyed polyester film, Metallisation on Plain Polyester Film, (for reflective / semi reflective films), Lamination of metallized film with dyed polyester film with thermosetting adhesive, Lamination of release liner – The adhesive is applied on the dyed/metallized film and then laminated with Silicon release liner, Slitting and Quality Control.
- e. Petitioner is the sole producer of the subject goods in India and, therefore satisfies standing to file the present petition and constitutes domestic industry.
- f. There is no known difference between the product exported from Taiwan and UAE and the product supplied by the petitioner. Therefore, subject goods

produced by the petitioner is a like article to the goods imported from Taiwan and UAE in accordance with the anti-dumping Rules.

- g. There is no known difference between the production process employed by the petitioner and the producer in the subject country.

7 (ii) **Examination by the Authority :**

- a. The product under consideration in the present investigation is Specialty Polyester Film i.e. Sun / Dust Control Polyester Film originating in or exported from Taiwan and UAE. Sun/ Dust Control Polyester Film is applied to the inner side of the glass windows. Its main function is to reduce the solar heat glare, ultra violet light and glare that normally would enter through the windows. This film also provides increased shatter resistance.

The product is described by several names in the commercial parlance. It is clarified that the scope of the product under consideration in the present petition extends to all types of sun/dust control polyester films, regardless of trade or commercial names used.

- b. Sun/Dust Control Polyester Film is classified under Customs sub heading No. 392069 under Chapter 39 of the Customs Tariff Act, 1975 and 39206904 under ITC. The classification is, however, indicative only and is in no way binding on the scope of the present investigation.
- c. Sun/Dust Control Polyester Film is produced using plain polyester film as the base film and is processed further by way of siliconising, scratch resistance coating, metallisation, lamination, etc.
- d. Various types of Sun/Dust Control Polyester Film, viz. Non reflective films, reflective or semi-reflective film, matte film and safety films are within the scope of the present investigations.

F LIKE ARTICLES:

8. Rule 2(d) of the Anti-Dumping Rules specifies that "Like Articles" means an Article which is identical or alike in all respects to the product under investigation or in the absence of such an Article, another article, having characteristics closely resembling those of the articles under examination.

In the present investigation none of the opposing interested parties have raised any issue with regard to the Like Article. Domestic industry claimed that the goods produced by it are like article to the goods imported from the subject countries on the basis of technical and commercial substitutability of the product. Accordingly the Authority holds that Sun/Dust Control Polyester Film being produced by the domestic

industry and those being imported from the subject countries can be used interchangeably and thus are commercially and technically substitutable and therefore, are like articles within the meaning of the Rules.

G. DOMESTIC INDUSTRY:

9. The petition has been filed by M/s. Garware Polyester Ltd., Mumbai and is the sole producer of the subject goods in the country. The petitioner accounts for 100% of the domestic production during the period of investigation of the subject goods in India. Accordingly, the Authority holds that the petitioner fulfils the requisite criteria to represent the domestic industry, as required under Rule 5(a) and (b) and Rule 2(b).

H. NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN:

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

- i. 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 domestic market of the exporting country or territory, or when because of the particular market situation or low volume 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:-
- iii. Comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or
- iv. The cost of production of the same 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);
- v. 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 transshipped through the country of export or such article is not produced in 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.
- vi. The Authority provided opportunity to the exporters from subject countries to furnish information relevant to the investigations and offer comments, if any, in accordance with the Section cited above. The Authority wrote to the Embassies/High Commissions/r Representatives of subject countries in India also.

11. TAIWAN

(a) NORMAL VALUE

The Authority notes that none of the exporters/producers from Taiwan has provided the information as per the prescribed questionnaire.

The Authority therefore, holds that none of the exporters from Taiwan has cooperated with the Authority as envisaged under the Rules. Under the circumstances, normal value has been based on constructed cost of production with reasonable profit of Sun Dust Control Polyester Film as provided by the domestic industry as the best available information under the Rules 6(8) supra. Accordingly, the Normal Value of Sun/Dust Control Polyester Film for all exporters from Taiwan has been taken at US\$ *** per Kg.

(b) EXPORT PRICE:

None of the exporters from Taiwan or importers in India has submitted details of export price in reply to the Questionnaire. The Authority has adopted the export price as reported by DGCI & S , Kolkatta. Adjustments towards ocean freight, insurance and commission totaling to US\$ ***/Kg based on the claim of the petitioner has been considered. The Ex-factory export price in the Period of Investigation thus works out to US \$ *** /Kg.

