

Government of India

Ministry of Commerce & Industry
(Department of Commerce)

DIRECTORATE GENERAL OF ANTI-DUMPING AND ALLIED DUTIES

New Delhi, the August 8th 2006

Initiation Notification (Sunset Review)

Subject: Initiation of Sunset Review regarding anti-dumping duty imposed on partially oriented yarn (POY) originating in or exported from Republic of Korea and Turkey.

No. 15/21/2006-DGAD - The Designated Authority, having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995, recommended imposition of provisional Anti Dumping duty on imports of Partially Oriented Yarn (hereinafter referred to as subject goods) originating in or exported from Republic of Korea (Korea RP) and Turkey (also referred to as subject countries) falling under Sub-heading 5402.42. The preliminary findings were published vide Notification No 36/1/2001-DGAD dated 23rd November 2001 and provisional duty was imposed on the subject goods vide Customs notification No. 131/2001-Customs dated 27th December 2001. The Designated Authority came out with final findings on 16th August 2002 vide notification no 36/1/2001-DGAD and definitive anti dumping duty was imposed by Customs as per notification No. 97/2002-Customs dated 12th September 2002.

2. Product under Consideration

The Product Under Consideration in the present investigation is Partially Oriented Yarn (also referred to as subject goods), originating and exported from Korea RP and Turkey. Partially Oriented Yarn is generally known as "POY" in the commercial and market parlance and has also been referred to as POY in this investigation. POY is a yarn of polyester and is made in wide range from 50 Denier to 530 Denier to meet the requirement of different segments. Denier relates to the fineness of the yarn, lower the denier, finer the yarn. POY is an intermediate, which is subject to further processes (e.g. texturing or draw-twisting) to make it suitable for weaving or knitting into fabrics. POY is different from PFY (having custom classification 5402.43) and PFY is not within the scope of the present investigations. Present investigation being a review investigation, product under consideration remains the same as has been defined in the original

investigation and there has been no significant development in the product during the period thereafter. The classification is, however, indicative and in no way binding on the scope of the present investigations.

3. Grounds for review and initiation

M/s Association of Synthetic fiber industry (ASFI) on behalf of M/s Apollo Fibres Ltd., M/s Century Enka Ltd., M/s Central India Polyesters Ltd., M/s Filatex Industries Ltd., M/s Indorama Synthetics (I) Ltd., M/s Garden Silk Mills Ltd., M/s JBF Ltd., Modern Petrofils, M/s Recron Synthetics Ltd and M/s Welspun Syntex Ltd. have jointly filed an application substantiating the need for review of the antidumping duty imposed on the subject goods originating in or exported from Republic of Korea (Korea RP) and Turkey. In their application, the petitioners have claimed with prima facie evidence that cessation of anti dumping duty imposed on subject goods from subject countries is likely to lead to continuation or recurrence of dumping and injury and have requested to continuation and enhancement of the anti-dumping duty imposed on subject goods under the above mentioned notifications for a further period of 5 years.

The Customs Tariff (Amendment) Act 1995 and the rules made there under require the Authority to review from time to time the need for continuance of anti dumping duty. On the basis of the examination of the duly substantiated application, The Designated Authority considers that the sunset review of the Anti-Dumping Duty imposed would be appropriate at this stage under the provision of section 9A (5) of the Customs Tariff (Amendment) Act, 1995 as amended.

4. Countries Involved:

The countries involved in the present investigations are Republic of Korea (Korea RP) and Turkey (also referred to as subject countries hereinafter).

5. Procedure

Having decided to review the final findings notified vide No. 36/1/2001-DGAD dated 16th August 2002 and final duty imposed by No. 97/2002-Customs dated 12th September 2002, the Authority hereby initiates investigations to review whether cessation of antidumping duty is likely to lead to continuation or recurrence of dumping and injury on imports of Partially Oriented Yarn originating in or exported from subject countries, in accordance with the Customs Tariff (Amendment) Act, 1995 and the Customs Tariff (Identification, Assessment & Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995.

The review covers all aspects of Notification No.36/1/2001-DGAD dated 16th August 2002. M/s Association of Synthetic fiber industry (ASFI) on behalf of M/s Century Enka Ltd., M/s Reliance Industries Ltd, M/s Sanghi Polysters Ltd, M/s Raymond Synthetics Ltd and M/s JCT Ltd represented domestic industry in the original investigations. In the sunset review, the application is filed by M/s Association of Synthetic fiber industry (ASFI) on behalf of M/s Apollo Fibres Ltd., M/s Century Enka Ltd., M/s Central India Polyesters Ltd., M/s Filatex Industries Ltd., M/s Indorama Synthetics (I) Ltd., M/s Garden Silk Mills Ltd., M/s JBF Ltd., Modern Petrofils, M/s Recron Synthetics Ltd and M/s Welspun Syntex Ltd. The application is also supported by M/s Reliance Industries Ltd (RIL), M/s Sanghi Industries Ltd, M/s Nova Petrochemicals Ltd, M/s Gokulanand petrofibers, M/s Affees Industries Ltd, M/s Rajvi Petrochem P Ltd and M/s Nakoda Textiles Industries Ltd. The Authority proposes to consider the petitioners who constitute the major proportion of the production of the subject goods in India to represent the domestic industry in accordance with the Rules supra.

6. PERIOD OF INVESTIGATION

The period of investigation (POI) for the purpose of the present review is 1st April 2005 to 31st March 2006 (12 months). The period of injury examination would however include POI and three years prior to the POI i.e from 1st April 2002 to the end of POI.

7. Submission of Information:

The exporters in subject country, their government through their Embassy/High Commission 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:

The Designated Authority, Ministry of Commerce & Industry, Department of Commerce, Directorate General of Anti-Dumping & Allied Duties, (DGAD), Room No. 240, Udyog Bhavan, New Delhi-110011

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.

8. Time Limit

Any information relating to the present review 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 review notification. If no information is received within the prescribed time limit or the information received is incomplete, the Designated Authority may record its findings on the basis of the facts available on record in accordance with the Rules supra.

9. Inspection of Public File:

In terms of Rules 6(7), any interested party may inspect the public file containing non-confidential version of the evidence submitted 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 to it and make such recommendations to the Central Government as deemed fit.

(Christy L. Fernandez)

ADDITIONAL SECRETARY & DESIGNATED AUTHORITY