

**To be published in Part-I Section I of the Gazette of India Extraordinary**

**F. No. 15/20/2013**

**Ministry of Commerce & Industry**

**Department of Commerce**

**DGAD**

**Notification**

Date: 16<sup>th</sup> October, 2014

Sunset Review

Subject: Sunset review of anti dumping duty imposed on imports of Cable Ties from China PR and Chinese Taipei- Final findings

No.15/20/2013-DGAD: Having regard to the Customs Tariff Act 1975, as amended from time to time (hereinafter also referred to 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 also referred to as the Rules) thereof

#### **A. BACKGROUND OF THE CASE**

Whereas anti dumping investigation was originally initiated on 1<sup>st</sup> January, 2008 in respect of imports of Cable Ties (hereinafter referred as subject goods) originating in or exported from China PR and Chinese Taipei (hereinafter referred as subject countries). The provisional antidumping duty was imposed by the Central Govt. on imports of the product from the subject countries vide Customs notification no. 118/2008-CUS dated 31<sup>st</sup> October, 2008 on the basis of the preliminary findings of the Authority issued on 23<sup>rd</sup> September, 2008 vide Notification No14/10/2007-DGAD. The final findings was notified vide notification dated 31<sup>st</sup> March, 2009 and the Department of Revenue imposed definitive anti dumping duties on the subject goods from above subject countries vide notification no. 44/2009-CUS dated 30<sup>th</sup> April, 2009.

2. And whereas in terms of the provisions for review investigations, the Authority received an application from M/s. Surelock Plastics Pvt. Ltd. Mumbai representing

domestic industry which substantiated the need for midterm review of the anti dumping duty imposed on the subject goods originating in or exported from the subject countries and requested for enhancement/revision of the anti dumping duty imposed on subject goods.

3. And whereas, the Authority initiated a mid-term review (MTR) investigation in respect of the imports of the subject goods, originating in or exported from China PR and Chinese Taipei, vide notification No. 15/10/2011-DGAD dated 4<sup>th</sup> October, 2011 and the Authority vide Notification No. 15/10/2011-DGAD dated 3rd October, 2012 recommended modified form of anti-dumping duty imposed on the imports of the subject goods, originating in or exported from the subject countries. On the basis of the recommendations of the Authority, the Central Government vide Notification No. 56/2012 dated 14<sup>th</sup> December, 2012 imposed modified anti dumping duty on imports from both the subject countries.
4. And whereas, in view of the duly substantiated application filed by the domestic industry and in accordance with Section 9A(5) of the Act, read with Rule 23 of the Anti-dumping Rules, the Authority initiated a sunset review investigation vide Notification No. 15/20/2013-DGAD dated 17<sup>th</sup> October, 2013 to review the need for continued imposition of the duties in respect of the subject goods, originating in or exported from China PR and Chinese Taipei, and to examine whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry. The validity of the antidumping duty on the imports of the subject goods from the subject countries was extended by the Central Government up to 30<sup>th</sup> October 2014 vide Notification No.28/2013-Customs (ADD) dated 12<sup>th</sup> November 2013.
5. And whereas the scope of the present review covers all aspects of the previous investigations concerning imports of the subject goods, originating in or exported from the subject countries.

## **B.PROCEDURE**

6. The procedure described below has been followed with regard to the subject investigation:
  - a) The authority issued a notice of initiation on 17th Oct., 2013, published in Part-I

Section I of the Gazette of India Extraordinary. The authority placed a copy of the public notice on the website of Ministry of Commerce & Industry.

- b) The Chinese Embassy and the Chinese Taipei Cultural Centre in New Delhi were informed about the initiation of the investigation, in accordance with Rule 6(2) with a request to advise the exporters/producers in their country to respond to the questionnaire within the prescribed time.
- c) The Authority provided a copy of the non-confidential version of the application to the known exporters and the Chinese Embassy and the Chinese Taipei Cultural Centre in New Delhi in accordance with Rules 6(3) supra. A copy of the non-confidential version of the application was also made available in the public file and provided to other interested parties, wherever requested.
- d) The Authority forwarded a copy of the public notice to the following known producers/exporters in the subject countries (whose names and addresses were made available to the Authority) and gave them opportunity to make their views known in writing within forty days from the date of the letter in accordance with the Rules 6(2) & 6(4):

Name of Company	Country
Hua Wei Industrial Co. Ltd. (Giantlok)	China PR
(Yueqing) Gaulin (Huaxin) Electric Apparatus Factory	China PR
Power Industry Part Book Enterprise	China PR
Co- Talent n Limited (CTNL)	China PR
Kaygo Plastics Manufacturing Co. Ltd.	China PR
Zhejiang Giujing Meters Co. Ltd.	China PR
Yueqing Qiligang Plastics Manufacturers Co.ltd.	China PR
Yueqing Xinxing Cable Accessories Co., Ltd.	China PR
Wenzhou Yongji Electric Equipments	China PR
V.Y.Cables Accessories Co. Ltd.	Chinese Taipei
Kai Suh Suh Enterprise Co. Ltd.	Chinese Taipei
Giantlok, Taichung	Chinese Taipei
AVC, Kaoshiung City	Chinese Taipei

- e) A Market Economy Treatment (MET) questionnaire was also forwarded to all the known producers/exporters and the Chinese Embassy with the request to provide relevant information to the Authority within the prescribed time. While for

the purpose of initiation the normal value in China PR was considered based on the cost of production of the subject goods in India, duly adjusted, the Authority informed the known producers/exporters from China PR that it proposes to examine the claim of the applicant in the light of para 7 and para 8 of Annexure I of Anti-dumping Rules, as amended. The exporters/producers of the subject goods from China PR were, therefore, requested to furnish necessary information/sufficient evidence as mentioned in sub-paragraph (3) of paragraph 8 to enable the Authority to consider whether market economy treatment can be granted to the cooperative exporters/producers.

- f) M/s. Changhong Plastics Group Co. Ltd. (exporter) & M/s. Changhong Plastics Group Imperial Plastics Co. Ltd. (producer) of subject goods from China PR filed response to questionnaire in the form and manner prescribed. No other exporter from the subject countries has responded.
- g) The Authority forwarded a copy of the public notice to the following known importers/ consumers (whose names and addresses were made available to the authority) of subject goods in India and advised them to make their views known in writing within forty days from the date of issue of the letter in accordance with the Rule 6(4):

Name of Company
Krishna Electronics, Kolkatta
Anandi International , Kolkatta
Multi Impex, Chennai
P.S. Enterprise, Kolkatta
Sumati Chand Bothra, Kolkatta
Wire & Cable Corporation, New Delhi
Choudhary International, Delhi
B.B. Corporation, Chennai
Hirawat Marketing Services, Kolkatta
Jeetendra Kumar Modi, Kolkatta
Shah Enterprises, Mumbai
Krishna Commercial Corpn.Chennai
Pranav Electricals, Vadodara
Modi Industrial Interface, Bangalore

- h) No response/submission has been submitted by any of the importers/users/ other interested parties.
- i) A copy of the initiation notification was also sent to the following other known domestic producers of the subject goods:

Name of Company
Blackburn & Co. Pvt. Ltd., Kolkatta
Novaflex Mktg. Pvt. Ltd., Kolkatta
Flu-Con Enterprises, Mumbai

