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

**NOTIFICATION**

**New Delhi, 8<sup>th</sup> July, 2008**

**Initiation**

**Subject: Initiation of Anti-Dumping Investigation concerning import of Plastic Processing Machinery from China PR**

**1. Initiation**

**F.No. 14/12/2008-DGAD:** WHEREAS M/s L & T Demag Plastic Machinery Ltd, Chennai (herein after referred to as the Applicants) have filed an application before the Designated Authority (hereinafter referred to as Authority), in accordance with the Customs Tariff Act, 1975 as amended in 1995 and Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (herein after referred as Rules), alleging dumping of Plastic Processing machinery (herein after referred to as subject goods), originating in or exported from People's Republic of China, (herein after referred to as subject country) and requested for initiation of Anti Dumping investigations for levy of anti dumping duties on the subject goods.

**2. Product under consideration**

The product under consideration in the present petition is all kinds of plastic processing or injection moulding machines, also known as injection presses, having clamping force not less than 40 tonnes, used for processing or moulding of plastic materials. The machines are used for producing various plastic articles using an injection moulding process and consist of an injection unit, which melts the polymer and injects it into the mould and a clamping unit, which holds the mould, opens, closes and ejects the finished product. Plastic processing machines are used by user-segments as automotive, communications, entertainment electronics, electrical, packaging, etc., in processing plastic to make bumpers, water bottles, medicine bottles, bottle caps, household items, writing instruments, plastic screws and so on.

Plastic processing machinery is classified under Chapter 84 of the Customs Tariff Act under subheading 8477.10 under subheading 8477.1000 under the Indian Trade Classification (Based on Harmonized Commodity Description and Coding system).

However, the above classification is indicative only and is no way binding on the scope of this investigation.

### **3. Domestic industry and Standing**

The application has been filed by M/s L & T Demag Plastic Machinery Ltd, Chennai. The Authority notes that there are three other companies which are known to have the capacities to produce the subject goods in India i.e., M/s Ferromatik Milacron India Ltd, Ahmedabad, M/s Windsor Machines Ltd, Thane and M/s Electronica Machine Tools Ltd, Pune. On the basis of the information received, the Authority notes that the applicant company constitute a major proportion in Indian production. 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).

### **4. Like article**

The applicant have claimed that there is no known difference in the subject goods produced by the participating companies and exported from subject country. Both products have comparable characteristics in terms of parameters such as physical characteristics, manufacturing process & technology, functions & uses and tariff classification, etc. The goods produced by the domestic industry are comparable to the imported goods in terms of essential product properties. Therefore prima facie, the domestic products manufactured by the domestic industry appear to be like articles to the subject goods imported from China PR.

### **5. Countries involved**

The country involved in the present investigation is the People's Republic of China.

### **6. Normal value**

In terms of para 8 in Annexure I to the Rules, it is presumed that the producers of the subject goods in China PR are operating under non-market economy condition. In view of the above non-market economy presumption, and subject to rebuttal of the same by the responding exporters, Normal value of the subject goods in China PR has been estimated in terms of para 7 of Annexure 1 to the Rules. The Authority may, however, adopt an appropriate third country for the purpose of the above determination in terms of the above provision and notify the interested parties in due course.

### **7. Export price**

The export price of the subject goods exported from the subject country has been estimated on the basis of data collected from other secondary sources. Adjustments on account of ocean freight, marine insurance, commission, inland transportation in the country of export, port expenses have been made to arrive at the Export Price at ex-factory level.

## **8. Dumping margin**

On the basis of positive evidence placed by the applicants before the Authority it appears that the Normal Value of the subject goods in the subject country is 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 country. The dumping margins are estimated to be above de minimis.

## **9. Injury and causal link**

The applicant domestic industry has furnished information on volume and value of dumped imports from the subject country and various parameters relating to injury to the domestic industry, on account of the product under consideration. Parameters, such as increase in volume of imports, both in absolute terms and in relation to the demand of the products; loss in market share; price undercutting; profitability and cash loss in the manufacturing of subject goods prima-facie indicate that the dumped import of the subject goods from the subject country has caused material injury to the Domestic Industry.

## **10. Initiation**

In view of the above 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 links between the dumping and injury exist, and therefore, the Authority, in terms of the Rules 5 of the said Rules, hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of antidumping duty, which if levied would be adequate to remove the injury to the domestic industry.

**11. Period of investigation (POI):** The period of investigation (POI) for the purpose of present investigation is **1.1.2007 to 31.12.2007**. The injury investigation period will however, cover the period 2004-05 to 2006-07 and the POI.

## **12. Submission of information**

The exporters in the subject country, the Embassy of China PR in India, the importers and users in India known to be concerned with this investigation, the domestic industry are being addressed separately 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  
Udyog Bhavan  
New Delhi-110011.**

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.

### **13. 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. If no information is received within the prescribed time limit or the information received is incomplete, the Designated Authority may record its findings on the basis of the facts available on record in accordance with the Rules.

### **14. Submission of information on Non-confidential basis**

In terms of Rule 6(7), of the Rules the interested parties are required to submit non-confidential version of any confidential information provided to the Authority. The non-confidential version or non-confidential summary of the confidential information should be in sufficient detail to provide a meaningful understanding of the information to the other interested parties. If in the opinion of the party providing such information, such information is not susceptible to summary; a statement of reason thereof is required to be provided. However, if the Designated Authority is satisfied that the request for confidentiality is not warranted, or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in a generalized or summary form, the Designated Authority may disregard such information.

## **15. Use of facts available**

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.

## **16. 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).

**(R. Gopalan)**  
**Designated Authority**