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GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
(DIRECTORATE GENERAL OF ANTI-DUMPING &
ALLIED DUTIES)

CORRIGENDUM

NEW DELHI, Dated the 26th February 2010

Subject:- Preliminary findings of Anti-dumping investigations on imports of Digital Versatile Discs- Recordable (DVD-R and DVD-RW) from Malaysia, Thailand and Vietnam.

No.14/16/2009-DGAD: - Attention is invited to the preliminary findings Notification No. 14/16/2009 dated 13.11.2009 in the above matter.

1. Para 4(e) of the said findings shall be amended to read as:-

Request was made to the DGCI&S to arrange details of imports of subject goods for the past three years and the period of investigation. Data has since been received from DGCI&S, and has appropriately been relied upon in this findings.

2. Para 42 of the said findings shall be read as:-

42. Volume of imports of the subject goods from the subject countries have been analyzed as under:-

Import Volumes and share of subject country

| Particulars | Unit | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|--|------------|---------|---------|---------|---------|
| Imports –Volume | | | | | |
| Vietnam | in'000 Pcs | - | - | - | 57,560 |
| Malaysia | in'000 Pcs | 339 | 1,034 | 9,603 | 14,249 |
| Thailand | in'000 Pcs | 88 | 4,188 | 1646 | 8,088 |
| Subject countries | in'000 Pcs | 427 | 5,222 | 11,249 | 79,897 |
| Countries attracting ADD | in'000 Pcs | 40,960 | 42,553 | 67,635 | 24,565 |
| Other Countries | in'000 Pcs | 2,186 | 5,709 | 7,397 | 10,654 |
| Total Imports | in'000 Pcs | 43,574 | 53,485 | 86,280 | 115,117 |
| Market Share in Imports (volume basis) | | | | | |
| Subject countries | % | 0.98 | 9.76 | 13.04 | 69.41 |

| | | | | | |
|---|---|-------|-------|-------|-------|
| | | | | | |
| Countries attracting ADD | % | 94.00 | 79.56 | 78.39 | 21.34 |
| Other Countries | % | 5.02 | 10.67 | 8.57 | 9.26 |
| Imports from subject countries in relation to production | % | 0.07 | 0.56 | 1.01 | 4.97 |
| Imports from subject countries in relation to consumption | % | 0.64 | 4.13 | 4.09 | 16.80 |

3. Para 43 to 44 of the said findings shall be amended to read as:-

43. The data shows imports from subject countries increased from 4.27 Lacs in 2005-06 to 799 Lacs pieces during POI, indicating sharp increase by 187 times in imports during POI as compared to base year. As compared to immediate preceding year, the imports increased by 7 times. It has also been observed that imports of DVD was made in different packed forms. However, mainly imports were made in bulk package which constitute 99.49% of the total imports. The other packages were in cake box. It has been observed that imports have increased in absolute term, in relation to production and consumption.

b) Demand, Output and Market shares

i) Growth In Demand

| Demand | Unit | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|--|------------|---------|---------|---------|---------|
| Sales of Domestic Industry-Domestic sale | in'000 Pcs | 21,270 | 71,055 | 188,727 | 360,375 |
| Sales of Other Indian Producers | in'000 Pcs | 1,917 | 1,845 | - | - |
| Subject countries-Imports | | | | | |
| Vietnam | in'000 Pcs | - | - | - | 57,560 |
| Malaysia | in'000 Pcs | 339 | 1,034 | 9,603 | 14,249 |
| Thailand | in'000 Pcs | 88 | 4,188 | 1,646 | 8,088 |
| Subject countries-Imports | in'000 Pcs | 427 | 5,222 | 11,249 | 79,897 |
| Countries Attracting ADD-Imports | in'000 Pcs | 40,960 | 42,553 | 67,635 | 24,565 |
| Other Countries-Imports | in'000 Pcs | 2,186 | 5,709 | 7,397 | 10,654 |
| Total Demand/Consumption | in'000 Pcs | 66,761 | 126,385 | 275,007 | 475,492 |

44. Demand of subject goods has been determined by addition of domestic sales of Indian industry and imports from all countries. From the data, it has been

observed that the demand for the subject goods had been growing from base year to POI. The data indicates that the demand grew in POI by 7 times as compared to base year and by 73% as compared to immediate preceding year.