- j) The Period of Investigation (POI) for the purpose of the present review was 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013 (POI). The examination of trends in the context of injury analysis covered the periods April 2009-March 2010, April 2010-March 2011, April 2011-March 2012 and the POI.
- k) The domestic industry had relied upon the data from the secondary sources i.e. IMPEX to determine volume and value of imports of the product under consideration in India. Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to arrange details of imports of subject goods for the injury period including the POI and also the post-POI. Information received from the DGCI&S was examined in detail and volume & value of imports was ascertained on the basis of DGCI&S records as well. Since during the POI, the volume of the imports of the subject goods from the subject countries as per IMPEX is found higher than that the volume of imports reported in the DGCI&S data, the Authority has relied upon the data from IMPEX source in the present investigation.
- l) Exporters, producers, importers and other interested parties who have neither responded to the Authority nor supplied information relevant to this investigation have been treated as non-cooperating interested parties .
- m) The Authority made available non-confidential version of the evidence presented by interested parties in the form of a public file kept open for inspection by the interested parties as per Rule 6(7).
- n) The Authority has examined the information furnished by the domestic producer to the extent possible on the basis of guidelines laid down in Annexure III to work out the cost of production and the non- injurious price of the subject goods in India so as to ascertain if anti- dumping duty lower than the dumping margin would be sufficient to remove injury to the domestic industry.

o) In accordance with Rule 6(6) of the AD Rules, the Authority also provided opportunity to all interested parties to present their views orally in a public hearing held on 30<sup>th</sup> July, 2014 which was attended by the following parties

- the domestic industry,
- the representative of Changhong Plastics (Chinese exporter and producer)
- the representative of Giantlok India (importer).

The interested parties presenting their views in the oral hearing were requested to file written submissions of the views expressed orally. The representative of Giantlok India was also advised to provide information with regard to imports of the product under consideration in India made by them or exports made by Giantlok in the form and manner prescribed by the authority. No information was however provided by Giantlok.

- p) The submissions made by the interested parties during the course of the investigation and considered relevant by the Authority, have been addressed in this finding.
- q) Verification of the information and data submitted by the domestic industry was carried out to the extent deemed necessary.
- r) Information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted and such information has been considered as confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.
- s) Wherever an interested party has refused access to, or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has recorded these findings on the basis of the 'facts available' and treated such parties as non-cooperative.
- t) \*\*\*in this Final Finding represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- u) In accordance with Rule 16 of Rules Supra, the essential facts/basis considered for these findings were disclosed to known interested parties vide disclosure statement dated 2<sup>nd</sup> October 2014 and comments received thereon, considered relevant by the Authority, have been addressed in this notification.
- v) The exchange rate for the POI has been taken by the Authority as Rs.54.65 = 1 US\$.

**C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE:**

7. The product involved in the original investigation, midterm review investigation and the present sunset review investigation is “Cable Ties”. The scope of the product under consideration remains the same in the present review. As per the original investigation carried out by the Designated Authority, the product has been defined as under:

*“The product under consideration in the present petition is Cable Ties. Cable Ties consists of sturdy nylon tape with an integrated gear rack and on one end a ratchet within a small open case. This is an economical and versatile method of Cable/Wire bunching systems. Cable Ties are known by several names e.g. non-releasable or releasable (reusable) tags, straps, zip ties, tie wrap, rat belt etc. and produced & sold in different sizes as per requirement of the customers. Cable Ties are a one piece moulded mechanism with no metal barbs or cumbersome wedges having fastening and self locking device. Once a non-releasable cable tie is pulled through, it prevents from being pulled back allowing tighter pulling only. Cable ties are generally single use devices. However reusable Cable Ties are also produced according to the demand of the customers.”*

**C.1 Views of the Importers, Consumers, Exporters and Other Interested Parties**

8. None of the importers, consumers, exporters and other interested parties has filed any comment or submissions with regard to product under consideration and like article.

**C.2 Views of the Domestic Industry**

9. The product under consideration is cable ties. Cable ties are generally viewed as single-use devices. However, if a closed loop needs to be opened again, then, rather than destroying the cable tie by cutting, it may be possible to release the ratchet from the rack to reuse the cable tie. While some cable ties are designed for reuse with a table that releases the ratchet, in most cases a sewing needle or similar object (for example a small screwdriver) will need to be interposed between the ratchet and the rack. The product under consideration has found significant use in departmental stores for fastening plastic bags. The cable ties are produced and sold in various

length, width and thickness. These are known by several names. However, normally these are described as Non Releasable, Releasable (Reusable) Tag Type, Releasable (Reusable) Tag Type Double lock type etc. for more variety. Cable Ties are classified in Chapter 39 of the Customs Tariff Act under subheading 39269010 of the Customs Tariff Act, 1975. However, the customs classification is indicative only and is in no way binding on the scope of the present investigation.

### **C.3 Examination by the Authority**

10. The product under consideration in the present investigation is Cable Ties. Cable Ties consists of sturdy tape with an integrated gear rack and on one end a ratchet within a small open case. This is an economical and versatile method of Cable/Wire bunching systems. Cable Ties are known by several names e.g. non-releasable or releasable (reusable) tags, straps, zip ties, tie wrap, rat belt etc. and produced & sold in different sizes as per requirement of the customers. Cable Ties are a one piece moulded mechanism with no metal barbs or cumbersome wedges having fastening and self locking device. Once a non-releasable cable tie is pulled through, it prevents from being pulled back allowing tighter pulling only. Cable ties are generally single use devices. However, reusable Cable Ties are also produced according to the demand of the customers. The product under consideration in the present sunset review investigation is the same as has been held by the Designated Authority in the previous investigations.
11. Cable Ties are classified under chapter 39.26 of the Customs Tariff Act, 1975, under Subheading 3926.9010. The customs classification is indicative only and is in no way binding on the scope of the present investigations.
12. The petitioner has claimed that there is no significant difference in the subject goods produced by the domestic industry and exported from the subject countries and, therefore, are like article within the meaning of Rule 2(d) of AD Rules. It has been stated that the subject goods produced by the domestic industry are comparable to the imported ones from the subject countries in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Both are technically and commercially substitutable and

hold close resembling characteristics. It has been claimed that the consumers have used the two interchangeably.

13. The responding exporters have not made any submissions disputing the claim of the petitioner and previous determinations of the Designated Authority in this regard.
14. Rule 2(d) of the Anti-dumping Rule specifies that like article means an article, which is identical and alike in all respects to the product under investigation or in the absence of such an article, another article having characteristics closely resembling those of the articles under examination.
15. After due examination, the Authority holds that Cable Ties produced by domestic industry has same characteristics as those of Cable Ties imported from the subject countries. Investigation conducted by the Designated Authority has not shown any difference in the two products. In view of the same, the Authority holds that Cable Ties produced by the domestic industry is like article to Cable Ties being imported from the subject countries within the meaning of the rules.

#### **D.DOMESTIC INDUSTRY**

16. The petition was filed by M/s. Surelock Plastics Pvt. Ltd. There are three other known producers of cable ties in the country, M/s. Blackburn & Co. Pvt. Ltd., M/s. Novoflex Marketing and M/s. Flucon Enterprises. While, M/s. Blackburn & Co. Pvt. Ltd. is also producing the subject goods; petitioner has claimed that M/s. Novoflex Marketing and M/s. Flucon Enterprises have shut down production.

