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F. No. 6/23/2019-DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building, 5 Parliament Street, New Delhi – 110001

Dated the 24th September 2019

INITIATION NOTIFICATION

Case No. (OI) 16/2019

Subject: Anti-Dumping investigation concerning imports of Faced Glass Wool in Rolls originating in or exported from China PR.

F.No 6/23/2019-DGTR R: M/s U.P. Twiga Fiberglass Limited (hereinafter also 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 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 also referred to as the Rules) for imposition of Anti-dumping duty on imports of “Faced Glass Wool in Rolls” (hereinafter also referred to as the subject goods or PUC) from China PR (hereinafter also referred to as the subject country).

A. Product under Consideration

2. The product under consideration for the purpose of present investigation is “Faced Glass Wool in Rolls” also referred as Fiberglass Wool (Insulation Material) or Resin Bonded Glass Wool.
3. Glass wool consists of fine glass fibers combined with binder to make blankets and slabs/boards. The process involves passing glass through a fiberizing machine and drawing fibers in a controlled manner from spinners by centrifugal action of rotating spinners, binder is sprayed simultaneously and then passed through curing oven to form rolls, blanket etc.
4. Glass wool uses common glass-making raw materials, typically consisting of Silica sand, soda ash (sodium carbonate), Feldspar, dolomite, limestone and Borax Penta hydrate. Other materials used are recycled glass cullet and bought out sheet glass cullet. The raw materials are mixed in a batch mixing process, then fed together into an electrical furnace/ gas furnace where it is heated to approximately 1500°C. The stream is tapped from furnace and is fed into a conditioner called forehearth where the glass is brought to a temperature where it can be fiberized.

5. The product finds major uses in construction of metal and concrete building, heating, ventilation and air conditioning system to provide cooling services to buildings, acoustic application, shipbuilding, transport industry including railways and automobiles. The product has inherent strength of superior thermal and acoustic performance in addition to non-combustible and fire safe properties. Buildings achieve high energy efficiency by using this product and applications of this product have been increasing for different purposes.
6. The subject products are classified under Chapter Heading 70 “Glass and glassware”. The subject goods are being imported under various sub-headings like 7019 9010, 7019 9090, 7019 1900, 7019 3900, 7019 5900 etc. of the Customs Tariff Act, 1975. In any case, the customs classification is for indicative purposes only and the description of goods shall prevail for the imposition and collection of duties.

B. Like Articles

7. The applicant has claimed that the goods produced by the domestic industry are like articles to the subject goods originating in or exported from subject country. It has been stated that there is no significant difference in the subject goods produced by the applicant and those exported from subject country. The applicant has claimed that the two are technically and commercially substitutable. For the purpose of present investigation, the subject goods produced by the domestic industry are being treated as ‘like articles’ of the subject goods imported from subject country.

C. Domestic Industry & Standing

8. The application has been filed by M/s U.P. Twiga Fiberglass Limited who is the only producer of the subject goods in the country and accounts for 100% share in the total domestic production.
9. The Authority notes that the applicant holds 100% share in total domestic production in the country. They have also furnished necessary certifications to the effect that they have not imported the subject goods from the subject country nor are they related to any exporter or importer of the subject goods from the subject country. Therefore, the applicant can be termed as eligible Domestic Industry in terms of the Rule 2(b). Further, the applicant also satisfies the test of standing under Rule 5(b).

D. Product Control Numbers (PCN)

10. The applicant has proposed adoption of Product Control Numbers (PCN) for the purpose of fair comparison between different types/forms of the product. Applicant has proposed the PCN system on the basis of thickness, density and the type of facing. The PCN methodology suggested by the applicant is provided below.
11. In the proposed PCN, first two digits represent the density of the product (in Kg/metre cube), next three digits represent the thickness of the product (in millimetres), next two digits represent the type of first facing and the last two digits represent the type of second facing as per the codes given below. If there is no second facing, the interested party may use “00”.

12. The coding for the different facings is proposed as follows:

Type of Facing	Corresponding number in PCN
ALG	01
BGC	02
BGT	03
DSFSK	04
FGT	05
FSK	06
MPF	07
R3035 HD	08
WMP-50	09
WMP-VR	10
WMP-VR R Plus	11
Any other	12
None (only in case of second facing)	00

13. Any comments with regard to the proposed PCN system may be filed within 14 days from the date of initiation of this investigation.

E. Country Involved

14. The present investigation is in respect of alleged dumped goods from China PR.

F. Normal Value

15. The applicant has claimed that China PR should be treated as a non-market economy and has determined normal value in accordance with Paras 7 and 8 of Annexure I of the Rules. They have stated that in terms of Para 8 of Annexure I of the anti-dumping rules, China has to be presumed to be a Non-market Economy Country unless the concerned firms/producers/exporters are able to rebut the said presumption based on the criteria spelt out in Para 8(3). The domestic industry has constructed PCN-wise normal value taking into account the information/figures of the most efficient plant of the domestic industry.

G. Export Price

16. The Applicant has claimed the export price on the basis of transaction wise data by DGCI&S, Kolkata. Price adjustments have been claimed on account of estimated ocean freight, marine insurance, inland transportation, port handling and clearance charges, sales commission etc. The Authority has considered adjustments on export price as per its consistent practice on such adjustments in earlier investigations and applied the same on DGCIS data.

H. Dumping Margin

17. The normal value and the export price have been compared at ex-factory level, which prima facie show significant dumping margin in respect of the subject goods from the subject country. There is sufficient prima facie evidence that the normal value of the subject goods in the subject country is higher than the ex-factory export price, indicating that the subject goods are being dumped into the Indian market by the exporters from the subject country.

I. Injury and Causal link

18. Information furnished by the Applicant has been considered for assessment of injury to the domestic industry. The Applicant has furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and also in relation to production and consumption in India, price undercutting, price suppression/depression, price underselling, profitability, cash profits and return on capital employed. There is sufficient prima facie evidence of injury being suffered by the domestic industry caused by dumped imports from the subject country to justify initiation of an anti-dumping investigation.

J. Initiation of Anti-dumping Investigation

19. And whereas, the Authority prima facie finds that sufficient evidence of dumping of the subject goods, originating in or exported from the subject country; and injury to the domestic industry and causal link between the alleged dumping and injury exists to justify 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 recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the 'injury' to the domestic industry.

K. Period of Investigation (POI)

20. The period of investigation for the purpose of the present investigations is April 2018-March 2019. The injury investigation period shall cover the periods 2015-16, 2016-17, 2017-18 and the period of investigation. The period after the investigation period may also be considered for the purpose of likelihood analysis.

L. Submission of information

21. The known exporters in the subject countries, the Government of the subject countries through their embassy 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 Trade Remedies
Ministry of Commerce & Industry
Department of Commerce
4th Floor, Jeevan Tara Building
5 Parliament Street, New Delhi -110001.

M. Time Limit

22. Interested Parties may file their responses with 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.

N. Submission of Information on Confidential / Non-Confidential basis

23. 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.

24. 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 two (02) copies of the non-confidential version must be submitted by all the interested parties.

25. 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.

26. 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.

27. 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.

28. 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.

O. Inspection of Public File

29. 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.

P. Non-cooperation

30. 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.

(Sunil Kumar)
Additional Secretary & Director General