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Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
(Directorate General of Anti Dumping & Allied Duties)  
Udyog Bhawan, New Delhi

**F.NO. 14/28/2009-DGAD**

Dated the 8<sup>th</sup> January 2010

Initiation Notification

Subject: Initiation of anti-dumping investigation concerning imports of certain glass fibre and articles thereof, originating in or exported from the China PR

Whereas M/s. Owens Corning India Limited - Mumbai and M/s. OCV Reinforcement Manufacturing Limited, Hyderabad (herein after referred to as applicants) have filed an application before the Designated Authority (hereinafter referred to as the Authority), in accordance with the Customs Tariff Act, 1975 as amended in 1995 (herein after 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 (herein after referred to as the Rules), alleging dumping of Glass fibre and articles thereof, originating in or exported from the China PR (herein after referred to as "subject country") and requested for initiation of Anti Dumping investigations for levy of anti dumping duties on the subject goods.

1. PRODUCT UNDER CONSIDERATION

Product under consideration in the present petition is Glass fibre and articles thereof, including glass rovings, glass chopped strands, glass chopped strands mats. Specifically excluded from the scope of the product under consideration are glass wool, glass yarn, glass woven fabrics and chopped strands of a kind generally treated with polyurethane or acrylic emulsion meant for thermoplastic applications.

Glass fibre articles are made from extremely fine fibres of glass. Glass fibre articles are essentially a reinforcement material. Various uses for glass fibre articles include thermal insulation, electrical insulation, reinforcement of various materials, tent poles, sound absorption, heat and corrosion resistant fabrics, high strength fabrics, pole vault poles, arrows, bows and crossbows, translucent roofing panels, automobile bodies, hockey sticks, surfboards, boat hulls, and paper honeycomb. The subject goods is classified under chapter 70 of the Customs Tariff Act at subheading no. 7019. The customs classification is however, is for reference purpose only and will have no binding on the scope of the present investigation.

2. LIKE ARTICLE

The applicant has claimed that there are no known differences in subject goods produced by the petitioner and exported from China PR. Both products have comparable characteristics in terms of parameters such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and

tariff classification, etc. The goods produced by the domestic industry are comparable to the imported goods from China PR in terms of essential product properties. The goods offered by the domestic industry are like article to the goods imported from China PR.

### 3. DOMESTIC INDUSTRY STANDING

The application has been jointly filed by M/s. Owens Corning (India) Limited, Mumbai and OCV Reinforcement manufacturing Limited, Thimmapur, Hyderabad. The application has been supported by M/s. Goa Glass Fibres Limited. It is noted that Owens Corning (India) Limited and OCV Reinforcement Manufacturing Limited are related to each other and have related entities in a number of countries outside India having manufacturing facilities for production of the product under consideration and other types of glass fibres. It is noted that such related company in China PR has exported very small volume (less than 0.05% of production by the domestic industry) of the product under consideration during the investigation period. The petitioners have claimed that these subject goods have been cleared after the investigation period. On the basis of information available on record, and considering that the volume of exports made by the related company are very insignificant, the Authority determines that the petitioner companies are eligible to file the present petition within the meaning of Rule 2(b) and Rule 5 of the Rules.

There is no other producer of product under consideration in India. It is noted that (a) production of the applicant constitutes a major proportion in Indian production; (b) domestic producers expressly supporting the application account for more than 50 percent of production of the like product produced by the domestic industry; and (c) the application has been made by or on behalf of the domestic industry. The Authority after examining the information on record, and having considered the fact of exports by petitioners' related entities in the light of scope of Rule 2(b), determines that the applicant constitutes domestic Industry within the meaning of the Rule 2 and the application satisfies the criteria of standing in terms of Rule 5 of the Rules supra.

### 4. COUNTRY INVOLVED

The country involved in the present investigation is China PR.

### 5. NORMAL VALUE

The applicant have claimed that China PR is a non market economy and proposed that Korea RP should be considered as appropriate surrogate country for China PR. The applicants have

furnished information relating to prices in domestic market in Korea RP and determined normal value in China as per prices prevailing in Korea RP. The Authority hereby invites comments from all interested parties in accordance to para 7 of Annexure I about appropriateness of Korea RP as surrogate country for China PR. Separate normal value is determined for each type of the product and average normal value is also determined for the product concern as a whole. **There is sufficient prima facie evidence with regard to normal value claimed by the petitioners.**

#### 6. EXPORT PRICE

Export price of the subject goods from the subject countries has been determined by considering transaction-wise import data collected from Secondary Sources. Adjustments have been made on account of ocean freight, marine insurance, commission, and port expenses etc. in the exporting country to arrive at ex-factory export price. **There is sufficient prima facie evidence with regard to export price claimed by the petitioners.**

#### 7. DUMPING MARGIN

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

#### 8. INJURY AND CAUSAL LINK

The applicant has furnished information on various parameters relating to material injury. Analysis of the information shows that imports from subject country have increased in the period of investigation in absolute term as also in relation to production and consumption in India. Various economic parameters like the loss in market share, significant decline in the profitability of the domestic industry, significant deterioration in return on investment and cash profit, prima facie, indicate collectively and cumulatively that the domestic industry have suffered material injury on account of dumped imports of subject goods from China PR.

#### 9. INITIATION OF ANTI DUMPING INVESTIGATIONS

The Designated Authority, in view of the foregoing paragraphs, finds that sufficient prima facie evidence of dumping of the subject goods from the China PR, injury to the domestic industry and causal link between the dumping and injury exist. The Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of the Rules 5 of the said Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of antidumping duty which, if levied, would be adequate to remove the injury to the domestic industry.

#### 10. PERIOD OF INVESTIGATION (POI)

The Period of Investigation for the purpose of the present investigation is April 2008 - Sept 2009 (18 months). The injury investigation period will, however, cover the period 2005-06, 2006-07, 2007-08 and the POI.

#### 11. SUBMISSION OF INFORMATION

The exporters in the subject country, Governments through the Embassies, the importers in India known to be concerned with this investigation and the domestic industry are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Designated Authority at the following address:

The Designated Authority  
Directorate General of Anti Dumping & Allied Duties,  
Ministry of Commerce & Industry,  
Department of Commerce,  
Government of India,  
Room No. 243, Udyog Bhavan,  
New Delhi - 110011.

As per Rule 6(5) of Rule supra, the Designated Authority is also providing opportunity to the industrial users of the article under investigation and to representative consumer organizations, who can furnish information relevant to the investigation regarding dumping, injury and causality. Any other interested party may also make its submissions relevant to the investigation within the time limit set out below.

#### 12. TIME LIMIT

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. With regard to sending the comments on the appropriateness of Korea RP as surrogate country for China PR as mentioned in para 5 of this notification, the interested parties are required to send the comments within 14 days from the date of notification.

#### 13. SUBMISSION OF INFORMATION

In terms of Rule 6(7) of the Rules, the interested parties are required to submit non-confidential summary of any confidential information provided to the Authority and if in the opinion of the party providing such information, such information is not susceptible to summarization, a statement of reason thereof, is required to be provided. 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 Designated Authority may record findings on the basis of facts available and make such recommendations to the Central Government as deemed fit.

#### 14. INSPECTION OF PUBLIC FILE

In terms of Rule 6(7), the Designated Authority maintains a public file. Any interested party may inspect the public file containing non-confidential version of the evidence submitted by interested parties.

P.K Chaudhery  
Designated Authority