

MINISTRY OF COMMERCE

NOTIFICATION

New Delhi, the 15th March, 1996

Subject:- Initiation of anti-dumping investigation concerning imports of Acrylonitrile Butadiene Rubber originating from Germany and the Republic of Korea.

No. 9/1/95-ADD- M/s. Gujarat Apar Polymers Limited has filed a petition before me for imposition of anti-dumping duty on imports of Acrylonitrile Butadiene Rubber originating from Germany and the Republic of Korea in accordance with Customs Tariff Act and Custom Tariff (Identification, Assessment and Collection of Anti Dumping Duty of Dumped Articles and for Determination of Injury) Rules, 1995

2. Domestic Industry:

The petition has been filed by M/s. Gujarat Apar Polymers Limited, Maker Chambers III, 1st Floor, Jamnalal Bajaj Road, Nariman Point, Bombay-400 021. M/s. Synthetic & Chemicals Ltd. also produces Acrylonitrile Butadiene Rubber in small quantities. However, the production of the said article by petitioner accounts for the major proportion of the total domestic production of the article in India and therefore has a stranding to file a written request on behalf of domestic industry under the Rules above said.

3. Product Involved:

Acrylonitrile Butadiene Rubber (ALSO KNOWN AS Nitrile Rubber or NBR) is a synthetic rubber, mainly used in manufacturing various rubber articles, mainly such as Oil Seals, Hoses, Automotive products, Gaskets, Rice Dehusking Rolls. Printer fabrics, Oil field products, etc. NBR is classified under Customs Heading 4002.59 of Schedule-I of Indian Trade Classification (Based on Harmonised Commodity description and Coding System).

4. Dumping

Normal Value

The petitioner has alleged, based on a letter from M/s. Bayer AG, Germany that the domestic price of NBR in Germany is US\$ 2248 per MT. It has expressed its inability to furnish domestic price of NBR in the Republic of Korea, or its highest export price to third country, pleading non availability of the information, It has however,

requested to consider Normal Value on the basis of estimated cost of production of NBR in the Republic of Korea, based on international prices of major raw materials Acrylonitrile and Butadiene. The same comes to US\$ 1979.

Export Price

Petitioner has submitted transaction was information about imports of NBR in India and has alleged that weighted average CIF export price of NBR to India comes to US\$ 1133 per MT in 1994-95 (October 1994 – March 1995). In case of Germany and US\$ 1201 per MT during the same period in case of Republic of Korea. The petitioner has claimed some adjustments in the CIF export prices, such as expenditure incurred on Ocean Freight, Insurance, Special Packing for exports, being incurred exclusively on exports for working out Export Price and Normal Value on the same level of trade, and worked out ex-works Export Price of US\$ 814 per MT in case of Germany and US\$ 882 per MT in case of Republic of Korea.

The petitioner has alleged that since NBR is being exported from Germany and Republic of Korea at less than its Normal Value, NBR originating from Germany and Republic of Korea is being dumped in India.

5. Injury:

The petitioner has alleged that export of NBR from Germany have sharply increased from 306 MT (1993-94) to 1139 MT (October 1994-March 1995) resulting in increase in its market share from 4 per cent to 20 per cent during the corresponding period. The imports from the Republic of Korea have also increased from 311 MT (93-94) to 388 MT (October 1994-March 1995), resulting in increase in its market share from 4 per cent to 7 per cent during the corresponding period. It has further alleged that in case of exports from Germany the CIF export price has sharply declined from Rs. 57,843 per MT (1993-94) to Rs. 35,733 per MT (October 1994-March 1995).

The various economic indicators relating to domestic industry such as production, capacity utilisation, sales unit sales realisation, profit/loss, stock, etc. collectively, prima facie indicate that the domestic industry has suffered material injury.

6. There is a prima facie evidence that imports of NBR originating from Germany and the Republic of Korea are causing material injury to the Indian industry.

7. Initiation of Anti Dumping Investigation:

I, therefore, under Rule 5 of the Rules supra initiate investigation to determine the existence, degree and effect of any alleged dumping of NBR originating from Germany and the republic of Korea from the date of issue of this notification.

8. Time Limit:

Address for making submission- The exporters in the People's Republic of Germany and the Republic of Korea and importers known to be concerned are being addressed separately to make their views known in the form and manner prescribed so as to reach me with 40 days of the date of this Notification at the following address:

T.S. Vijayraghavan

Designated Authority And Additional Secretary
Ministry of Commerce
Room No. 134-A,
Udyog Bhawan,
New Delhi-110 011 (INDIA)

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

T.S. VIJAYARAGHAVAN,
Designated Authority
And Addl. Secy.