

**No. 14/21/2014-DGAD
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Anti-Dumping & Allied Duties)
4th Floor, Jeewan Tara Building, Parliament Street, New Delhi**

Dated: 27.07.2015

INITIATION NOTIFICATION

Subject: Anti Dumping investigation concerning imports of “Measuring Tapes” originating in or exported from Chinese Taipei, Malaysia, Thailand & Vietnam - reg.

No.14/21/2014-DGAD: Whereas M/s FMI Limited, Ludhiana (hereinafter also referred to as the applicant or the petitioner) has filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter also 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 also referred to as the Rules) for initiation of anti-dumping investigation and imposition of anti dumping duty on the imports of **“Measuring Tapes” originating in or exported from Chinese Taipei, Malaysia, Thailand & Vietnam** (hereinafter also referred to as the subject countries).

2. And whereas, the Authority finds that sufficient prima facie 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 and, therefore, the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of Rule 5 of the Rules, to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which if levied, would be adequate to remove the ‘injury’ to the domestic industry.

Domestic Industry & Standing

3. The application has been filed by M/s FMI Limited, Ludhiana as domestic industry of the product under consideration. As per the application, there are a number of other producers of the subject goods in India like Freemans Measures Pvt Limited, Klas Tape Co., Venus Industrial Corpn., Ambika Overseas and New Wave Industries. All these producers have extended support to the petition in writing. As per the evidence available on record, the production of the applicant accounts for major proportion of the total domestic production of the subject goods. The Authority, therefore, determines that the applicant constitutes

domestic industry within the meaning of Rule 2 (b) and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra.

Product under consideration

4. The product under consideration is "Measuring Tapes". All type of steel measuring tapes and fibre glass measuring tapes are the subject matter of the present petition. These are generally used for measuring the length, breadth etc. of an object. These are mostly used by foreman, mason, carpainter, forestry departments and tailors etc. Measuring Tapes are manufactured from tempered high quality carbon steel blade, phosphated and coated with special enamel to withstand corrosion and rust. Measuring tapes are used for: -

- a. high precision professional jobs;
- b. measuring depth, width, or length of an object;
- c. contraction and surveys.

5. In technical terms, measuring tapes are defined in terms of length and width of a tape, raw material used, i.e., steel or fibre glass, and finally precision with which dimensions are marked on the tape. These are classified under Chapter 90 of the Customs Tariff Act under sub-headings 9017, 9017.80, 9017.8001, 9017.90. The applicant has stated that subject goods are being imported under above-mentioned sub-headings. The Custom classification, however, is indicative only and not binding on the scope of investigation.

Like Article

6. The applicant has claimed that the subject goods being produced by the domestic industry are identical to the subject goods being dumped into India from the subject countries. The applicant has claimed that the subject goods produced by the applicant and imported from the subject countries are having comparable characteristics in terms of parameters such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable and hence should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the subject goods produced by the applicant in India are being treated as 'Like Article' to the subject goods being imported from the subject countries.

Subject Countries

7. The subject countries in the present investigation are Chinese Taipei, Malaysia, Thailand and Vietnam.

Normal Value

8. The applicant has claimed that they made efforts to get information about the price at which these items are being traded in the domestic markets of the subject countries. The applicant has further claimed that they have not been able to procure any such information or reasonable evidence of price prevailing in the domestic markets of the subject countries which are market economy countries. The applicant has, thus, constructed normal value for determination of normal value on the basis of cost of production in India duly adjusted, except power cost for which prices have been collected for the individual countries from the source United States Energy Information Administration, Monthly Energy Review, May 2010. The normal value has been claimed for Steel and Fibre Glass Tapes separately owing to significant cost and price difference between the two types. Further, the major raw material used for production of the two types is also different.

Export Price

9. The applicant has determined the export prices based on IBIS import data to assess the volume and value of subject import in India. The export prices have been adjusted for ocean freight, marine insurance, bank charges, commission, port and inland freight expenses.

Dumping Margin

10. The normal values and the export prices have been compared at ex-factory level, which show significant dumping margin in respect of the subject countries. There is sufficient prima facie evidence that the normal values of the subject goods in the subject countries are significantly higher than the ex-factory export prices, indicating, prima facie, that the subject goods are being dumped into the Indian market by the exporters from the subject countries. There is sufficient evidence of the significant dumping margin to justify initiation of antidumping investigation.

Injury and Causal Link

11. The applicant has claimed that domestic industry has suffered material injury from dumped imports from the subject countries. The demand for the product has increased over the injury period. Subject imports have increased in absolute terms and relative to production and consumption in India. The imports are undercutting the domestic prices and the imports have suppressed the domestic prices to a significant level and have thereafter depressed the domestic prices. With regard to consequent impact of the imports on the domestic industry, performance of the domestic industry has deteriorated in respect of parameters such as profits, return on capital employed and cash profits. The domestic industry is suffering significant financial losses, cash losses and negative return on investments. The petitioner has claimed that the material injury has been caused due to the dumped imports from the subject countries. There is sufficient prima facie evidence of injury to the domestic industry caused by dumped imports from subject countries to justify initiation of an anti-dumping investigation.

Period of Investigation (POI)

12. The Period of Investigation (POI) determined by the Authority is from April 2014 to March 2015. The injury investigation period will, however, cover the periods 2011-12, 2012-13, 2013-14 and the Period of Investigation.

Submission of Information

13. The exporters in the subject countries, their Governments through their Embassies in India, the importers and users in India known to be concerned 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 Authority at the following address:

The Designated Authority
Directorate General of Anti-Dumping and Allied Duties
Ministry of Commerce and Industry
Department of Commerce
4th Floor, Jeewan Tara Building, 5, Parliament Street, New Delhi

14. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other parties.

Time Limit

15. All known interested parties, whose addresses are available, would be advised through a letter to file questionnaire responses in the form and manner prescribed and to offer their comments in writing so as to reach the Authority at the address mentioned above not later than forty days (40 Days) from the date of issuance of such letter. Any other interested party, whose address is not available, may also submit comments/ information within 40 days from date of publication of this notification. The information must be submitted in hard copies as well as soft copies. 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.

Submission of information on confidential basis

16. The parties making any submission (including Appendices/Annexure attached thereto), before the authority including questionnaire response, are required to file the same in two separate sets, in case "confidentiality" is claimed on any part thereof:-

- (a) one set marked as Confidential (with title, number of pages, index, etc.), and
- (b) the other set marked as Non-Confidential (with title, number of pages, index, etc.).

17. The “confidential” or “non-confidential” submissions must be clearly marked as “confidential” or “non-confidential” at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority and the Authority shall be at liberty to allow the other interested parties to inspect such submissions. Soft copies of both the versions will also be required to be submitted, along with the hard copies, in five (5) sets of each.

18. The confidential version shall contain all information which are by nature confidential and/or other information which the supplier of such information claims as confidential. For information which are claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information can not be disclosed.

19. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and 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 to summary, and a statement of reasons why summarization is not possible, must be provided to the satisfaction of the Authority.

20. 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 if 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.

21. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim shall not be taken on record by the Authority.

22. 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

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

Non-cooperation

24. 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 to it and make such recommendations to the Central Government as deemed fit.

J K Dadoo
Designated Authority