4. Para 47 to 49 of the said findings shall be amended to read as:-

iv) **Demand and Market Share:**

47. Both the demand as well as market share of domestic product has been continuously increasing from the base year to the POI.

| Particulars | Unit | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|----------------------------------|------------|---------|---------|---------|---------|
| Sales of Domestic Industry | in'000 Pcs | 21,270 | 71,055 | 188,727 | 360,375 |
| Sales of Other Indian Producers | in'000 Pcs | 1,917 | 1,845 | - | - |
| Subject countries-Imports | | | | | |
| Vietnam | in'000 Pcs | - | - | - | 57,560 |
| Malaysia | in'000 Pcs | 339 | 1,034 | 9,603 | 14,249 |
| Thailand | in'000 Pcs | 88 | 4,188 | 1,646 | 8,088 |
| Subject countries-Imports | in'000 Pcs | 427 | 5,222 | 11,249 | 79,897 |
| Countries Attracting ADD-Imports | in'000 Pcs | 40,960 | 42,553 | 67,635 | 24,565 |
| Other Countries-Imports | in'000 Pcs | 2,186 | 5,709 | 7,397 | 10,654 |
| Total Demand/Consumption | in'000 Pcs | 66,761 | 126,385 | 275,007 | 475,492 |
| Market Share in Demand | | | | | |
| Sales of Domestic Industry | % | 31.86 | 56.22 | 68.63 | 75.79 |
| Sales of Other Indian Producers | % | 2.87 | 1.46 | - | - |
| Subject countries | | | | | |
| Vietnam | % | - | - | - | 12.11 |
| Malaysia | % | 0.51 | 0.82 | 3.49 | 3.00 |
| Thailand | % | 0.13 | 3.31 | 0.60 | 1.70 |
| Subject countries-Imports | % | 0.64 | 4.13 | 4.09 | 16.80 |
| Countries Attracting ADD-Imports | % | 61.35 | 33.67 | 24.59 | 5.17 |
| Other Countries-Imports | % | 3.28 | 4.52 | 2.69 | 2.24 |

48. The demand of subject goods in the domestic industry has shown rising trend. From 667 lac pieces in the base year, the demand increased to 4755 lac pieces in POI. The demand in POI grew by 7 times (612%) as compared to base year and 73% as compared to immediate preceding year. From the base year to POI, market share of the domestic industry increased from 31.86% to 75.79%

and as compared to immediate preceding year, the market share increased from 68.63% to 75.79%. The share of the subject countries from base year increased from 0.64% to 16.80% and as compared to immediate preceding year it increased from 4.09% to 16.80%. It has further been noted that countries which were subjected to anti dumping duties, their share declined significantly from 61.35% in base year to 5.17% in POI.

(c) Price Effect of the Dumped imports from subject countries on the Domestic Industry

(i) Evaluation of export price over the injury analysis period

| Export Price | Unit | 2005-06 | 2006-07 | 2007-08 | POI |
|-------------------|--------|---------|---------|---------|------|
| Vietnam | Rs./Pc | - | - | - | 4.72 |
| Malaysia | Rs./Pc | 3.96 | 3.65 | 3.86 | 4.92 |
| Thailand | Rs./Pc | 10.03 | 3.74 | 3.73 | 5.42 |
| Subject Countries | Rs./Pc | 5.21 | 3.72 | 3.84 | 4.82 |

49. The data on export price shows that prices from subject countries have declined from base year to POI. It has been observed from the data that the prices declined significantly from base year to POI. As compared to immediate preceding year, however, the prices increased by approximately Rs.98 paise for subject countries together i.e. an increase of about 26%. For individual subject countries as well, the prices increased from immediate preceding year to POI. It has further been noted that the prices of major raw material i.e. Polycarbonate remained same in 2007-08 and POI as per the data of the domestic industry (the polycarbonate prices as per World Trade Atlas for imports to the subject countries were abnormally high, therefore, no meaningful comparison could be made).