#### **D.1 Views of Domestic Industry**

17. M/s. Blackburn & Co. Pvt. Ltd. is the only other known producer of the subject goods in the country as M/s. Novoflex Marketing and M/s. Flucon Enterprises have shut down production. Further, the petitioner's production constitutes a major proportion in Indian production. Thus, the petitioner constitutes domestic industry within the meaning of the Anti Dumping Rules.

#### **D.2 Views of the Exporters, Importers, Consumers and Other Interested Parties**

18. None of the importers, consumers, exporters or other interested parties has made any comment or submissions with regard to the standing of the petitioner and its consideration as domestic industry.

#### **D.3 Examination by the Authority**

19. Rule 2 (b) of the AD rules defines domestic industry as under:

*"(b) "domestic industry" means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those 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 such case the term 'domestic industry' may be construed as referring to the rest of the producers"*

20. The review investigation has been initiated on the basis of a duly substantiated request submitted by M/s. Surelock Plastics Pvt. Ltd. Mumbai in terms of Rule 23 of the Rules. The petitioner stated that there are three other producers of subject goods in India, namely M/s. Blackburn & Co. Pvt. Ltd., M/s. Novoflex Marketing and M/s. Flucon Enterprises. Whereas M/s. Novoflex Marketing and M/s. Flucon Enterprises have shut down production as held in the previously concluded mid-term review investigation; M/s. Blackburn & Co. Pvt. Ltd. is the only other known producer of the product under consideration other than the petitioner.
21. No comments have been received from any interested party disputing the claim and status of the petitioner. The investigation has not shown that the petitioner does not satisfy the requirement of standing or the petitioner does not constitute domestic industry. The information available on records establishes that the production of the petitioner constitutes a major proportion in Indian production and no other domestic producer has provided relevant information despite opportunity having been provided to them. The Authority, therefore, holds that the petitioner constitutes domestic industry within the meaning of Rule 2(b) of the rules supra.

#### **D.4 Other issues**

22. With regard to the import data being presented in several units of measurements and as the conversion of the same is not clear; it is clarified that the majority of transactions in the investigation period were reported on weight basis for customs clearance and therefore no conversion into weight was required in these transactions. Moreover, the Authority notes that in the previously concluded mid-term review investigations majority of import transactions (nearly 90% by value) were reported on weight basis. Therefore, the Authority has adopted same methodology for assessment of volume and value of imports from all countries. Further, the responding exporter has invoiced the goods on weight basis and has provided

information on weight basis.

23. During the course of the investigation, the data received from DGCI&S was examined and analyzed on value basis. It is noted that the value of imports reported by DGCIS is significantly lower as reported in IMPEX data.
24. The representative of the responding exporter has claimed that the present investigation has proceeded without any disclosure of availability of import data to the opposing interested parties. The exporters are aware that the Designated Authority has called for and relied upon transaction-wise DGCI&S data for imports. However, this information has not been made available in non-confidential form in the public file. Further, a country-wise yearly summary of quantity and value data can easily be made available without disclosing any confidential information.
25. It is clarified that the Designated Authority is not required to disclose the DGCI&S data procured on transaction by transaction basis by the Authority. It is noted that country-wise import information is provided in the petition by the petitioner. The authority calls information from several sources. Even responding exporter has provided information on volume and value of exports made by the company. The authority however does not disclose the volume and price of exports reported by the exporter. Rule 16 provides that the authority shall disclose essential facts under consideration before proceeding to record determination. This clearly implies that the authority is not required to disclose such information till the stage of disclosure of essential facts.
26. The representative of the responding exporter has claimed that initiation of Sunset Review is not compulsory. The petitioner has argued that this issue has been well decided by the Hon'ble High Court in the matters of Indian Metals & Ferro Alloys vs. Designated Authority [2008 (224) ELT 375 (Del.)] and Kalyani Steels Ltd. v. Revenue Secretary, M.F. - 2008 (224) E.L.T. 47 (Del.). The Authority notes in this regard that in any case, there was a duly documented petition filed before the authority and the investigation was initiated based on such petition.
27. The domestic industry has argued that representatives of Giantlok had attended the oral hearing and the Authority specifically directed the representatives of the exporter to provide relevant information in the form and manner prescribed. However, no questionnaire response has been filed by the Giantlok, nor any other

submissions have been made by them. It is indeed strange that Giantlok, despite being a producer of the product under consideration in China and Thailand and exporting the same in India in significant volumes, attended the oral hearing and has preferred not to provide any information to the Designated Authority. The authority notes that the exporter has not filed any questionnaire response, nor provided any other verifiable information. The authority has therefore treated all such companies as non cooperative companies for the present purposes.

## **E. MARKET ECONOMY TREATMENT, NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN**

### **Submissions by the domestic industry**

28. Following are the submissions made by the domestic industry with regard to normal value, export and dumping margin:

- i. None of the WTO Member countries have granted market economy status to Chinese producers on the basis of the latest detailed evaluation of relevant criteria, which includes the criteria specified in sub paragraph 8(3). China is a non-market economy. None of the Chinese producers can satisfy market economy status.
- ii. The producers and exporters in the subject country have continued to export the material at dumping price even after imposition of the anti-dumping duty. The volume of dumped imports and dumping margin are significant even with the anti -dumping duty.

### **Submissions made by the producers/exporters/other interested parties**

29. Following are the submissions made by the respondent producer and exporter:

- i. M/s Changhong Plastics Group Imperial Plastics Co. Ltd. ('Imperial' - Producer; and – M/s Changhong Plastics Group Co. Ltd. ('CHS')- Exporter cooperated with the Designated Authority.
- ii. Invoice value as reported by M/s Changhong Plastics Group Co. Ltd. ('CHS')-Exporter in Apendix-2 is as per actual invoice value, as reported to the Chinese Customs Authority. Therefore, the Authority is required to adopt the actual invoice value as reported by the exporter.

### **Examination by the Authority**

30. The Authority notes that in the past three years China PR has been treated as a

non-market economy country in anti-dumping investigations by India and other WTO Members. China PR has been treated as a non-market economy country subject to rebuttal of the presumption by the exporting country or individual exporters in terms of the Anti-dumping Rules.

31. As per Paragraph 8 of Annexure I of the Anti-dumping Rules, the presumption of a non-market economy can be rebutted, if the exporter(s) from China PR provide information and sufficient evidence on the basis of the criteria specified in sub paragraph (3) of Paragraph 8 and establish the facts to the contrary. The cooperating exporters/producers of the subject goods from People's Republic of China are required to furnish necessary information/sufficient evidence as mentioned in sub-paragraph (3) of paragraph 8 in response to the Market Economy Treatment questionnaire to enable the Authority to consider the following criteria as to whether:

- a) the decisions of concerned firms in China PR regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment are made in response to market signals reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs substantially reflect market values;
- b) the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets, other write-offs, barter trade and payment via compensation of debts;
- c) such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms and
- d) The exchange rate conversions are carried out at the market rate.

32. The Authority notes that the respondent Chinese companies in the present investigation have filed market economy treatment (MET) response and later on withdrawn the same vide their letter dated 25<sup>th</sup> September 2014. Therefore, the Authority does not grant MET status to any Chinese company in the present investigation.