12. UAE:

(a) NORMAL VALUE:

The Authority notes that none of the exporters/producers from UAE has provided the information as per the prescribed questionnaire.

The Authority therefore, holds that none of the exporters from UAE has cooperated with the Authority as envisaged under the Rules. Under the circumstances, normal value has been based on constructed cost of production with reasonable profit of Sun Dust Control Polyester Film as provided by the domestic industry as the best available information under the Rules 6(8) supra. Accordingly, the Normal Value of Sun/Dust Control Polyester Film for all exporters from UAE has been determined at US\$ *** per Kg.

(b) EXPORT PRICE:

None of the exporters from UAE or importers in India has submitted details of export price in reply to the Questionnaire. The Authority has adopted the export price based on DGCI&S, Calcutta statistics. Ocean freight, insurance, inland freight, and commission totaling to US \$*** /Kg based on the claim of the petitioner has been adopted. The Ex-factory export price in the Period of Investigation thus works out to US \$*** /Kg.

I. DUMPING MARGIN

13.The rules relating to comparison provides as follows:-

"While arriving at margin of dumping, the Designated Authority shall make a fair comparison between the export price and the normal value. The comparison shall be made at the same level of trade, normally at ex-works level, and in respect of sales made at as nearly possible the same time.

Due allowance shall be made in each case, on its merits, for differences which affect price comparability, including differences in conditions and terms of sales, taxation, levels of trade, quantities, physical characteristics, and any other differences which are demonstrated to affect price comparability"

The authority has carried out comparison of weighted average ex-factory normal value with the weighted average ex-factory export price for evaluation of dumping margin.

The dumping margins are above the de-minimus limits. The dumping margins for the producers/exporters of the subject goods in the subject countries are as under:-

| COUNTRY-WISE EXPORTERS/ PRODUCERS | NORMAL VALUE (\$/MT) | EXPORT PRICE (\$/MT) | DUMPING MARGIN | DUMPING MARGIN (%) |
|--------------------------------------|-------------------------|-------------------------|-------------------|-----------------------|
| <u>UAE.</u> | | | | |
| All Exporters | *** | *** | *** | 213% |
| <u>TAIWAN</u> | | | | |
| All Exporters | *** | *** | *** | 700% |

J. INJURY:

14.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 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 increases, which otherwise would have occurred, to a significant degree.

For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry as production, capacity utilization, sales quantum, stock, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II(iv) of the rules supra.

K. CUMULATIVE ASSESSMENT OF INJURY

15. 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 percent expressed as percentage of export price and the volume of the imports from each country is three percent of the imports of the like article or where the export of the individual country is less than three percent, the imports cumulatively accounts for more than seven percent of the imports of like article, and cumulative assessment of the imports is appropriate in light of the conditions of competition between the imported article and the like domestic articles"

The Authority notes that the margin of dumping and quantum of imports from subject countries are more than the limit prescribed above. Cumulative assessment of the effect of the imports from Taiwan and UAE is appropriate since the export prices from these countries were directly competing with the prices offered by the Domestic Industry in the Indian market and displacing domestic producers here.

16. All economic parameters affecting the Domestic Industry as indicated above such as production capacity utilization, sales volume etc. have been examined as under:-

(a) .QUANTUM OF IMPORTS AND MARKET:

The information with regards to quantum of imports of Sun/Dust Control Polyester Film has been based on information published by DGCI&S, Calcutta in respect of UAE & other countries and on the basis of Secondary Sources (transaction wise

information on imports, as compiled and provided by M/s. INFORMANT, MUMBAI) in respect of Taiwan, since the volume of imports reported by DGCI & S for Taiwan is only 16639 Kgs for the period of investigation. The volume of imports as also their market share has been as given in table below:-

