

MINISTRY OF COMMERCE AND INDUSTRY

(Department of Commerce)

INITIATION NOTIFICATION

New Delhi, the 1st July, 2003

Subject: Initiation of Anti-dumping investigation concerning import of Acrylic Fibre from Belarus into India.

No. 14/5/2003-DGAD - Forum of Acrylic Fibres Manufacturers, New Delhi through the participating companies, viz., M/s. Indian Acrylics Ltd., Chandigarh, M/s. Consolidated Fibres and Chemicals Ltd., Kolkata, M/s. Pasupati Acrylon Ltd., New Delhi; have filed a petition in accordance with the Customs Tariff Act, 1975 as amended in 1995 and Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 before the Designated Authority (hereinafter referred to as the Authority) alleging dumping of Acrylic Fibre originating in or exported from Belarus and requested for Anti Dumping investigations and levy of anti dumping duties. Two other domestic producers, viz., M/s. Indian Petrochemicals and Chemicals Ltd., Baroda; and M/s. Vardhman Acrylics Ltd., Ludhiana have supported the petition.

PRODUCT INVOLVED

2. The product involved in the present petition is Acrylic Fibre in all Deniers (hereinafter referred as subject goods). Acrylic Fibre is a long chain of synthetic polymer composed of at least 90% by weight of Acrylonitrile units. Acrylic Fibre can be Acrylic staple fibre, acrylic tow or acrylic top. Petitioners have claimed that Acrylic Fibre is classified under Chapter 55 of Customs Tariff Classification Major Heads 5501 and 5503 with respective six digit classification 5501.30 and 5503.30. These Custom classifications are however, indicative only and are in no way binding on the scope of the present investigation.

DOMESTIC INDUSTRY

3. The petition has been filed by Forum of Acrylic Fibres Manufacturers, New Delhi through the participating companies, viz., M/s. Indian Acrylics Ltd., Chandigarh, M/s. Consolidated Fibres and Chemicals Ltd., Kolkata, M/s. Pasupati Acrylon Ltd., New Delhi. The petitioners' share in the total domestic production of Acrylic Fibre is more than 50% and therefore, the petitioners satisfy the criteria of standing to file the petition in terms of Rule 5(3) (a) of the Rules supra. Two other domestic producers, viz., M/s. Indian Petrochemicals and Chemicals Ltd., Baroda; and M/s. Vardhman Acrylics Ltd., Ludhiana have supported the petition.

COUNTRY INVOLVED

4. The country involved in the present investigation is Belarus (hereinafter referred to as the subject country).

LIKE ARTICLE

5. The petitioners have claimed that the goods produced by them are like articles to the goods produced, originating in or exported from Belarus. Therefore, for the purpose of the present investigation, the goods produced by the petitioners are being treated as 'like articles' to that imported from the subject country within the meaning of the Rules supra.

NORMAL VALUE

6. The petitioners have claimed Normal Value in respect of exports from Belarus under para 7 & 8 of Annexure 1 of Anti Dumping Rules i.e. treating Belarus as Non-Market Economy. In support of their claim, they have produced EC Notification dated 8th October, 2002 wherein Belarus has been treated as Non-Market Economy in respect of Anti Dumping investigation pertaining to PSF exports to EU. Petitioner has thus claimed Normal Value on estimates of cost of production in India plus selling, general and administrative expenses and profits. For estimates of cost of production, international price of raw materials has been considered. The Authority proposes to examine the claim of the petitioner in the light of para 7 and 8 of Annexure 1 of the Anti Dumping Rules as amended. The Authority has prima facie considered the Normal value of subject goods in Belarus on the basis of estimates of cost of production as made available by the petitioner.

EXPORT PRICE

7. The petitioners have furnished the data published by the DGCI&S regarding imports of Acrylic Fibre from subject country to determine the export price of the subject goods. Adjustments have been claimed on account of ocean freight, insurance, commission, inland transportation and port handling charges to arrive at the Export Price at ex-factory level.

DUMPING MARGIN

8. There is sufficient evidence that Normal Value of the subject goods in the subject country is significantly higher than the net export price indicating prima-facie that the subject goods are being dumped by exporters from the subject country.

INJURY AND CAUSAL LINK

9. Various parameters relating to injury such as the increase in imports from subject country, decline in market share of domestic industry, decline in sales, increase in inventory, inability to realize fair and reasonable price affecting profitability of the Domestic Industry prima-facie indicate collectively and cumulatively that the Domestic Industry has suffered material injury on account of dumping.

INITIATION OF ANTI-DUMPING INVESTIGATIONS

10. The Designated Authority, in view of the foregoing paragraphs, initiates anti-dumping investigations into the existence, degree and effect of alleged dumping of the subject goods originating in or exported from the subject country.

PERIOD OF INVESTIGATION (POI)

11. The period of investigation for the purpose of present investigation is 1st April 2002 to 31st March 2003.

SUBMISSION OF INFORMATION

12. The exporters in the subject country 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, Department of Commerce, Ministry of Commerce and Industry, Government of India, 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.

TIME LIMIT

13. 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.

INSPECTION OF PUBLIC FILE

14. 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 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