#### **F. Normal Value and Dumping Margin**

## **F.1 NORMAL VALUE**

33. Under section 9A(1)(c) normal value in relation to an article means:

(i) The comparable price, in the ordinary course of trade, for the like article, when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6), or

(ii) when there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either

(a) comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or

(b) the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6).

## **F.2 Views of Domestic Industry**

34. The views of the domestic industry in this regard are as follows:

- i. China should be treated as a non-market economy country. Normal value in case of China should be determined in accordance with para-7 Annexure-I to the Rules.
- ii. MET response of the responding exporter should be rejected. The non confidential version of questionnaire response is merely an empty formality. The response virtually keeps all the information confidential, thereby preventing the petitioner from making effective submissions and violating the principles of natural justice.
- iii. M/s Changhong Plastic Co. Ltd. was established in the year 1989. Every company established in that time frame was under the Chinese Government's control. Therefore, the Authority is requested to reject the MET claim of the exporter on account of Government's intervention in the business of the Company. Further, merely changing the name does not imply that the Company has no more intervention from the Chinese Government.

- iv. Petitioner has claimed normal value for Taiwan on the basis of cost of production in India, duly adjusted; as none of the exporters from Taiwan have responded to the current investigation and no other reliable information is available.

### **F.3 Views of Changhong Plastics**

35. The views of the responding exporter in this regard are as follows:

- i. The Exporters have already placed on record their export sales in the requisite format. It is an admitted fact that the exporter and producer are related entities. Therefore, in light of the producer-wise duties now being levied by the Hon'ble Designated Authority, it is requested that the exporter may be allocated their individual margins in conjunction with their respective trade channels. The exporter invited the Authority to verify their information through onsite verification.

### **F.4 Examination by the Authority**

#### **F.4.1 Examination of Market Economy claims in respect of Changhong Plastics Group Co. Ltd.**

36. The Authority notes that in the past three years China PR has been treated as non-market economy country in the anti-dumping investigations by India and other WTO Members. Therefore, in terms of Para 8 (2) of the Annexure 1 of AD rules, China PR has been treated as a non-market economy country subject to rebuttal of the presumption by the exporting country or individual exporters in terms of the above Rules for the purposes of final finding.
37. The Authority notes that responding producers/exporters of the subject goods from China PR have submitted their questionnaire responses and response to market economy questionnaire consequent upon the initiation notice issued by the Authority and sought to rebut the non-market economy presumption. However, the exporter-producer withdrew their claim of market economy status vide letter dated 25<sup>th</sup> September 2014 and therefore the market economy status claim of the exporter-producer was not examined further by the authority. The questionnaire response of the responding producer-exporter has been examined for determination of normal value of the responding producer of the subject goods from the subject country as

follows.

#### **F.4.2 Normal Value for CHS and Non-Cooperating Exporters in China PR**

38. No other producer/exporter from China PR except CHS has responded to the Authority. Information on imports of the product under consideration reported in Indian customs data and exports from CHS shows that there were significant imports of the product under consideration during the POI. Evidently, subject goods have been exported by other exporters from China as well, who have preferred not to cooperate with the Authority. The Authority has constructed normal value for all the producers and exporters in China PR by adopting consumption norms for major raw materials and by taking international prices of the raw materials, and known estimates for conversion cost during the relevant period. Selling, general & administrative costs and reasonable profit margin has been added to the cost of production so determined so as to arrive at a constructive normal value. The same quantum of normal value, as has been determined for CHS has been adopted for other exporters from China PR as well. The constructed normal value so arrived is mentioned in the dumping margin table.

#### **E.4.3 Normal Value in Chinese Taipei**

39. The Authority notes that none of the producers/exporters from Chinese Taipei has filed any questionnaire response in the form and manner prescribed. As information about actual domestic sales price, information on exports to third country or cost of production in Chinese Taipei and other information as per the prescribed formats have not been furnished by any producer/exporter in that country; the Authority has relied upon the best available information for determination of normal value. The petitioner has claimed normal value in Chinese Taipei on the basis of estimates of cost of production. In the absence of any response from the exporters in the form and manner prescribed, the Authority has determined normal value in Chinese Taipei on the basis of estimates of cost of production in accordance with Section 9A(1)c read with Rule 6(8) supra. It is noted in this regard that there is no publicly available information with regard to price of the subject goods in the exporting country. The normal value has been constructed by adopting consumption norms for major raw materials and international prices of the raw materials, and known estimates for conversion cost during the relevant period. Selling, general & administrative costs and reasonable profit margin has been added

to the cost of production so determined so as to arrive at a constructed normal value.

## **F.5 Export price**

### **F.5.1 Export Price for Changhong Plastics (CHS)**

40. Individual export price for Changhong Plastics in respect of product under consideration has been determined on the basis of questionnaire response filed by the exporter and as claimed by the responding producer & exporter, which was examined by the authority and has been accepted for the proposed determination. The export price is proposed to be determined as weighted average price of imports of the product under consideration exported to India directly by them to Indian importers during the relevant period, on the basis of invoice wise details of exports made by the company provided to the authority. It is noted that the information provided by the CHS contains sufficient information with regard to volume of exports expressed on weight basis. The export price has therefore been determined on the basis of average price per kg. of goods. Price adjustments have been claimed on account of expenses such as ocean freight, inland freight, insurance, port expenses, bank charges and VAT adjustment, etc. which have been examined and accepted. The export price to India has been determined after deducting all the adjustments claimed by the exporter and accepted by the Authority.

### **F.5.2 Export Price For Non-Cooperating Exporters In China PR**

41. The Authority notes that IMPEX information shows imports of 492 MT of Cable Ties from China PR, whereas the volume of direct exports made by the responding exporter to Indian importers is \*\*\* MT. It is thus evident that significant exports have been made by other Chinese producers/ exporters as well. In view of non cooperation from the other Chinese exporters, the export price in respect of non cooperating exporters has been arrived at after reducing the quantum of imports from the cooperative exporter from total quantum of imports available from secondary source during the POI. After making adjustments on account of ocean freight, marine insurance, inland freight, port expenses, bank charges and VAT adjustment, the ex-factory export price has been calculated and has been mentioned in the dumping margin table.

### **F.5.3 Export Price for Chinese Taipei**

42. None of the producers/exporters of the product under consideration from Chinese Taipei have responded to the Designated Authority. In the absence of cooperation from the foreign producers/exporters, the export price from Taiwan has been determined on the basis of average import price reported in the Indian customs data. The Authority notes that the IMPEX information shows imports of **193 MT** of Cable Ties from Chinese Taipei in the POI, which has been considered as CIF export price. After making adjustments on account of ocean freight, marine insurance, inland freight, port expenses and bank charges on the basis of best available information in the absence of cooperation from the producers/exporters in Taiwan, the ex-factory export price has been calculated and is mentioned in the dumping margin table.

