



5 March 2014

(14-1350)

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Committee on Safeguards

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**NOTIFICATION UNDER ARTICLE 12.1 (A) OF THE AGREEMENT
ON SAFEGUARDS ON INITIATION OF AN INVESTIGATION
AND REASONS FOR IT**

INDIA

(Bare Elastomeric Filament Yarn)

The following communication, dated 5 March 2014, is being circulated at the request of the Delegation of India.

1 THE DATE OF INITIATION OF INVESTIGATION

The investigation was initiated on 28 February 2014.

2 PERIOD OF INVESTIGATION

2012-13 to 2013-14.

3 PRODUCT UNDER INVESTIGATION

The Product under Consideration (PUC) is "**Bare Elastomeric Filament Yarn**" and is classified under Customs Tariff sub-heading nos. 54024400 and 54041100 of Chapter 54 of the Customs Tariff Act, 1975.

4 REASONS FOR INITIATION OF INVESTIGATION

The investigation was initiated following the examination of the safeguard petition of the domestic industry (DI) alleging serious injury and threat thereof caused by increased import of the PUC into India. Relevant factors having significant bearing on the present deteriorating domestic industry, as claimed by DI, *inter-alia*, are:

- The import of subject product has shown an increasing trend in absolute terms as well as the relative terms;
- Capacity utilization of the domestic industry has declined in the most recent period;
- Share of domestic industry in domestic consumption and domestic demand has fallen significantly;
- Though sale of the domestic industry increased upto Q1 of 2013-14 as compared to the preceding year 2012-13, it has decreased significantly from Q1 of 2013-14 to Q3 of 2013-14;
- Profitability of the domestic industry has steeply deteriorated, leading to financial losses.

Accordingly, it has been found that *prima facie* increased imports of PUC have caused or threatening to cause serious injury to the domestic producers of PUC. Hence, it has been decided to initiate the investigation.

5 POINT OF CONTACT

All interested parties may make their views known within a period of 30 days from the date of the notice issued by the Director General (Safeguards) i.e. 28 February 2014 to:

The Director General (Safeguards)
Bhai Vir Singh Sahitya Sadan: 2nd Floor,
Bhai Vir Singh Marg,
Gole Market, New Delhi-110 001, INDIA
Telefax: 011-23741542
E-mail: dgsafeguards@nic.in

Any other party to the investigation who wishes to be considered as an interested party may submit its request so as to reach the Director General (Safeguards) on the aforementioned address within 15 days from the date of the aforesaid date of notice of the Director General (Safeguards).