| Particulars | 1999-2000 | 2000-2001 | 2001-2002 | POI (April to Dec,02) | POI Annualized |
|-------------------------|-----------|-----------|-----------|-----------------------|----------------|
| In Kgs | Volume | Volume | Volume | Volume | Volume |
| Imports | | | | | |
| Taiwan | 2464 | 9107 | 30478 | 91206 | 121608 |
| UAE | 0 | 0 | 6000 | 10592 | 14123 |
| Subject Countries | 2464 | 9107 | 36478 | 101798 | 135731 |
| Other Countries | 11833 | 2372 | 38988 | 29605 | 39473 |
| Total Imports | 14297 | 11479 | 75466 | 131403 | 175204 |
| Domestic Sales | 193560 | 194980 | 208000 | 135000 | 180000 |
| Demand | 207857 | 206459 | 283466 | 266403 | 355204 |
| Market share in Imports | | | | | |
| Taiwan(%) | 17.23 | 79.34 | 40.39 | 69.41 | 69.41 |
| UAE(%) | 0.00 | 0.00 | 7.95 | 8.06 | 8.06 |
| Subject Countries (%) | 17.23 | 79.34 | 48.34 | 77.47 | 77.47 |
| Other Countries(%) | 82.77 | 20.66 | 51.66 | 22.53 | 22.53 |
| Total (%) | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Share in demand | | | | | |
| Subject Countries | 1.19 | 4.41 | 12.87 | 38.21 | 38.21 |
| Domestic industry | 93.12 | 94.44 | 73.38 | 50.68 | 50.68 |
| Other Countries | 5.69 | 1.15 | 13.75 | 11.11 | 11.11 |

Note : Volume of imports are as per DGCI & S except Taiwan , which is as per secondary source viz. INFORMANT, MUMBAI.

The Authority notes that:-

- i. Volume of imports from the subject countries have increased very significantly in absolute terms.
- ii. Share of imports from the subject countries in total imports have increased very significantly.
- iii. Share of imports from the subject countries in total demand of the product in India has increased very significantly.

The Authority notes that the above clearly shows adverse volume effect caused by the dumped imports on the Domestic industry.

(b) Various parameter relating to the domestic industry have been analysed as under: -

1. Installed capacity of the petitioner has remained the same over the period.
2. Effective production of the domestic industry has increased significantly. The Authority notes that since various types of subject goods are produced, it may not be appropriate to compare actual production over the years. The petitioner has determined effective production, after converting production of various types of films into single ply sun films. This has been described as "effective production". It is noted that effective production of subject goods has increased significantly.
3. As a result of increase in effective production, capacity utilization of the domestic industry has increased.
4. The petitioner has negligible captive consumption of the subject goods. Changes in the pattern of captive consumption have, therefore, not caused material injury to the domestic industry.
5. Sales volumes of the domestic industry in the domestic market has declined after registering an increase.
6. Export sales of the domestic industry have shown significant increase after marginally declining in 2000-01.
7. The landed price of imports is very significantly below the selling price of the domestic industry. The extent of price undercutting is so high that the landed price of imports is almost 1/5 of the selling price of the domestic industry.
8. The subject goods are eventually consumed by public at large. Given the huge price difference between the domestic and imported product, the imports are resulting in replacement of the subject goods. Resultantly, while the share of the domestic industry has very significantly declined, the share of subject imports has very significantly increased.
9. Average stocks with the domestic industry have increased over the period.
10. Production per working day has increased on the lines of increase in the production levels.
11. While unit cost of production has increased, the selling price has also increased. The domestic industry was earlier making financial losses. The losses, however, declined steeply and the domestic industry registered profits in 2001-02. The domestic industry again faced financial losses in the period of investigation. However, even though the domestic industry suffered financial losses from sales in the domestic market, it has significantly improved its profitability in the export market.
12. Cash flow and return on capital employed follows the trend of profitability, which again became negative in domestic sales in the period of investigation after being positive in the immediately preceding year.
13. Employment and wages shows positive improvement. However, this has to be seen in the light of significant export activities of the domestic industry.

14. The dumping margin is very high. Given very low price of imports and extent of dumping, the impact of dumping would be very adverse.
15. It is noted that the demand of the subject goods is positive. However, the increase in domestic sales growth is negative.

L. CAUSAL LINK:

17.(a) The Authority after careful examination of the various parameters affecting the domestic industry notes that the landed price of imports from the subject countries is significantly below the cost of production and selling price of the domestic industry. Accordingly the market share of imports in demand as also imports into India has significantly increased. As a direct consequence, the domestic industry has lost significant market share. It is also noted that the performance of the domestic industry after continuously improving between 1999-2000 and 2001-02 again deteriorated in the POI.