### **E.6 Dumping Margin**

43. The dumping margin has been established on the basis of a comparison of weighted average normal value with weighted average export price. The dumping margin for exports of the subject goods from the subject countries is assessed as given in the table below:

**Dumping Margin Calculation:**

Country of Origin	Producer	Exporter	Normal value (US\$/Kg)	Net Export Price (US\$/Kg)	Dumping Margin (US\$/Kg)	Dumping Margin (%)	Dumping Margin Range (%)
China PR	Changhong Plastics Group Imperial Plastics Co. Ltd.	Changhong Plastics Group Imperial Plastics Co. Ltd.	***	***	***	***	35%-45%
China PR	Changhong Plastics Group Imperial Plastics Co. Ltd.	Changhong Plastics Group Co. Ltd.					
China PR	Changhong Plastics Group Imperial Plastics Co. Ltd.	Any		***	***	***	40%-50%
China PR	Others	Any					

Chinese Taipei	Any	Any	***	***	***	***	15%-25%
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## **G. Injury and Causal Link**

### **G.1 Views of the domestic industry**

44. The domestic industry has made the following submissions:

- a. Product under consideration continues to be exported to India at dumped prices from the subject countries.
- b. Domestic industry has suffered continued injury in spite of existing ADD.
- c. Both dumping margin and injury margin in the current POI are positive and significant.
- d. There is definite likelihood of continued/ increased injury in case existing ADD is revoked.
- e. The anti dumping duty is required to be continued at the same level or enhanced.
- f. Production, sales and capacity utilization of the domestic industry has shown some improvement in 2011-12 and the POI.
- g. Profit/loss has shown deterioration over the injury period to the extent that losses were suffered in 2011-12 and the POI. Profit before interest & taxes, cash profits, return on investments have all shown a similar trend.
- h. Imports from the subject countries have been undercutting the prices of the domestic industry in the market to a significant degree, as a result of which the domestic industry has been suffering price suppression.
- i. Price undercutting leading to price suppression has resulted in significant drop in profits, return on investment and cash flow.
- j. In spite of increase in demand, the capacity of the domestic industry remained under-utilized.
- k. The landed prices of imports from the subject countries even after addition of anti dumping duty have remained significantly below the selling price of the domestic industry. Thus, the remedial effect of imposition of anti dumping duties on imports from the subject countries has been undermined.
- l. Inventory level with the domestic industry increased in 2011-12 with a significant increase during the period of investigation.
- m. Considering the huge production capacities of the subject goods in the subject countries and their export orientation and the increasing demand for the subject

goods in India, in all likelihood, review and enhancement in the quantum of anti dumping duty is necessary.

- n. In case of cessation of the present anti dumping duty, dumping from subject countries would definitely increase and ultimately cause intensified volume and price injury to the Domestic Industry.
- o. Various parameters relating to domestic industry collectively and cumulatively establish that the domestic industry has suffered material injury.

### **G.2.1 Cumulative assessment**

45. Annexure II (iii) of the Anti Dumping Rules provides that in case imports of a product from more than one country are being simultaneously subjected to anti dumping investigations, the Designated Authority will cumulatively assess the effect of such imports, in case it determines that: -

(a) the margin of dumping established in relation to the imports from each country is more than two percent expressed as percentage of export price and the volume of the imports from each country is three percent of the imports of the like article or where the export of the individual countries is less than three percent, the imports cumulatively accounts for more than seven percent of the imports of like article, and;

(b) cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported article and the like domestic articles.

46. The Authority observes that:-

- (a) The margins of dumping from each of the subject countries are more than the limits prescribed above;
- (b) The volume of imports from each of the subject countries is more than the limits prescribed;
- (c) Cumulative assessment of the effects of imports is appropriate since the exports from the subject countries directly compete with the like articles offered by the domestic industry in the Indian market. It is noted in this regard that present review is a sunset review and the Authority had earlier assessed injury to the domestic industry cumulatively.

47. Rule 11 of Antidumping Rules read with Annexure-II provides that an injury

determination shall involve examination of factors that may indicate injury to the domestic industry, "... taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles...." In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to suppress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.

48. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, stock, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the rules supra.
49. The present investigation is a sunset review of anti dumping duties in force. Rule 23 provides that provisions of Rule 11 shall apply, mutates mutandis basis in case of a review as well. The Authority has, therefore, determined injury to the domestic industry considering, mutates mutandis, the provisions of Rule 11 read with Annexure II. Further, since anti dumping duties are in force on imports of the product under consideration, the Authority considers that the fact of existing anti dumping duties on imports of the product from China and Taiwan is required to be considered while examining injury to the domestic industry. The Authority has examined the sufficiency aspect of the existing measure to counteract dumping causing injury.
50. According to Section 9(A)(5) of the Customs Tariff Act, anti-dumping duty imposed shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of such imposition, provided that if the Central Government, in a review, is of the opinion that the cessation of such duty is likely to lead to continuation or recurrence of dumping and injury, it may, from time to time, extend the period of such imposition for a further period of five years and such further period shall commence from the date of order of such extension.
51. For the purpose of current injury analysis, the Authority has examined the

volume and price effects of dumped imports of the subject goods on the domestic industry and its effect on the prices and profitability to examine the existence of injury and causal links between the dumping and injury, if any. The Authority has examined injury to the domestic industry by considering information relating to M/s Surelock Plastics Ltd., constituting domestic industry under the Rules.

52. The Authority has considered the views of the interested parties and addressed the same appropriately. The Authority has analyzed injury parameters in accordance with the rules. Information provided by interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has granted confidentiality, wherever warranted, and such information has been treated confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non confidential version of the information filed on confidential basis. Accordingly, the volume and price effect of dumped imports have been examined as follows.

### **G.2.2 Assessment of demand and market share**

53. The authority notes that the imports reported in DGCI&S for the customs classification are much lower than the imports reported in Impex (on import value basis) and therefore, Impex data has been adopted for the present purpose. The Authority notes that the prescribed unit of measurement for the product is weight. The definitive anti-dumping duty imposed in the recently concluded mid-term review is also on the basis of weight. It is, however, seen that the transaction-wise imports during the injury period are being reported in a large number of units of measurements (as in bags, packets, etc). However, imports were reported on weight basis in majority of transactions (70% imports, by value, from subject countries have been reported on weight basis). For the purpose of present investigation the domestic industry has assessed weight of imports in those transactions where the imports have not been reported on weight basis. Further, all those transactions where the import price is aberrationally high or low have been excluded. The domestic industry determined average price for the country considering those import transactions where the imports have been reported on weight basis. This average price has been considered as benchmark for those transactions where the imports have not been reported on weight basis. Weight of import in these transactions has been

determined on the basis of average import price for the transactions reported on weight basis. The authority notes that the methodology adopted by the petitioner is appropriate and has not been disputed by other interested parties. The authority has considered the import volumes reported by the petitioner for the present purposes.

54. The Designated Authority has determined demand as the sum of domestic sales of the domestic industry, sales of other Indian producers and imports of the subject goods in India from all sources on the basis discussed in the para above. The demand so assessed is shown in the following table. It is seen that demand of the product in the country has increased over the injury period. Though there was a decline in demand in 2011-12, the demand in the POI (2012-13) has increased both from the base year (2009-10) as well as previous year (2011-12).

