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Government of India, Department of Commerce
Ministry of Commerce & Industry
(Directorate (General of Trade Remedies)
4th Floor, Jeevan Tara Building,
5, Parliament Street, New Delhi- 110001

Dated: 29th March, 2024

INITIATION NOTIFICATION
Case No. - AD (OI)-08/2024

Subject: Initiation of anti-dumping investigation concerning imports of 'Plastic Processing Machines' originating in or exported from China PR and Taiwan.

1. Plastics Machinery Manufacturers Association of India (hereinafter referred to as the "applicant association") has filed an application and Electronica Plastic Machines Limited, Milacron India Private Limited, Shibaura Machine India Private Limited and Windsor Machines Limited have provided the required data (hereinafter referred to as the "domestic industry") before the Designated Authority (hereinafter referred to as the "Authority") in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred as the Act) and the 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 the "Rules") for initiation of an anti-dumping investigation concerning imports of "Plastic Processing Machines (PPM)" or "Injection Moulding Machines", (hereinafter referred to as "subject goods" or "product under consideration") originating in or exported from China PR and Taiwan (hereinafter referred to as "subject countries").
 - A. **Product under consideration (PUC)**
 2. The product under consideration in the present investigation is Plastic Processing Machines (PPM) or Injection Moulding Machines also known as injection presser used for processing and moulding of plastic materials.
 3. The scope of the product under consideration includes all kinds of plastic processing or injection moulding machines, having clamping force not less than 40 tonnes and not above 3200 tonnes. The product under consideration also includes machines in fully assembled, semi knocked down (SKD), complete knocked down form (CKD), sub-assemblies.
 - a. A plastic processing machine in semi knocked down stage shall mean a plastic processing machine which is not fully assembled but is transacted as a plastic

- processing machine with all essential components not fitted together and the machine is not ready to use.
- b. A plastic processing machine in completely knocked down stage shall mean a plastic processing machine in its incomplete or unfinished form, has the essential character of the complete machine when put together, and contains all critical components, barring widely used components.
 - c. Sub-assemblies specifically for plastic processing machine.
4. The following types of products are however excluded from the scope of the product under consideration:
- i. Blow moulding machines classified under Custom Tariff Act, 1975 under sub-heading. 8477 30 00.
 - ii. Vertical injection moulding machines.
 - iii. All electric injection moulding machines wherein the mechanical movements such as injection, moulding closing, moulding opening, ejection, screw-drive etc. are controlled by independent servo motors and having digital control system and without hydraulic unit.
 - 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 Custom Tariff Act, 1975 under sub-heading 8453.
 - v. Second hand/used plastic processing machines.
5. The subject goods are classified under Chapter 84 of the Customs Tariff Act, 1975 under the sub-heading 84771100 and 84779000. The Customs classification is only indicative and is not binding on the scope of the product under consideration.
6. The applicant has proposed clamping force as the relevant PCN parameter.
7. Interested parties may intimate their comments, if any, on the scope of the product under consideration, and PCNs within 15 days of this notification. Any submissions in these regards should be duly supported with verifiable documentary evidence. Any request for exclusion or inclusion of some product type should be duly supported with verifiable documentary evidence.

B. Like article.

8. The applicant has claimed that the product produced by the domestic industry is identical to the imported product. Subject goods produced by the domestic industry are comparable to the imported goods from the subject countries in terms of technical specifications, manufacturing process & technology, functions & uses, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable and should be treated as like article under the Rules. Therefore, for the purpose of the present investigation, the product produced by the

domestic industry are being treated as like article to the product under consideration imported from the subject countries.

C. Domestic industry and standing.

9. Rule 2(b) defines domestic industry as follows:

"domestic industry' means the domestic producers as a whole of the like article or domestic producers whose collective output of the said article constitutes a major proportion of the total domestic production of that article, except when such producers are related to the exporters or importers of the alleged dumped article, or are themselves importers thereof, in which case such producers shall be deemed not to form part of domestic industry "

10. The application has been filed by Plastics Machinery Manufacturers Association of India. Electronica Plastic Machines Limited, Milacron India Private Limited, Shibaura Machine Indian Private Limited, and Windsor Machines Limited have provided the relevant data.

11. The participating producers have stated that they neither imported the product under consideration from the subject countries nor are related to any exporter or producer of product under consideration in the subject countries or any importer of the product under consideration in India within the meaning of Rule 2(b) of Anti-Dumping Rules.

