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GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
(DIRECTORATE GENERAL OF ANTI-DUMPING & ALLIED DUTIES)
4th Floor, Jeevan Tara Building, Parliament Street

NOTIFICATION

New Delhi, the 14th October, 2014

Initiation

Subject: Initiation of anti-dumping investigations concerning import of Plastic Processing Machines or Injection Moulding machines from Chinese Taipei, Philippines, Malaysia and Vietnam

F.NO. 14/03/2014-DGAD : WHEREAS Plastics Machinery Manufacturers Association of India, (hereinafter referred to as the Applicant) has filed an application before the Designated Authority (hereinafter referred to as this Authority), in accordance with the Customs Tariff Act, 1975 as amended in 1995 (hereinafter 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 referred to as Rules), alleging dumping of Processing Machines or Injection moulding machines (herein after referred to as subject goods), originating in or exported from Chinese Taipei, Philippines, Malaysia and Vietnam (hereinafter referred to as subject countries) and requested for initiation of an Anti Dumping investigations for determination of degree and extent of dumping and injury and levy of anti dumping duties on the subject goods from the subject countries.

2. AND WHEREAS, the Authority finds that sufficient prima facie evidence of dumping of the subject goods from the subject countries; injury to the domestic industry; and causal link between the dumping and injury exist, the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of the Rule 5 of the said Rules, to determine the existence, degree and effect of alleged dumping, if any, and to recommend the amount of antidumping duties, which if levied would be adequate to remove injury to the domestic industry.

A. Product under consideration

3. The product under consideration in this investigation is all kinds of plastic processing or injection moulding machines, also known as injection presses, having clamping force not less than 40 tonnes, and not above 3200 tonnes, used for processing or moulding of plastic materials. The following types of products are however, excluded from the scope of the product under consideration:
- i. Blow Moulding Machines classified under Customs Tariff Classification No. 847730.
 - ii. Vertical injection moulding machines.
 - iii. All electric injection moulding machines wherein the mechanical movements such as injection, mould closing, mould opening, ejection, screw driver, etc. are controlled by independent servo motors and having digital control system and without Hydraulic Units.
 - iv. Multi-colour/ multi-mould machinery for making footwear, Rotary injection moulding machinery for making footwear and footwear sole/strap/heel injection moulding machine classified under the Customs Tariff Classification No. 8453.

B. Like article

4. Petitioners have claimed that there is no known difference in subject goods produced by the Indian industry and subject goods imported into India from the subject countries. Subject goods produced by the Indian industry and imported in India are comparable in terms of characteristics such as physical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. The consumers are using the two interchangeably. The goods produced by the domestic industry should be treated as like article to the goods imported from the subject countries. Therefore, for the purpose of present investigation, the goods produced by the petitioner are being treated as like articles of the product imported from the subject countries within the meaning of the Rules, 2(d) of the Rules.
5. It is noted that the plastic processing machines are manufactured in various sizes and capacities described in terms of clamping forces. Therefore, for the purpose of like to like comparison for dumping and injury determination Plastic

Processing Machines of different capacities/clamping forces shall be treated as different product types and comparisons shall be on like to like basis to the extent possible.

C. Customs Classification

6. Plastic Processing Machineries are classified under ITC (HS) and Customs Classification Number 8477. At the eight digit level the product is covered under Chapter 84771000 of the Customs Classification. However, the above classification is indicative only and is no way binding on the scope of this investigation.

D. Domestic industry and Standing

7. The present application has been filed by Plastics Machinery Manufacturers Association of India (hereinafter referred to as petitioner or PMMAI) on behalf of the producers of Plastic Processing Machines. Four of its members, (i) Toshiba Machines; (ii) Ferromatic Milacron; (iii) Windsor India; and (iv) Electronica Machines who are domestic producers of the product under consideration in India, have provided relevant information to file this application seeking imposition of anti dumping duty in force on imports of PPMs from subject countries.
8. On the basis of the estimated capacities and production volumes of other domestic producers, the applicants command a major proportion of the production of the subject goods in India. Therefore, the Authority holds that for the purpose of this investigation the applicants command the standing in terms of Rule 5(3) and constitutes the domestic industry in terms of Rule 2(b) of the AD Rules.