Period	UOM	2009-10	2010-11	2011-12	POI
Demand	MT	1191	1340	1257	1393
<i>Trend</i>	<i>Index</i>	<i>100</i>	<i>112</i>	<i>106</i>	<i>117</i>
China PR	MT	485	649	517	492
Chinese Taipei	MT	372	428	283	193
Imports from Subject countries	MT	857	1,077	800	685
Imports from other countries	MT	19	30	146	355
Sales of Domestic industry	MT	265	183	190	223
Sales of other Indian Producers	MT	50	50	121	130
Market Share					
China PR	%	41	48	41	35
Chinese Taipei	%	31	32	22	14
Subject imports	%	72	80	64	49
Other imports	%	2	2	12	25
Domestic industry	%	22	14	15	16
Other Indian Producers	%	4	4	10	9

55. The Authority notes that the imports from the subject countries have declined after the revision of anti dumping duty in the POI. It is also noted that the market share of the domestic industry has also declined over the injury period. Imports of the product under consideration from the subject countries increased in relation to consumption in India till 2010-11, and then declined thereafter during 2011-12 and in the POI. It is further noted that market share of imports from other countries and that of the other Indian producer has increased.

### **G.2.3 Volume effect of Dumped Imports**

56. With regard to volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports either in absolute terms or relative to production or consumption in India. Annexure II (ii) of the anti dumping rules provides as under:

*“While examining the volume of dumped imports, the said authority shall consider whether there has been significant increase in the dumped imports either in absolute terms or relative in production or consumption in India”*

Imports of the product under consideration were as follows over the injury period –

Period	UOM	2009-10	2010-11	2011-12	POI
China PR	MT	485	649	517	492
Chinese Taipei	MT	372	428	283	193
Imports from Subject countries	MT	857	1,077	800	685
Other Countries	MT	19	30	146	355
Total Imports	MT	876	1,107	946	1,040
<i>Imports from Subject countries in relation to</i>					
Total Imports	%	98%	97%	85%	66%
Consumption in India	%	72%	80%	64%	49%
Production of domestic industry	%	311%	456%	298%	286%

57. It is noted that imports of the product from the subject countries increased till 2010-11 and declined in absolute terms thereafter after initiation of midterm review. However, imports from subject countries have remained significant in relation to total imports, consumption in India and Indian production. In fact, imports from subject countries continue to command the majority share in Indian consumption of the product under consideration. It is also noted that the volume of imports is quite significant in relation to production of the domestic industry.

### **G.2.4 Price Effect**

58. With regard to the effect of the dumped imports on prices, Annexure II (ii) of the Rules lays down as follows:

*“With regard to the effect of the dumped imports on prices as referred to in*

*sub-rule (2) of rule 18 the Designated Authority shall consider whether there has been a significant price undercutting by the dumped imports as compared with the price of like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increase which otherwise would have occurred to a significant degree."*

59. With regard to the effect of the dumped imports on prices, it has been examined whether there has been a significant price undercutting by the dumped imports as compared with the price of the like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. A comparison for product concerned was made between the landed value of exported product and the average selling price of the domestic industry. Selling price of the domestic industry has been determined net of all rebates and taxes, at the same level of trade.

#### **G.2.4.1 Price undercutting and Price Underselling**

60. The price undercutting margin is determined as below

<b>Price Undercutting</b>	UOM	2009-10	2010-11	2011-12	POI
Net Selling Price	Rs./Kg	***	***	***	***
Subject countries					
Landed Value(without ADD)	Rs./Kg	***	***	***	***
Landed Value with ADD	Rs./Kg	***	***	***	***
Price Undercutting(without ADD)	Rs./Kg	***	***	***	***
Price Undercutting with ADD	Rs./Kg	***	***	***	***
Price Undercutting(without ADD)	%	***	***	***	***
Price Undercutting with ADD	%	***	***	***	***
Price Undercutting (without ADD) range	%	25-35%	30-40%	25-35%	25-35%
Price Undercutting with ADD range	%	20-30%	25-35%	25-35%	15-25%
<b>China</b>					
Landed Value(without ADD)	Rs./Kg	***	***	***	***
Landed Value with ADD	Rs./Kg	***	***	***	***
Price Undercutting(without ADD)	Rs./Kg	***	***	***	***
Price Undercutting ADD	Rs./Kg	***	***	***	***

<b>Price Undercutting</b>	<b>UOM</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>POI</b>
Price Undercutting(without ADD)	%	***	***	***	***
Price Undercutting ADD	%	***	***	***	***
Price Undercutting (without ADD) range	%	25-35%	30-40%	25-35%	25-35%
Price Undercutting with ADD range	%	20-30%	25-35%	25-35%	20-30%
<b>Chinese Taipei</b>					
Landed Value(without ADD)	Rs./Kg	***	***	***	***
Landed Value with ADD	Rs./Kg	***	***	***	***
Price Undercutting(without ADD)	Rs./Kg	***	***	***	***
Price Undercutting ADD	Rs./Kg	***	***	***	***
Price Undercutting(without ADD)	%	***	***	***	***
Price Undercutting ADD	%	***	***	***	***
Price Undercutting (without ADD) range	%	20-30%	25-35%	25-35%	20-30%
Price Undercutting with ADD range	%	20-30%	25-35%	25-35%	10-20%

61. In this regard, Authority notes as under:

- a. The landed value of imports from the subject countries as well as net selling price of the domestic industry increased over the injury period. However, the landed value of imports from both the subject countries was significantly below the net selling price of the domestic industry. Thus, the imports of subject goods from subject countries continue to cause price undercutting to the domestic industry.
- b. The Anti-dumping duties on the subject goods from the subject countries were imposed by the Central Government with effect from 31<sup>st</sup> October, 2008 as reference price. Even after the anti dumping duty was modified to fixed form with effect from 14<sup>th</sup> December 2012, the price undercutting from the subject countries has remained significant.
- c. A comparison made between the landed price of imports and non-injurious price shows that landed price of imports from the subject countries is far lower than the cost of production and non-injurious price in the POI.

Price Undercutting	UOM	POI
Non injurious price	Rs./Kg	***
Landed Price of imports		
China	Rs./Kg	***

Taiwan	Rs./Kg	***
Price underselling amount		
China	Rs./Kg	***
Taiwan	Rs./Kg	***
Price underselling %		
China	%	***
Taiwan	%	***
Price underselling % Range)		
China	%	20-30%
Taiwan	%	15-25%

#### **G.2.4.2 Price suppression and depression**

62. The cost and price movement of the domestic industry and the landed value of imports from the subject countries have been compared over the injury period to examine whether the effect of dumped imports is to depress prices to a significant degree or prevent price increases which otherwise would have occurred to a significant degree.

Period	UOM	2009-10	2010-11	2011-12	POI
Cost of Sales	Rs./Kg	***	***	***	***
Trend	Index	100	112	138	138
Selling Price	Rs./Kg	***	***	***	***
Trend	Index	100	108	109	123

63. The Authority notes that the selling price of the subject goods produced by the domestic industry has increased by 23% during the injury period, cost of sales of the domestic industry increased by 38%. It is thus noted that whereas the cost of sales increased significantly during the POI as compared to the previous years; the selling price did not increase in the same proportion, thus leading to price suppression. It is seen from the tables above that though the landed price of imports, cost and selling price all increased over the injury period; the increase in landed price of imports from the subject countries and selling price was lower than the increase in the cost of sales.

