

**Government of India
Ministry of Commerce & Industry
Department of Commerce**

New Delhi, the 16th January, 2003

INITIATION NOTIFICATION

Subject: - Initiation of Anti-Dumping investigation concerning import of **Titanium Dioxide** originating in or exported from People's Republic of China.

No 14/51/2002-DGAD – Titanium Dioxide Manufacturer's Association has filed a petition in accordance with the Custom 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 (herein after referred to as the Authority) alleging dumping of Titanium Dioxide (Anatase Type) from People's Republic of China and requested initiation of anti dumping investigation and levy of anti dumping duty.

1. PRODOUCT INVOLVED

The product under consideration in the present petition is Titanium Dioxide (Anatase Type) originating in or exported from People's Republic of China. Titanium Dioxide Anatase is a white pigment and has a very high degree of whiteness. Its tinting strength and hiding power are superior to any other pigment, and it also has stability and durability against light and heat. It is nontoxic. Titanium Dioxide is classified under Custom Tariff heading 28.23.00 and 28.23.00.01 under Indian Trade Classification. The classification is, however, indicative only and is in no way binding on the scope of the present investigation

2. DOMESTIC INDUSTRY STANDING

Titanium Dioxide Manufacturer's Association has filed the petition on behalf of Indian Producers. Travancore Titanium Product Limited is the member of the Association and a major producer of Titanium Dioxide (Anatase Type). M/s Travancore Titanium Product Limited, Thiruvananthapuram, Kerala State has provided all relevant information with regard to the present petition and has been referred as "Petitioner company". M/s Kolmak Chemicals, Kolkata and M/s Kilburn Chemicals, Chennai are other producers of Titanium Dioxide and both these companies have supported the anti-dumping petition. The Petitioner Company

represents about 57% of Indian Production during the period of investigation and satisfies the standing to file the present petition.

3. COUNTRY (IES) INVOLVED:

Country involved in the present investigation is People's Republic of China (referred to as subject country/ies hereinafter)

4. LIKE ARTICLE

The petitioner has claimed that goods produced by them are like article to the goods produced, originating in or exported from the subject country, on grounds of technical and commercial substitutability. Goods produced by the petitioner are being treated as like article to the goods imported from the subject country within the meaning of the Rules.

5. NORMAL VALUE

The petitioner has claimed China PR as non market economy country in terms of Notification 1/2001 dated 4th January, 2002 and have requested that the normal value be based on the constructed cost of production duly adjusted to include selling, general and administrative expenses and reasonable profit margin.

There is sufficient prime facie evidence with regard to normal value of Titanium Dioxide (Anatase) in the subject country.

6. EXPORT PRICE

The petitioner has claimed the export price of subject goods based on information furnished by DGCI &S, Calcutta for the period April 2001- June2002 (latest available). Adjustments have been claimed on account of Ocean Freight, Marine Insurance, Inland Freight, Port Expenses to arrive at Ex- factory level.

There is sufficient prime facie evidence with regard to Export Price of Titanium Dioxide (Anatase) from the subject country.

7. DUMPING MARGIN

Considering the normal value and export price, the dumping margin is significantly higher than the de-minimus limits.

There is sufficient price -facie evidence that Normal Value of subject goods in the subject country is significantly higher than the price at which it has been exported to

India, indicating, *prima facie* that subject goods are being dumped by exporters from subject country.

8. INJURY AND CAUSAL LINK

Various parameter relating to injury such as the decline export price, increase in import volume, decline in production, capacity utilization, adverse profitability of Domestic Industry, inability of the domestic industry to realise fair and reasonable price from sale of subject goods, collectively and cumulatively indicate that the domestic industry has suffered material injury.

There is sufficient *prima facie* evidence that Domestic Industry has suffered material injury on account of dumping.

9. INITIATION OF ANTI DUMPING INVESTIGATION

The Designated Authority, in view of the foregoing paragraph, initiates anti dumping investigation into the existence, degree and effect of alleged dumping of the subject goods origination in or exported from the subject country.

10. PERIOD OF INVESTIGATION (POI)

The period of investigation for the purpose of present investigation is 1st January, 2002 to December, 2002 (12 month).

11. SUBMISSION OF INFORMATION

The exporters in the subject country and the importers in India known to be concerned are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Designated Authority, Ministry of commerce & Industry, Department of Commerce, Directorate General of Anti Dumping and Allied Duties (DGAD), Udyog Bhawan, New Delhi- 110011. Any other interested party may also makes its submission relevant to the investigation in the prescribed form and manner within the time limit set out below.

12. TIME LIMIT

Any formation 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 information. The known exporters and importers, who are being addressed separately, are, however, required to submit the information within forty days from the date of letter addressed to them separately.

13. INSPECTION OF PUBLIC FILE

In terms of Rule 6 (7), any interested party may inspect the public file containing non confidential version of the evidence submits 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 and makes such recommendations to the Central Government as deemed fit

(L.V. SAPTHARISHI)
DESIGNATED AUTHORITY