

**F NO 14/5/2013-DGAD
Government of India**

Ministry of Commerce & Industry

Department of Commerce

(Directorate General of Anti Dumping & Allied Duties)

Udyog Bhawan New Delhi

Dated the 22 nd January , 2014

Subject: Initiation of Anti-Dumping Investigation concerning imports of “Poly Vinyl Chloride Paste/Emulsion Resin originating in or exported from Norway and Mexico.

No14/5/2013-DGAD M/sChemplast Sanmar Limited Chennai have filed an application before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the Act) and the Customs Tariff (Identification, Assessment and Collection of Anti- Dumping Duty on Dumped articles and for Determination of injury) Rules,1995 as amended from time to time (hereinafter referred to as the AD Rules) for initiation of Anti-Dumping Duty investigation concerning imports of Poly Vinyl Chloride Paste Resin' (PVC Paste Resin) (hereinafter also referred to as the subject goods) originating in or exported from Norway and Mexico (hereinafter also referred to as the subject countries).

2. AND WHEREAS, the Authority finds that sufficient evidence of dumping of the subject goods originating in or exported from the subject countries; 'injury' to the domestic industry; and causal link between the alleged dumping and 'injury' exist to justify initiation of an anti-dumping investigation; 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 AD Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the 'injury' to the domestic industry.

Domestic Industry & Standing

3. The petition has been filed by M/s Chemplast Sanmar Limited Chennai. There is one more producer namely M/s Finolex Industries Limited, of the subject product in India. M/s Finolex Industries Limited has supported the petition. The petitioner has certified that they have neither imported the product under consideration, nor they are related to any importer or exporter of the product under consideration. The Authority after examining the information on record determines that the applicant companies constitute domestic Industry within the meaning of the Rule 2(b) and the application satisfies the criteria of standing in terms of Rule 5 of the Rules supra.

Product under consideration

4. Product under consideration is 'Poly Vinyl Chloride Paste Resin' also called "Emulsion PVC Resin" and referred to as PVC paste resin (hereinafter also referred to as the subject product or the subject goods). There are primarily two types of PVC resins, namely PVC Paste Resin and PVC Suspension Resin. All grades of Poly Vinyl Chloride Paste Resin" also called "Emulsion PVC Resin" and referred to as PVC paste resin are subject matter of present investigation and are within the scope of product under consideration
5. However PVC Suspension Resin, PVC Blending Resin, co-polymers of the PVC Paste Resin and Battery Separator Resins are excluded from the ambit and scope of this investigation.
6. The PVC Paste Resin is produced from Vinyl Chloride Monomer (VCM). VCM is produced using EDC, which in turn requires chlorine as one of the major products. The subject goods is produced and sold in the form of white/off-white powder. The properties of the subject goods are described in terms of K value, inherent viscosity, particle size retention, heat loss, initial BFB etc.
7. The subject goods fall under Chapter 39 of the Act under subheading no. 39042210. However, the Customs classification is indicative only and is in no way binding on the scope of the present investigation.

Like Articles

8. Petitioner has claimed that there is no known difference between the subject goods exported from the subject countries and that produced by the petitioner. Subject goods produced by the domestic industry and imported from subject countries are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers can use and are using the two interchangeably. The two are technically and commercially substitutable. Hence, should be treated as 'like article' under the AD Rules.

Therefore, for the purpose of the present investigation, the Authority treats the subject goods produced by the petitioner in India as 'Like Article' to the subject goods being imported from the subject countries.

Subject Country

9. The present application has been filed in respect of alleged dumping of the product under consideration from Norway and Mexico (hereinafter referred to as subject countries).

Normal value

10. Petitioners have submitted that efforts were made to get information/evidence of price of subject goods in the domestic market of subject countries as well as export price to third countries. However they could not get adequate and accurate information on transaction price either for the domestic market of the subject countries or for exports to other countries. Therefore Petitioners have constructed normal value based on the data of domestic industry and international price of major raw material, best consumption norm and

reasonable profit margin.

Export Price

- 11 The applicants have claimed export price for product under consideration based on DGCIS data to assess the volume and value of imports in India. Price adjustments have been made on account of ocean freight, marine insurance, port expenses and Inland transportation in the country of export. to arrive at the net export price

Dumping Margin

- 12 The Petitioner has provided sufficient evidence that the normal values of the subject goods in the subject countries are significantly higher than the net export prices, prima-facie, indicating that the subject goods originating in or exported from the subject countries are being dumped, to justify initiation of an antidumping investigation.

Injury and Causal Link

- 13 Information of petitioner has been considered for assessment of injury to the domestic industry. The Petitioner has furnished evidence regarding the 'injury' having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to production and consumption in India, significant price undercutting and price depression and consequent significant adverse impact in terms of profits, return on capital employed, and cash flow for the domestic industry. The Authority considers that there is sufficient evidence of the 'injury' being suffered by the domestic industry caused by dumped imports from subject countries to justify initiation of an antidumping investigation.

Period of Investigation

- 14 The period of investigation for the present investigation is proposed from 1st April, 2012 to 30th June, 2013 (15 Months). However, the injury investigation period will cover the periods April 2009-March 2010, April 2010-March 2011, April 2011 to March 2012 and the proposed Period of Investigation (POI).

Submission of information

- 15 The known exporters in the subject countries and the Government of subject countries through its Embassy in India, importers and users in India known to be concerned and the domestic industry are being informed separately to enable them to file all information relevant in the form and manner prescribed. Any other interested party may also make its submissions relevant to the investigation within the time-limit set out below and write to:

The Designated Authority
Directorate General of Anti-Dumping and Allied Duties
Department of Commerce
Room No.240, Udyog Bhawan,
New Delhi-110107

Time limit

- 16 Any information relating to this investigation should be sent in writing so as to reach the Authority at the above address not later than 40 days from the date of this notification. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its findings on the basis of the 'facts available' on record in accordance with the AD Rules.
- 17 All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire's responses and offer their comments to the domestic industry's application regarding the need to impose anti-dumping measures within 40 days from the date of initiation of this investigation

Submission of Information on Non-Confidential basis

- 18 In case confidentiality is claimed on any part of the questionnaire's response/submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc.) and (b) other set marked as Non-Confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either "confidential" or "non-confidential" at the top of each page.
- 19 Information supplied without any mark shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies each of the confidential version and the non-confidential version must be submitted.
- 20 For information claimed as confidential; the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed and/or why summarization of such information is not possible.
- 21 The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out / summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, party submitting the confidential information may indicate that such information is not susceptible of summary; a statement of reasons why summarization is not possible, must be provided to the satisfaction of the Authority.
- 22 The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
- 23 Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority. The Authority on being satisfied and accepting the need for confidentiality of the information provided; shall not disclose it to any

party without specific authorization of the party providing such information

Inspection of Public File

24 In terms of Rule 6(7), any interested party may inspect the public file containing the non-confidential versions of the evidence submitted by other interested parties.

Non-cooperation

25 In case any interested party refuses access to and 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 Governments as deemed fit.

(J S Deepak)

The Designated Authority