12. As per evidence available on record, the production of these producer accounts for a major proportion in the domestic production of the like article in India. On the basis of information available, Electronica Plastic Machines Limited, Milacron India Private Limited, Shibaura Machine Indian Private Limited, and Windsor Machines Limited are treated as the domestic industry within the meaning of the Rule 2(b) and *prima facie* satisfies the criteria of standing in terms of Rule 5(3) of the Rules.

D. Subject countries.

13. The subject countries in the present investigation are China PR and Taiwan.

E. Period of investigation (POI).

14. The period of investigation (POI) for the present investigation is 1st October 2022 – 30th September 2023 (a period of 12 months). The injury period for the investigation will cover the periods 2020-21, 2021-22, 2022-23 and the period of investigation.

F. Basis of alleged dumping.

i. Normal value for China PR

15. The applicant has cited and relied upon Article 15(a) (i) of China's Accession Protocol and has claimed that China PR should be treated as a non-market economy and that producers from China PR should be directed to demonstrate that market economy conditions prevail in the industry with regard to the production and sales of the product under consideration. Unless the producers from China PR show that such market economy conditions prevail, their normal value should be determined in accordance with Para 7 and 8 of Annexure-I to the Anti-Dumping Rules, 1995.
16. The applicant has submitted that data relating to cost and price in market economy third country is not available at this stage and therefore, the domestic industry claimed normal value based on best estimates of the cost of production in India duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin. The normal value claimed by the applicant has been considered for the purpose of this initiation.

ii. Normal value for Taiwan

17. The applicant has claimed that it does not have access to any evidence of selling price in the subject countries. Therefore, the applicant has proposed to the normal value based on the best estimates of cost of production, duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin. The normal value claimed by the applicant has been considered for the purpose of this initiation.
18. Therefore, for the purpose of initiation of the present investigation, the normal value has been constructed based on the estimates of the cost of production of the applicant duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin.

G. Export price.

19. The Authority has relied upon the import information relied upon by the applicant. Since the information is on CIF basis, adjustments have been made on account of ocean freight, marine insurance, commission, inland freight, port expenses, and bank charges to arrive at ex-factory export price.

H. Dumping margin.

20. The normal value and the export price have been compared at the ex-factory level, which *prima facie* establishes that the dumping margin is above the *de minimis* level with respect to the product under consideration imported from the subject countries. Thus, there is sufficient *prima facie* evidence that the product under consideration from the subject countries is being dumped in the domestic market by the exporters from the subject countries.

21. The applicant has claimed dumping margin and injury margin on monthly basis. This will be examined during the course of the investigation. The responding producers/exporters are required to give the relevant accordingly.

I. Allegation of Injury and causal link.

22. The applicant has provided *prima facie* evidence with respect to the injury suffered by the domestic industry because of the dumped imports. The volume of the subject imports from the subject countries has increased in absolute as well as relative terms. The price undercutting from the subject countries is positive. The price suppression and depression caused by dumped imports have been preventing the domestic industry from increasing its prices to recover the full cost and achieve a reasonable rate of return and has suffered significantly in profitability. It has also been claimed that because of the dumped imports from the subject countries, the production and capacity utilization of the domestic industry are significantly below its installed capacity. The market share of the domestic industry has declined in the period of investigation. There is sufficient *prima facie* evidence of material injury being caused to the domestic industry due to dumped imports from the subject countries to justify the initiation of the anti-dumping investigation.

J. Retrospective imposition of duties.

23. The applicant has requested for retrospective imposition of the anti-dumping duty on imports of product under consideration from the subject countries. The applicant has claimed that retrospective imposition is necessary due to the following:
- a. There is clear history of dumping of the product in India from the subject countries. Imports from China PR, Indonesia, Japan, South Korea, Taiwan, Thailand and United States of America were subject to anti-dumping duty from a period from 23rd January 2008 till 9th February 2022
 - b. The importers in India are aware of the fact that exporters practice dumping of the product into India. As soon as the anti-dumping duty on imports of subject goods expired the volume of imports has increased.
 - c. The performance of the domestic industry has steeply declined during the period of investigation. The domestic industry has not been able to earn enough to service its financial obligations. The capital investment of the domestic industry is likely to be eroded in case anti-dumping duty is not imposed immediately.
24. The interested parties may offer their comments in this regard as per time limit given in this notification.