#### **G.2.5 Economic Parameters Relating to the Domestic Industry**

64. Annexure II to the AD Rules requires that a determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of such products. With regard to consequent impact of these imports on domestic producers of such products, the Rules further provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. An examination of performance of the domestic industry reveals that the domestic industry has suffered material injury. However, the present investigations being a sunset review investigations, injury to the domestic industry is required to be assessed on mutates mutandis basis. Further, the Authority has examined whether existing measure has been sufficient to counteract the dumping which is causing injury. The various injury parameters relating to the domestic industry are discussed below.

a) **Production, Capacity and Capacity Utilization, Sales**

65. Information on capacity, production, capacity utilization and sales volumes of the domestic industry has been as under:-

Period	UOM	2009-10	2010-11	2011-12	POI
Capacity	MT	***	***	***	***
Equivalent Production	MT	***	***	***	***
Production PUC	MT	***	***	***	***
Plant capacity utilization	%	52	47	53	44
Domestic sales (PUC )	MT	***	***	***	***

66. It is noted that there is no change in the capacity of the domestic industry in the entire injury period. The production of the domestic industry for various products produced in the same plant declined in 2010-11, improved in 2011-12 and then declined in the POI. However, as compared to the base year, production and sales have declined in the POI. Even though the domestic industry has been able to increase sales volume to some extent in the POI as compared to previous year, the same is still far below the sales volumes registered in 2009-10. Capacity has remained under utilized to the extent of nearly 50% over the injury period. During

examination and verification of the submissions made by the domestic industry, the Authority noted that the capacity of the domestic industry includes the capacities for manufacture of goods other than the PUC. In view of the same, the plant capacity utilization has been considered. It is noted that the plant utilization has declined in the POI.

b) **Profits, return on investment and cash flow**

67. Profits, return on investment and cash flow of the domestic industry has been examined as under:

Period	UOM	2009-10	2010-11	2011-12	POI
Cost of Sales	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	112	138	138
Selling Price	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	108	109	123
Profit/loss	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	73	-129	-3
Profit/loss	Rs. Lakh	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	51	-93	-3
Profit before interest & tax	Rs. Lakh	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	65	-29	64
Return on Investment	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	78	-28	43

68. The Authority notes that both cost of production and selling price increased over the period. However, in view of inability of the domestic industry to increase its selling price in proportion to increase in cost of production, profitability of the domestic industry declined steeply from 2009-10 to 2011-12. However, consequent to midterm review investigations, whereas the cost of production remained in similar region between 2011-12 and POI, the selling price increased further, thus resulting in reduction in losses. However, domestic industry continued to suffer losses in POI. It is also noted that the domestic industry was in profits at the time of original investigations, which declined over the injury period. It is further noted that the domestic industry suffered financial losses during the injury period of midterm review also.

c) **Demand and market share**

69. The effects of the dumped imports on the domestic sales and the market share of the domestic industry have been examined as below:

		2009-10	2010-11	2011-12	2012-13
Domestic industry	%	22.25	13.66	15.39	15.95
Other Indian Producers	%	4.20	3.73	9.79	9.29
Subject imports	%	71.97	80.39	64.71	49.42
Other imports	%	1.58	2.22	10.11	25.34
Total	%	100.00	100.00	100.00	100.00

70. It is noted that market share of domestic industry has declined significantly despite imposition of anti dumping duty. It is noted that the market share of the subject countries also declined and market share of other countries increased. The domestic industry contended that imports from third countries are largely from Thailand, where the exports are being made by M/s. Giantlok, who has manufacturing operations in China and Thailand. The authority notes that the domestic industry has made this claim at the time of hearing, which was attended on behalf of Giantlok. Giantlok however has preferred not to respond to the Designated Authority in the form and manner prescribed nor refuted the claim of the domestic industry.

d) **Inventories**

71. The Designated Authority has examined the inventory level of the domestic industry, which is given in the following table:-

Period	UOM	2009-10	2010-11	2011-12	POI
Average Inventory	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	78	167	260

72. It is noted that the inventory levels of the domestic industry declined in 2010-11 and then increased in 2011-12 and the POI. The increase in inventories in POI is quite significant.

e) **Employment and wages**

73. The status of employment levels and wages of the domestic industry has been as under:

Period	UOM	2009-10	2010-11	2011-12	POI
Employment	Nos.	***	***	***	***

<i>Trend</i>	%	100	91	145	159
Wages	Rs. Lakh	***	***	***	***
<i>Trend</i>	%	100	85	129	141

74. The Authority notes that both employment level with the domestic industry and wages declined in 2010-11 and then increased in 2011-12 and the POI.

f) **Productivity**

75. The productivity of the domestic industry is given in the following table:

Productivity	UOM	2009-10	2010-11	2011-12	POI
Per Employee	MT	***	***	***	***
<i>Trend</i>	%	100	94	67	55
Per Day	MT	***	***	***	***
<i>Trend</i>	%	100	86	97	87

76. The Authority notes from the table above that productivity has declined over the injury period in tandem with the decline in production.

g) **Factors affecting domestic prices**

77. Consideration of the import prices from the subject countries and other countries, change in the cost structure, competition in the domestic market, factors other than dumped imports that might be affecting the prices of the domestic industry in the domestic market shows that the landed value of imported material from subject countries is below the selling price of the domestic industry, causing significant price undercutting in the Indian market. It is further noted that imports of subject goods from other countries are at much higher prices. There is no viable substitute to this product. It is also noted that demand for the subject goods was showing significant increase and this could not have been a factor affecting domestic prices. Thus, the major factors responsible for the domestic industry prices is the landed prices of the subject goods from subject countries and the cost of production of the domestic industry.

h) **Magnitude of Dumping Margin**

78. The Authority notes that the dumping margin of the imports of the subject goods from the subject countries is positive and substantial.

i) **Growth**

79. On examination of various economic parameters of the domestic industry, the Authority notes that on a year by year basis whereas production has shown negative trend in the POI, domestic sales has shown improvement. On the price parameters, the growth is negative till 2011-12 and thereafter there is improvement in the POI.

Growth % (Year by Year)	UOM	2009-10	2010-11	2011-12	POI
Production Volume	%	-	-14%	14%	-11%
Domestic Sales Volume	%	-	-31%	4%	17%
Profit/Loss	%	-	-49%	-283%	-97%
Return on Capital Employed	%	-	-22%	-136%	51%

j) **Ability to raise capital**

80. It is noted that should the dumping from the present sources persist, ability of the domestic industry to raise capital would suffer.

**G.3 Conclusion on injury**

81. The authority notes that imports have continued in significant volumes in absolute terms and in relation to production and consumption in India even after imposition of anti dumping duty. Landed prices of imports are significantly below selling price of the domestic industry in the market resulting in significant price undercutting. Imports of the product under consideration at prices below selling price of domestic industry have resulted in significant suppressing effect on the prices of the domestic industry in the market. Performance of the domestic industry deteriorated in respect of production, domestic sales, capacity utilization, profits, cash flows, return on investment and market share. It is thus proposed to be concluded that the domestic industry has suffered continued injury.