(ii) Price undercutting and underselling effects

| Calculation of Price undercutting for Malaysia | | | | | |
|---|-------------|---------|---------|---------|---------|
| Particulars | Unit | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| Volume of Imports | Volume(000) | 339 | 1,034 | 9,603 | 14249 |
| Assessable value | Rs/Pc. | 3.96 | 3.65 | 3.86 | 4.97 |
| Landing Charge 1% | Rs/Pc. | 0.04 | 0.04 | 0.04 | 0.05 |
| CIF export price | Rs/Pc. | 3.92 | 3.61 | 3.82 | 4.92 |
| Customs Duty (Rate) | % | 0% | 0% | 0% | 0% |
| Customs Duty | Rs/Pc. | - | - | - | 0 |
| Landed price of imports | Rs/Pc. | 3.92 | 3.61 | 3.82 | 4.92 |

| | | | | | |
|------------------------|---------|-------|-------|-------|-------|
| Net Selling Price | Indexed | 100 | 90.20 | 74.63 | 69.73 |
| Price Undercutting | Indexed | 100 | 88.44 | 53.54 | 18.16 |
| Price Undercutting (%) | % range | 50-55 | 47-52 | 35-40 | 10-15 |

| Calculation of Price undercutting for Thailand | | | | | |
|---|-------------|---------|---------|---------|---------|
| Particulars | Unit | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| Volume of Imports | Volume(000) | 88 | 4,188 | 1646 | 8,088 |
| Assessable value | Rs/Pc. | 10.03 | 3.74 | 3.73 | 5.47 |
| Landing Charge 1% | Rs/Pc. | 0.10 | 0.04 | 0.04 | 0.05 |
| CIF export price | Rs/Pc. | 9.93 | 3.70 | 3.69 | 5.42 |
| Customs Duty (Rate) | % | 0% | 0% | 0% | 0% |
| Customs Duty | Rs/Pc. | - | - | - | 0 |
| Landed price of imports | Rs/Pc. | 9.93 | 3.70 | 3.69 | 5.42 |
| Net Selling Price | Indexed | 100 | 90.20 | 74.63 | 69.73 |
| Price Undercutting | Indexed | (100) | 206.78 | 135.59 | 15.25 |
| Price Undercutting (%) | % range | (20-25) | 45-50 | 35-40 | 2-7 |

| Calculation of Price undercutting for Vietnam | | | | | |
|--|-------------|------------|------------|------------|---------|
| Particulars | Unit | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| Volume of Imports | Volume(000) | No imports | No imports | No imports | 57,560 |
| Assessable value | Rs/Pc. | | | | 4.76 |
| Landing Charge 1% | Rs/Pc. | | | | 0.05 |
| CIF export price | Rs/Pc. | | | | 4.72 |
| Customs Duty (Rate) | % | | | | 0% |
| Customs Duty | Rs/Pc. | | | | - |
| Landed price of imports | Rs/Pc. | | | | 4.71 |
| Net Selling Price | Indexed | | | | 100 |
| Price Undercutting | Indexed | | | | 100 |
| Price Undercutting (%) | % range | | | | 14-19 |

| Calculation of Price undercutting for Subject Countries | | | | | |
|--|-------------|---------|---------|---------|---------|
| Particulars | Unit | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
| Volume of Imports | Volume(000) | 427 | 5,222 | 11,249 | 79,897 |

| | | | | | |
|-------------------------|---------|-------|--------|-------|-------|
| Assessable value | Rs/Pc. | 5.21 | 3.72 | 3.84 | 4.87 |
| Landing Charge 1% | Rs/Pc. | 0.05 | 0.04 | 0.04 | 0.05 |
| CIF export price | Rs/Pc. | 5.16 | 3.68 | 3.80 | 4.82 |
| Customs Duty (Rate) | % | 0% | 0% | 0% | 0% |
| Customs Duty | Rs/Pc. | - | - | - | - |
| Landed price of imports | Rs/Pc. | 5.16 | 3.68 | 3.80 | 4.82 |
| Net Selling Price | Indexed | 100 | 90.20 | 74.63 | 69.73 |
| Price Undercutting | Indexed | 100 | 122.67 | 76.33 | 29.00 |
| Price Undercutting (%) | % range | 30-40 | 45-50 | 35-40 | 12-17 |

5. Para 66 of the said findings shall be amended to read as:-

F.6 Conclusion on injury parameters

66. The capacity and production of the domestic industry has improved consistently from base year to POI. In this regard, it has been noted that the domestic industry is not only catering to the demand in the domestic market but also catering to the export market. In fact, the domestic sale of the domestic industry is 30% of the total sales in the POI. The domestic sale of the domestic industry has also improved from base year to POI. The demand of the product in the domestic market has shown consistent growth and the domestic industry has improved its share in the domestic market to 76% in POI as compared to 32% in the base year and 69% in immediate preceding year, indicating that the domestic industry has been able to capture the market share and has taken advantage of growth in demand. However, the domestic industry is still left with idle capacity.

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