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File No. 14/44/2016-DGAD
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Anti Dumping & Allied Duties)
4th Floor, Jeevan Tara Building, Parliament Street, New Delhi

Dated the 31st March, 2017

#### Case NO. Ol 23/2017

### **INITIATION NOTIFICATION**

Subject: Anti-Dumping Duty investigation concerning imports of "Fishing Net" originating in or exported from Bangladesh and China PR.

F. No.14/44/2016-DGAD: Indian Fishnet Manufacturers Association (hereinafter referred to as 'association' or "petitioner') has filed a petition 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 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 concerning imports of fishnet (hereinafter referred to as the 'subject goods') from Bangladesh and China PR (hereinafter referred to as the 'subject countries').

2. And whereas, the Authority prima facie 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 Rule 5 of the Rules, to determine the existence, degree and effect of alleged dumping and to

recommend the quantum of antidumping duty, which if levied, would be adequate to remove the 'injury' to the domestic industry.

3. 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 dumping and 'injury' exists 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 Rule 5 of the AD Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the quantum of antidumping duty, which if levied would be adequate to remove the 'injury' to the domestic industry.

## **Domestic Industry & Standing**

- 4. The petition has been filed by Indian Fishnet Manufacturers Association on the behalf of the fishnet producers in India representing as the domestic industry of the subject goods.
- 5. As per the evidence available on record, the production of the applicant constitutes "a major proportion" of the domestic production. The production of the product under consideration is largely in the unorganized sector in the country. Majority of the Indian producers of subject goods are members of the association.
- 6. The applicant has certified that there are no imports of the product under consideration by the petitioner companies from the subject countries. Since the production of the petitioner accounts for "a major proportion" in the total production of the product under consideration in India, the applicant satisfies the standing and constitutes Domestic Industry within the meaning of the Rules. The Authority, therefore, determines that the applicant constitutes eligible domestic industry within the meaning of Rule 2 (b) of the Anti Dumping Rules and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra.

## **Product under consideration**

7. The product under consideration in the present petition is "Fishnet" or "Fishing Net".

- 8. Fishing Nets are devices made from fibers woven in a grid-like structure. Fishing nets are usually meshes formed by knotting a relatively thin thread. Early nets were woven from grasses, flaxes and other fibrous plant material. Later cotton was used. Due to the technical characteristics of Nylon, Nylon fishnet constitutes more than 65-70% of the total fishnet consumption world over. While HPDE is at 25 30% of the total fishnets, PP/ Polyester constitute 5-10% of the total demand globally. Present petition includes Nylon Fishing nets only whether 100% or blended. In case of blended, scope includes fishing nets containing 50% or more Nylon by weight.
- 9. The product does not have dedicated classification. The product is being imported under HS code, 560811 10. The customs classification is indicative only and in no way it is binding upon the product scope.
- 10. For the purpose of analyzing the imports data, the Authority has relied upon transaction wise DGCI&S data.

### Like Articles

11. The applicant has claimed that there is no known difference between the subject goods exported from subject countries and that produced by the domestic industry. As submitted by the applicant, the product under consideration 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 applicant has further claimed that 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 Authority treats the subject goods produced by the applicants in India as "Like Article" to the subject goods being imported from the subject countries/territory.

## **Subject Countries**

12. The present investigation is in respect of alleged dumping of the product under consideration from Bangladesh and China PR (referred to as the "subject countries").

### Normal value

13. The petitioners have submitted that in absence of reliable information in the public domain on domestic prices of the subject goods in the subject countries, the Normal Value in the subject countries have been estimated on the basis of cost of production; taking into account cost of raw material, cost of utilities and conversion cost of domestic industry, duly adjusted on account of selling, general & administration expenses, plus reasonable profit.

### **Export Price**

14. The export price has been claimed by the applicants as weighted average import price into India of the product under consideration by adopting DGCI&S published data. For fair comparison between the normal value and export price, it is necessary to compare the two at the same level of trade. The export prices being CIF value while the normal values being at ex-factory level, the export prices have been adjusted for ocean freight, marine insurance, commission, inland freight expenses and port expenses.

### **Dumping Margin**

15. The normal value has been compared with the export price at ex-factory level. There is sufficient prima facie evidence that the normal value of the subject goods in the subject countries are higher than the ex-factory export price, indicating, that the subject goods are being dumped into the Indian market by the exporters from the subject countries. The dumping margins are estimated to be above de minimis.

### Period of Investigation

16. The Period of Investigation (POI) proposed by the applicant is from April 2015 to March 2016 (12 months). However, for enabling the Authority to make required analysis on the basis of more updated data, the Authority has fixed the POI as April 2015 to September 2016 (18 Months). The injury investigation period will however cover the periods 2012-13, 2013-14, 2014-15, 2015-16 and period of investigation.

#### **Submission of information**

17. The known exporters in the subject countries, the Government of the subject countries through its embassy in India, the importers and users in India known to be concerned with the product 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,

Ministry of Commerce & Industry

Department of Commerce

Directorate General of Anti Dumping & Allied Duties

4th Floor, Jeevan Tara Building, Parliament Street

New Delhi - 110001

## **Time limit**

- 18. Any information relating to the present investigation and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (40 Days) from the date of publication 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 Anti-dumping Rules.
- 19. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses and offer their comments to the domestic industry's application regarding the need to impose the Antidumping measures within 40 days from the date of initiation of this investigation

#### L. Submission of Information on Non-Confidential basis

20. 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.

- 21. Information supplied without any confidential marking 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 of the confidential version and five (05) copies of the non confidential version must be submitted by all the interested parties.
- 22. 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.
- 23. 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, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.
- 24. 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.
- 25. 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**

26. In terms of rule 6(7) any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

# Non-cooperation

27. 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.

Dr. Inder Jit Singh
Additional Secretary & Designated Authority