

MINISTRY OF COMMERCE

NOTIFICATION

New Delhi, the 6th June, 1995

Subject: Initiation of Anti-dumping investigation concerning imports of Low Carbon Ferro Chrome (LCFC) from Russia, Kazakhstan & Ukraine

No 47/ADD/94.—The Ferro Alloy Corporation (FACOR) through the Indian Ferro Alloy Producers has filed a petition, alleging, dumping of low Carbon Ferro Chrome (Carbon content 0.03 percent –0.2 percent Max) by Russia, Kazhakistan & Ukraine as per Customs Tariff (Identification, Assessment & collection of Anti dumping duty on dumped articles & for determination Injury).

2. Domestic Industry: Petition has been filed by the Ferro Alloy Corporation Ltd., through the Indian Ferro Alloy producers Association, Hindustan Times, 8th Floor, 18-20, Kasturba Gandhi Marg, New Delhi-110 001. The petitioner have averred that they are accounting for about 96% of the total production of LCFC in India and therefore they satisfy the standing as domestic industry under the above said rules.

3. Product Involved : Low Carbon Ferro Chrome is a highly tailor made Ferro Alloying element required as vital input for stainless steel production with very stringent specification of silicon, carbon, sulphur, phosphorus and aluminium with chrome content ranging between 65% to 70% and carbon content ranging from 0.03% - 0.02% Max. It is classifiable under heading 7202.49 of Schedule of Indian Customs Tariff Act, 1975.

4. Dumping : The petitioners have alleged that as least 1051 MT of LCFC has come from Russia, Kazhakistan and Ukraine during first nine month of 1994-95 as against 1254 MT during 1993-94. Russia, Ukraine & Kazhakistan being Non market economies, the petitioner have suggested that Zimbabwe be considered as a surrogate country, as was done by EEC. The petitioners have worked out the cost of production based on power tariff in Zimbabwe which is 1/4th that in India, since the product is power intensive, to be Rs. 47,412/- per MT during the period 1st April, 1994 – 30th September, 1994. The average c.i.f. price in India during the same period worked out to be Rs. 31,166. There is prima facie evidence of dumping as the c.i.f. prices from Russia, Kazhakistan and Ukraine are below the cost of production as derived from the above.

5. Injury: The quantum of imports shows an increase form 63 MT in 1992-93 to 1264 MT in 1993-94 and 1051 MT during first nine months of 1994-95. As a result of

dumping, the domestic industry has been unable to compete on the price front. There has been a decline in sales & Production. The domestic industry has not been able to realise a price comparable to the increase in cost of production, thereby implying price suppression by imports from Russia, Ukraine and Kazakhstan. The decline in production & suppression of prices of the domestic industry has resulted in loss to the companies engaged in manufacturing the product in India.

6. There is prima facie evidence that imports of LCFC from Russia, Kazakhstan and Ukraine are causing material injury to the domestic industry in India.

7. Initiation of Anti-Dumping Investigation: I am, therefore, initiating anti-dumping investigation and to the existence, degree and effect of alleged dumping of LCFC, originating from Russia, Kazakhstan & Ukraine.

8. Time Limit & Address for making submission: The exporters in Russia, Kazakhstan and Ukraine and importer known to the concerned are being addressed separately to make their views known in the form and prescribed so as to reach me by 3rd July, 1995 at the following address:

Dr. Y.V. Reddy,
Designated Authority
And
Additional Secretary
Ministry of Commerce
Udyog Bhawan
Room No. 243
New Delhi-110011
Fax No. 00-91-11-3011837
INDIA

Other interested parties are advised to make their submissions relevant to the investigation in the prescribed form within the time limit at the above address.

The interested parties are also advised to make known the Designation Authority if they wish to present information orally.

Y.V. REDDY
Designated Authority & Addl. Secy.