E. Countries Involved

9. The countries involved in the present investigation are **Chinese Taipei, Philippines, Malaysia and Vietnam**, hereinafter also referred to as the subject countries.

F. Normal value

10. In the absence of any direct evidence of selling price of the subject goods in the domestic markets of the countries of exports, the domestic industry has estimated normal values of each product type (based on clamping forces) in the countries of export based on constructed cost of production plus reasonable profit taking into account the manufacturing costs in India duly adjusted for the

exporting countries. Reasonable estimates of the conversion cost, selling, general and administrative expenses have been made for arriving at the constructed normal value of subject goods in subject countries. The Authority has accepted these estimates as preliminary evidence for the purpose of initiation of the investigation.

G. Export price

11. The export prices of individual product types from the subject countries have been estimated on the basis of import data submitted by the petitioners from official sources after adjusting the same for freight and insurance etc. to arrive at the net export prices at ex-factory level.

H. Dumping margin

12. As per the positive evidence placed by the applicants before the Authority the Normal Values of the subject goods in the subject countries are significantly higher than the net export prices to India, indicating prima-facie that the subject goods are being dumped in the Indian market by exporters from the subject countries. The dumping margins so estimated, are positive and above *de minimis*.

I. Injury and causal link

13. The petitioners have alleged that dumped imports from the subject countries are cumulatively injuring the domestic industry due to the volume and price effects of dumped imports. Having examined the mandatory parameters the Authority is of the view that cumulative assessment of injury is appropriate in view of the situation of competition between dumped imports from various sources and sales of the domestic industry. The applicants have furnished information on volume and value of dumped imports from the subject countries and various parameters establishing injury to the domestic industry, on account of import of the product under consideration. Parameters, such as capacity utilization, price undercutting, underselling of the dumped imports, price depression, profitability, and cash loss in the manufacturing and sales of subject goods in the domestic market prima-facie indicate that the dumped imports of the subject goods from the subject countries have injured the Domestic Industry.

J. Initiation of anti-dumping investigations

14. In view of sufficient evidence of dumping, injury and causal links placed by the domestic industry as above, the Designated Authority, in terms of the Rules supra, hereby initiates an anti-dumping investigation into the existence, degree of alleged dumping of the subject goods originating in or exported from the subject countries and its effect on the domestic industry.

K. Procedure

- a) **Period of investigation (POI):** The period of investigation (POI) for the purpose of present investigation is **April 2013- March 2014**. The injury investigation period will however, cover the period **2010-11, 2011-12, 2012-13 and 2013-14 (POI)**.
- b) **Submission of information:** The exporters in the subject countries, the Governments of the subject countries through their Embassies in India, the importers and users of the subject goods in India and the domestic industry are requested to submit relevant information in the form and manner prescribed and to make their views known to the:

**The Designated Authority
Directorate General of Anti-Dumping and Allied Duties
Ministry of Commerce and Industry
Government of India
4th Floor, Jeevan Tara Building,
Parliament Street,
New Delhi- 110001.**

15. 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.

- c) **Time limit:** Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above not later than **forty (40) days** from the date of publication of this notification. The known exporters and importers, who are being addressed separately, are however, required to submit the information within **(40) forty days** from the date of the letter addressed to them.

- d) **Submission of information on non-confidential basis:** In terms of Rule 7, of the Rules the interested parties are required to submit non-confidential summary of any confidential information provided to the Authority and if in the opinion of the party providing such information, such information is not susceptible to summarization, a statement of reason thereof is required to be provided. In terms of Rule 6 (8) of the AD Rules, 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.
- e) **Inspection of public file:** Any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties in terms of Rule 6 (7) of the Rules.

J. K. Dadoo
Designated Authority