K. Initiation of investigation.

25. On the basis of the duly substantiated written application submitted by the domestic industry and having reached satisfaction based on the *prima facie* evidence submitted by the domestic industry concerning the dumping of the product under consideration

originating in or exported from the subject countries, the consequential injury to the domestic industry as a result of the alleged dumping of the product under consideration and the causal link between such injury and the dumped imports, and in accordance with Section 9A of the Act read with Rule 5 of the AD Rules, the Authority, hereby, initiates an anti-dumping investigation to determine the existence, degree, and effect of the dumping with respect to the product under consideration originating in or exported from the subject countries and to recommend the appropriate amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

L. Procedure.

26. The principles as stipulated under Rule 6 of the AD Rules, 1995 shall be followed in the present investigation.

M. Submission of information.

27. All communication should be sent to the Designated Authority via email at email addresses jd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to adv11-dgtr@gov.in. It must be ensured that the narrative part of the submission is in searchable PDF/MS-Word format and data files are in MS-Excel format.
28. The known producers/exporters in the subject countries, the government of the subject countries through their embassies in India, and the importers and users in India who are known to be associated with the product under consideration are being informed separately to enable them to file all the relevant information within the time limits mentioned in this initiation notification. All such information must be filed in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority.
29. Any other interested party may also make submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the AD Rules, 1995 and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
30. Any other interested party may also make a submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
31. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other interested parties.

32. Interested parties are further directed to regularly visit the official website of the Directorate General of Trade Remedies (<https://www.dgtr.gov.in/>) to stay updated and apprised with the information as well as further processes related to the investigation.

N. Time limit.

33. Any information relating to the present investigation should be sent to the Designated Authority via email at email address jd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to adv11-dgtr@gov.in within 30 days from the date on which the non-confidential version of the documents filed by the domestic industry would be circulated by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting countries as per Rule 6(4) of the Rules. If no information is received within the stipulated time limit or the information received is incomplete, the Authority may record its findings based on the facts available on record and in accordance with the Rules.
34. 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 within the above time limit as stipulated in this notification.
35. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 6(4) of the AD Rules, 1995 and such request must come within the time stipulated in this notification.

O. Submission of information on confidential basis.

36. Where any party to the present investigation makes confidential submissions or provides information on a confidential basis before the Authority, such party is required to simultaneously submit a non-confidential version of such information in terms of Rule 7(2) of the Rules and in accordance with the relevant trade notices issued by the Authority in this regard.
37. Such submissions must be clearly marked as 'confidential' or 'non-confidential' at the top of each page. Any submission that has been made to the Authority without such markings shall be treated as 'non-confidential' information by the Authority, and the Authority shall be at liberty to allow other interested parties to inspect such submissions.
38. The confidential version shall contain all information which is, by nature, confidential, and/or other information, which the supplier of such information claims as confidential. For the information which is claimed to be confidential by nature, or the information on which confidentiality is claimed because of other reasons, 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.

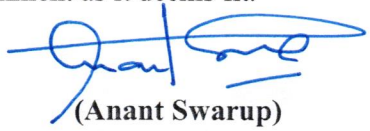
39. The non-confidential version of the information filed by the interested parties should be a replica of the confidential version with the confidential information preferably indexed or blanked out (where indexation is not possible) and such information must be appropriately and adequately summarized depending upon the information on which confidentiality is claimed.
40. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on a confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons containing a sufficient and adequate explanation in terms of Rule 7 of the Rules, 1995, and appropriate trade notices issued by the Authority, as to why such summarization is not possible, must be provided to the satisfaction of the Authority.
41. The interested parties can offer their comments on the issues of confidentiality claimed by the other interested party within 7 days from the date of circulation of the non-confidential version of the documents.
42. Any submission made without a meaningful non-confidential version thereof or a sufficient and adequate cause statement in terms of Rule 7 of the Rules, and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.
43. 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 if 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.
44. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorisation of the party providing such information.

P. Inspection of public file.

45. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions/response/information to all other interested parties. Failure to circulate non-confidential version of submissions/response/information might lead to consideration of an interested party as non-cooperative.

Q. Non-cooperation.

46. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period or within the time stipulated by the Authority in this initiation notification, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings based on the facts available and make such recommendations to the Central Government as it deems fit.


(Anant Swarup)
Designated Authority