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**F. No. 6/54/2020-DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
Jeevan Tara Building, Parliament street, New Delhi – 110001**

Dated 17th February, 2021

INITIATION NOTIFICATION

(Case No- AD-OI-46/2020)

Subject: Anti-dumping investigation concerning imports of Plastic Processing Machines originating in or exported from China PR.

1. Plastics Machinery Manufacturers Association of India (hereinafter referred to as the 'Applicant Association' or 'PMMAI') has filed an application before the Designated Authority (hereinafter referred to as the Authority), on behalf of domestic producers namely, Shibaura Machine India Private Limited (formerly known as Toshiba Machine (Chennai) Private Limited) and Milacron India Pvt Ltd, in accordance with the Customs Tariff Act, 1975 as amended in 1995 and thereafter (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 as the "Rules") for initiation of 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 (hereinafter referred to as 'subject country').
2. The Applicants has alleged that material injury is being caused to the domestic industry due to the dumped imports from the subject country and has requested for imposition of the anti-dumping duties on the imports of subject goods, originating in or exported from the subject country.

Product under Consideration

3. The product under consideration is Plastic Processing Machines (PPM) or Injection Moulding Machines.
4. The scope of the Product under consideration includes "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 having digital control system, 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.
5. Plastic Processing Machines are classified under Chapter 84 of the Customs Tariff Act, 1975 under the subheading 8477.1000. The Customs classification is only indicative and is not binding on the scope of the product under consideration.

Like Article

6. The Applicant has claimed that the subject goods exported to India are identical to the goods produced by the domestic industry. Subject goods produced by the domestic industry are comparable to the imported goods from subject country 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 subject goods produced by the applicants are being treated as 'Like Article' to the subject goods being imported from the subject country.

Domestic Industry

7. The application has been filed by Plastics Machinery Manufacturers Association of India. Shibaura Machine India Private Limited (formerly known as Toshiba Machine (Chennai) Private Limited) and Milacron India Pvt Ltd. There are several other producers of the product under consideration apart from the applicants. Two of them, namely (i) Windsor Machines Ltd., and (ii) Electronica Plastic Machines Limited, have supported the application. The Applicants have neither imported the subject goods from the subject country nor are related to any exporter or producer of subject goods in the subject country or any importer of the PUC in India within the meaning of Rule 2(b) of Anti-Dumping Rules.
8. As per evidence available on record, the Applicant's production accounts for a major proportion in the domestic production of the like article in India. On the basis of information available, the Applicants Shibaura Machine India Private Limited (formerly known as Toshiba Machine (Chennai) Private Limited) and Milacron India Pvt Ltd are treated as Domestic Industry within the meaning of the Rule 2(b) and satisfies the criteria of standing in terms of Rule 5(3) of the Rules.

Basis of Alleged Dumping

Normal value for China PR

9. The Applicant has cited and relied upon Article 15(a) (i) of China's Accession Protocol. The

Applicant has claimed that producers in China PR must be asked to demonstrate that market economy conditions prevail in their industry producing the like product with regard to the manufacture, production and sale of the product under consideration. It has been stated by the Applicant that in case the responding Chinese producers are not able to demonstrate that their costs and price information are market-driven, the normal value should be calculated in terms of provisions of Para 7 and 8 of Annexure- I to the Rules.

10. The normal value has been determined on the basis of cost of production of the domestic industry, duly adjusted, and after adding selling, general and administrative expenses and reasonable profit margin.

Export price

11. The export price for subject goods for the subject country has been computed based on the Directorate General of Commercial Intelligence and Statistics transaction-wise import data. Price adjustments have been made for ocean freight, marine insurance, commission, port expenses, bank charges and inland freight expenses.

Dumping margin

12. Considering the normal value and export price determined as above, dumping margin has been determined, in accordance with Section 9 A(1)(a) of the Customs Tariff Act, 1975. Due to differences in cost and prices of the different types of the product under consideration, the dumping margin determined is weighted average of dumping margin for different types of product under consideration calculated on the basis of clamping force. It is noted that dumping margin is not only above de-minimis level, but also significant.

Injury and Causal Link

13. The Authority notes that there is prima facie evidence of dumping and consequential injury to the domestic industry on account of significant volume of imports from the subject country, price undercutting, price depressing effect on the domestic industry. There is prima facie evidence of material injury being caused to the domestic industry by dumped imports from subject country.

Initiation of Anti-dumping Investigation

14. On the basis of the duly substantiated written application filed by the Applicant Association on behalf of the domestic industry, and prima facie evidence submitted by the domestic industry, substantiating dumping of the product under consideration originating in or exported from the subject countries, injury to the domestic industry and causal link between such alleged dumping and injury, and in accordance with Section 9A of the Act read with Rule 5 of the Rules, the Authority, hereby, initiates an investigation to determine the existence, degree and effect of any alleged dumping in respect of the product under consideration originating in or exported from the subject countries and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

Subject Country

15. The subject country in the present anti-dumping investigation is China PR.

Period of Investigation (POI)

16. The Applicants have proposed the period of investigation (POI) as 1st April 2019 – 30th June 2020 (15 months). However, the period of investigation adopted for the present investigation is 1st April 2019 – 30th September, 2020 (18 months). The reason for adopting POI different from 12 months is that the data furnished by the domestic industry is up to June 2020 only, which is not recent enough and is more than six months old as on date. The injury period under investigation accordingly, will cover the periods 1st April, 2016-31st March 2017, 1st April, 2017- 31st March 2018, 1st April, 2018-30th March, 2019 and the period of investigation.

Procedure

17. Principles as given in Rule 6 will be followed for the present investigation.

Submission of Information

18. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Designated Authority via email at email addresses adg12-dgtr@gov.in, adv11-dgtr@gov.in, dir12-dgtr@gov.in and dd14-dgtr@gov.in. It should be ensured that the narrative part of the submission is in searchable PDF/ MS Word format and data files are in MS Excel format.
19. The known producers/exporters in the subject countries, Government of the subject countries through their Embassies in India, the importers and users in India known to be concerned with the subject goods and the domestic industry are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time-limit set out below.
20. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below.
21. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other parties.
22. Interested parties are further advised to keep a regular watch on the official website of the Designated Authority <http://www.dgtr.gov.in/> for any updated information with respect to this investigation.

Time Limit

23. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses adg12-dgtr@gov.in, adv11-dgtr@gov.in, dir12-dgtr@gov.in and dd14-dgtr@gov.in. within 30 days from the date of the receipt of the notice

as per the Rule 6(4) of the Rules. If no information is received within the prescribed time-limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Rules.

24. 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.

Submission of Information on Confidential Basis

25. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same in terms of Rule 7(2) of the Rules. Failure to adhere to the above may lead to rejection of the response / submissions.
26. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately.
27. The “confidential” or “non-confidential” submissions must be clearly marked as “confidential” or “non-confidential” at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
28. 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 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.
29. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on 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 why summarization is not possible must be provided to the satisfaction of the Authority.
30. 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.
31. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.

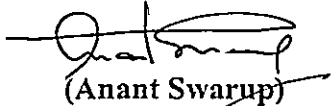
32. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

Sharing of responses/ submissions amongst interested parties.

33. A list of registered interested parties will be uploaded on DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties since the public file will not be accessible physically due to ongoing global pandemic.

Non-Cooperation

34. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.


(Anant Swarup)
Designated Authority