(b) The Authority also notes that import price from other countries is at a higher price. At the same time, their share has drastically declined, whereas the share of imports from the subject countries has increased considerably. Imports from other countries could not have, therefore, caused material injury to the domestic industry. Demand of the subject goods has shown an increase. Possible decline in demand could not have caused material injury to the domestic industry. The domestic industry is exporting the product to a number of countries in the world. Not only that its export price is higher, but also the volumes have increased. Export performance of the domestic industry could not, therefore, have been a cause of material injury to the domestic industry. No other factor of injury has been brought to the knowledge of Authority.

(c) It has been argued by Orpro Company, UAE that the reason for injury to the domestic industry is more efficient process employed by Orpro. The Authority, however, notes that the domestic industry has exported the material to a number of countries in the world. Its export price to other countries at best can be said to be higher than its prices in the domestic market. In fact, the domestic industry has exported the material to UAE and Taiwan at prices much higher than the price at which the material has been imported into India. In fact, the price at which the material has been exported to India is lower than the price of plain polyester film, leave aside cost of other chemicals which form a substantial part of costs and which have to be added to produce subject goods. Further, cost of conversion of the plain film to the subject goods also calls for substantial value addition. It can not, therefore, be said that the domestic industry has employed relatively inefficient process.

M. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES:

18. (a) The purpose of Anti Dumping Duties, in general, is to eliminate dumping which is causing injury to the Petitioner Company and to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country.

(b) The Authority recognizes 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 on 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 petitioner company. On the contrary, imposition of Anti Dumping measures would remove the unfair advantages gained by dumping practices, would prevent the decline of the petitioner companies and help maintain availability of wider choice to the consumers of Sun/Dust Control Polyester Film imposition of Anti Dumping measures would not restrict imports from the subject countries in any way, and, therefore, would not affect the availability of the product to the consumers.

N. CONCLUSIONS:

19. It is seen, after considering the foregoing, that:

- a. Sun/Dust Control Polyester Film originating in or exported from subject countries have been exported to India below Normal Value, resulting in dumping;
- b. The Domestic Industry has suffered material injury from exports of subject goods from Taiwan and UAE;
- c. The injury has been caused cumulatively by the imports from Taiwan and UAE;

It is considered necessary to impose Anti-Dumping Duty, provisionally, pending final determination, on all imports of Sun/Dust Control Polyester Film originating in or exported from Taiwan and UAE pending final determination.

20. It was considered whether a duty lower than the dumping margin would be sufficient to remove the injury. The average landed price of the imports, for the purpose, was compared with the Non-injurious price of the petitioner company, determined for the period of investigation. 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 Duty equal to the difference between the amount indicated in column (9) below and the landed value of imports be imposed from the date of notification to be issued in this regard by the Central Government, on all grades of subject goods originating in or exported from Taiwan and UAE falling under Chapter 39 or any other Chapter of the Customs Tariff Act, 1975, pending final determination.

| | | | | | | |
|----------|----------------------|------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| 20 A. | Currency | (11) | US\$ | US\$ | US\$ | US\$ |
| | Unit of measurement | (10) | Per Kg | Per Kg | Per Kg | Per Kg |
| | Amount | (9) | 10.99 | 10.99 | 10.46 | 10.46 |
| | Exporter | (8) | Any Exporter | Any Exporter | Any Exporter | Any Exporter |
| | Producer | (7) | Any Producer | Any Producer | Any Producer | Any Producer |
| | Country of Export | (6) | Any country | Taiwan | Any country | UAE |
| | Country of Origin | (5) | Taiwan | Any country except UAE | UAE | Any country except Taiwan |
| | Specification | (4) | Any Specification | Any Specification | Any Specification | Any Specification |
| | Description of Goods | (3) | Sun/Dust Control Polyester Film |
| | Customs Sub-heading | (2) | 39 20 69 | 39 20 69 | 39 20 69 | 39 20 69 |
| SNo | (1) | 1. | 2. | 3 | 4. | |

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

FURTHER PROCEDURE:

22. 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 finding;
- 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 from the date of the dispatch of the letter. 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 conduct further verification to the extent deemed necessary;
- d. The Authority would disclose essential facts before announcing final findings.

(L.V. SATHARISHI)
DESIGNATED AUTHORITY