

To be published in Part-I Section I of the Gazette of India Extraordinary
F. No. 14/35/2016-DGAD
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Anti-dumping & Allied Duties

Dated 23rd August, 2017

INITIATION NOTIFICATION

Subject: Anti-Dumping investigation concerning imports of “Belting Fabric” originating in or exported from People’s Republic of China.

1. No. 14/35/2016-DGAD SRF Limited (hereinafter referred to as the applicant) has filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter also referred to as the Act) and 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 also referred to as the Rules) for initiation of anti-dumping investigation and imposition of anti-dumping duty concerning imports of Belting Fabric (also referred to as Subject goods). The Countries concerned is People’s Republic of China also referred to as the Subject Country.
2. And whereas, the Authority notes that sufficient prima facie evidence of dumping of the subject goods, originating in or exported from the subject country, causing ‘injury’ to the domestic industry and causal link between the alleged dumping and ‘injury’ exists justifying initiation of an anti-dumping investigation. The Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of Rule 5 of the Rules, to determine the existence, degree and effect of alleged dumping and to consider recommending an amount of antidumping duty, which if levied, would be adequate to remove the ‘injury’ to the domestic industry.

Domestic Industry & Standing

3. The petition has been filed by SRF Limited. There are other producers whose names have been provided by the petitioner along with their petition. The petitioner is not related to the exporters or importers of the alleged dumped article. The petitioner has not imported the dumped articles from China. The facts of the case, clearly establish that petitioner should be considered eligible domestic industry within the meaning of Rule 2(b).
4. The Authority holds that the petitioner constitutes an eligible domestic industry in terms of Rule 2 (b) and satisfies the criteria of standing also in terms of Rule 5 (3) of the Rules supra.

Product under consideration

- a. The product under consideration in the present petition is "Belting Fabric" The Rubberized Textile Fabric (RTF) is technical textile fabric weighing less than 1500-gram square meter (GSM) Or
 - b. More than 1500 GSM and contains more than 50% by weight of textile material.
5. Belting Fabric is normally made of either nylon or polyester or a combination thereof. It is a Rubberized Textile Fabric (RTF) or Conveyor Belt Fabric (CBF), produced from various industrial yarns like Nylon 6 (N6), Nylon 66 (N66) and Polyester Industrial Yarn (PIY). It is being produced and sold either as grey fabric or as dipped fabric. In case of sale of grey fabric, the consumers may do dipping of the fabric in-house before consumption of the product.
 6. Belting Fabric is produced in a large combination of raw material and construction, using different combination of nylon & polyester yarn of different deniers. The product under consideration is a woven fabric having length wise threads called "WARP" and width wise threads called "WEFT". The product under consideration is reinforcement material for manufacturing of Conveyor Belts. Prominent mines and/or industries which use conveyor belts are in the fields of Coal, Steel, Cement, Power etc.
 7. The applicant has proposed that based on raw material consumed and resultant end usage requirement in a Conveyor Belt, various yarn varieties are used in the various combinations. Accordingly, the product under consideration has been categorized into these product types:

Belt Fabric Types (Code)	Type of yarn	
	WARP	WEFT
a. NN(<i>Nylon 6 and Nylon 6</i>)	N6	N6
b. EP(<i>Polyester Industrial Yarn and Nylon 66</i>)	PIY	N66
c. EE(<i>Polyester Industrial Yarn and Polyester Industrial Yarn</i>)	PIY	PIY
d. PP(<i>Nylon 66 and Nylon 66</i>)	N66	N66

8. Authority has considered these product types for the purpose of the present investigations.
9. The product under consideration is classified under Chapter 59 of the Customs Tariff Act. The above classification is indicative only.

Like Article

10. The applicant has claimed that there is no known difference between the subject goods exported from the subject country and that produced by the domestic industry. Subject goods produced by the domestic industry and imported from

the subject country are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers use the two interchangeably. The applicant has further claimed that the two are technically and commercially substitutable and, hence, should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the Authority treats the subject goods produced by the domestic industry in India as 'Like Article' to the subject goods being imported from the subject country.

Countries involved

11. The present investigation is in respect of alleged dumping of Belting Fabric/Conveyer Belting Fabric from China PR (subject country).

Normal Value

Non Market Economy (China PR)

12. Applicant has claimed that China PR should be treated as a non-market economy and normal value in case of China should be determined in accordance with para-7 and 8 of Annexure I of the Rules. The applicant has claimed normal value for China PR on the basis of cost of production in India, duly adjusted. In terms of Para 8 in Annexure 1 to the Rules it is presumed that the producers of the subject goods in China PR are operating under non market economy conditions. In view of the above non-market economy presumption and subject to rebuttal of the same by the responding exporters from China PR, normal value of the subject goods in China PR has been estimated in terms of Para 7 of Annexure 1 to the Rules.

Export Price

13. The applicant has determined ex-factory export price on the basis of transaction wise import data procured from DGCI&S source and providing evidence and basis of adjustments on account of ocean freight, marine insurance, inland freight, port expenses.

Dumping Margin

14. The comparison of normal values with the ex-factory export price has been carried out, which shows a significant dumping margin in respect of the subject goods exported by the subject country.

Injury and Causal Link

15. The petitioner has furnished evidence regarding injury due to alleged dumping due to increased imports in absolute terms and relative to production and consumption in India, price depression, price underselling and adverse impact on profitability, return on capital employed, and cash flow of the domestic industry. There is sufficient prima facie evidence of the 'injury' being suffered by the domestic industry caused by alleged dumped imports from the subject countries to justify initiation of an antidumping Investigation.

Period of Investigation (POI)

16. The period of investigation proposed by the applicant is from 1st April 2016 to 31st March 2017. The injury investigation period shall cover the periods 2013-14, 2014-15, 2015-16 and period of investigation.

Submission of information

17. 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 & Allied Duties,
Ministry of Commerce & Industry, Department of Commerce
4th Floor, Jeevan Tara Building, 5 Parliament Street,
New Delhi -110001.

18. 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.

Time limit

19. Any information relating to the present investigation 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.

20. 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 Antidumping

measures within 40 days from the date of initiation of this investigation.

Submission of Information on Non-Confidential basis

21. In case confidentiality is claimed on any part of the questionnaire's 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.
22. 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.
23. 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.
24. 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.
25. 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.
26. 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.

Inspection of Public File

27. 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.

Non-cooperation

28. 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.

Dr. Inder Jit Singh
Additional Secretary & Designated
Authority