**G.4 Causal Link**

82. As per the AD Rules, the Designated Authority is, inter alia, required to examine any known factors other than dumped imports which at the same time are injuring the domestic industry, so that the injury caused by these other factors must not be attributed to the dumped imports. Factors which may be relevant in this respect include, inter alia, the volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers,

developments in technology and the export performance and productivity of the domestic industry. It was examined whether these other parameters listed under the Rules could have contributed to injury to the domestic industry.

a) **Imports from other countries and other Known Factors**

83. During the POI, nearly 66% imports were from the subject countries of present investigation. Imports from third countries were negligible except Thailand. Imports from Thailand appear to be at dumped prices and the petitioner has filed a petition seeking imposition of anti dumping duty on imports from Thailand. The present investigation being a sunset review investigation, no new country can be included in the purview of the present investigation. Further, the petition for imposition of anti dumping duty on imports from Thailand is under consideration of the Authority. It is also noted that the petitioner has claimed and the Chinese producers/exporters have not refuted that the goods being imported from Thailand are largely goods produced by Giantlok, who has manufacturing facilities both in Thailand and China. Petitioner further contended that there is a significant possibility that the goods being imported from Thailand are in fact goods produced in China (which are being reported as goods originating in Thailand in view of anti dumping duty imposed on imports from China). Imports from all other countries could not have caused injury to the domestic industry.

b) **Contraction in demand**

84. The data shows that demand for the product under consideration has increased over the injury period. Possible decline in demand cannot be considered as a factor that could have impacted the performance of the domestic industry.

c) **Change in pattern of consumption**

85. No significant change in the pattern of consumption has come to the knowledge of the Authority, nor has any interested party made any submission in this regard.

d) **Trade restrictive practices and competition between the foreign and domestic producers**

86. The subject goods are freely importable. No trade restrictive practices in the domestic market have been brought to the knowledge of the Authority. The domestic

producers compete with each other and at the same time with the subject goods. The price of the domestic industry is influenced by the landed price of subject goods.

e) **Development of technology**

87. The investigation has not shown any significant development in technology which could have caused injury to the domestic industry.

f) **Exports by the domestic industry**

88. The exports of the domestic industry are insignificant. In fact, there have been no export sales in 2011-12 and the POI. Therefore, exports could not have affected the overall performance of the domestic industry.

g) **Productivity**

89. The Authority notes that productivity of the domestic industry has declined in tandem with the production of the domestic industry. However, changes in the productivity have not been so significant as to have resulted in any significant changes in the profitability of the domestic industry. Changes in the productivity of the domestic industry could not be a cause of injury to the domestic industry.

**G.4.1 Parameters establishing causal link**

90. The Authority notes that while listed known other factors do not show that injury to the domestic industry has been caused by these factors, following parameters show that continued injury to the domestic industry has been caused by dumped imports:

- a) The landed prices of imports were lower than the selling price of the domestic industry. As a result of price undercutting, the consumers have resorted to imports, thus leading to continued and significant volume of imports in absolute terms and in relation to production and consumption in India.
- b) The positive price undercutting is resulting in continued imports in significant volumes. Resultantly, the domestic industry is prevented from increasing its production, sales, capacity utilization and market share. In fact, production, sales, capacity utilization and market share of the domestic industry shows decline despite imposition of anti dumping duty and significant underutilized capacities with the domestic industry.
- c) Since price undercutting has resulted in significant decline in profitability of

the domestic industry to such an extent that even when the domestic industry was earning profits at the time of original investigations and midterm review investigations, the domestic industry is now suffering financial losses.

- d) The anti dumping duty that was imposed originally was modified to fixed form. However, domestic industry has claimed that this has been quite insignificant .

91. The Authority proposes to conclude that the subject dumped imports have caused continued injury to the domestic industry within the meaning of the rules.

## **H. Likelihood of continuation of dumping and injury**

### **H.1 Views of the Domestic industry**

92. The domestic industry has submitted that dumping & consequent injury to the domestic industry is likely in the event of revocation of the anti dumping duty:

- a) It has been submitted that the present and potential difference in the prices of imported product from the subject countries and domestic like product is very significant and is therefore likely to increase demand for imports in the event of revocation of anti dumping duty;
- b) Significant price difference and consequent potential increase in imports is having significant suppressing effect on domestic prices;
- c) Exporters in the subject countries are holding significant freely disposable capacity indicating the likelihood of substantially increased dumped exports to Indian markets, taking into account the availability of other export markets to absorb any additional exports.
- d) Significant increase in volume of imports between original and current investigations itself clearly establishes likelihood of continued dumping and consequent injury to the domestic industry.
- e) The high market share held by the subject countries in the Indian market clearly establishes likelihood of continuation of dumping.
- f) Export orientation of producers and exporters in subject countries is quite high, which shows that the exporters are likely to continue to export at dumping prices.

## **H.2 Views of M/s. Changhong Plastics**

93. It has been submitted by Changhong Plastics Group Imperial Plastics Ltd. that they do not have any plan to add, expand, curtail or shut down production capacity and/or production of PUC. They have further submitted that there is no change in production technology.

## **H.3 Examination by the Authority**

94. The present investigation is a sunset review of anti-dumping duties imposed on the imports of subject goods from China PR and Chinese Taipei. Under the Rules, the Authority is required to determine whether cessation of antidumping duty is likely to lead to dumping and injury to the domestic industry. In the present investigation, there are continued dumped imports, and the information on record shows that cessation of anti dumping duty is likely to lead to continued dumping of the product. The dumping margin in the original, mid-term review and the present investigation is significant and that there are favorable market conditions in the Indian market for the subject exporters as far as demand and price for the subject goods are concerned. The dumping is likely to intensify if the duty is allowed to cease. Despite anti-dumping measures in force, the subject countries exporters still exported the product at dumped price in the Indian market. The following analysis shows the likelihood of continuation/ intensification of dumping and injury to the domestic industry in the event of cessation of anti dumping duty.

### **(i) Level of current and past dumping margin**

95. The level of dumping margin in the original, mid-term review and present investigation is significant. Given the level of price undercutting and price underselling without the anti-dumping duty and price suppression and considering the capacity in China and demand in India, the volume of dumped import is likely to increase further in the event of revocation of anti-dumping duty.

### **(ii) Price attractiveness of Indian market**

96. The price at which the subject goods are being exported by subject exporters is an indicator of the likelihood of continuation/ intensification of dumping. At the current landed price in India, there is significant positive price undercutting. Thus, with the cessation of anti dumping duty, the Indian prices would be too attractive for the foreign producers to intensify their exports to India at dumped prices and there is

strong likelihood that Indian consumers would resort to large scale imports of the subject goods from the subject countries.

(iii) **Export orientation of producers in the subject countries**

97. The information on record shows that the foreign producers/exporters are export oriented. Considering significant demand and favorable market conditions for the subject goods in India and the high production capacity and export orientation of these producers, the Authority holds that in the event of cessation of anti dumping duties, these exporters are likely to increase their exports to India at dumped prices.

(iv) **Huge Production Capacity in the Subject countries**

98. As per the information furnished by the domestic industry, there are a number of producers of the subject goods in the subject countries. In the event of cessation of anti-dumping duty and considering the export orientation, the producers in the subject countries are capable of completely overtaking the Indian manufacturing sector engaged in subject goods.

(v) **Significant increase in volume of imports between original period and subsequent periods**

99. An analysis of the volume of imports reported in the previous cases as well as in the current period shows that volume of imports in case of subject countries have remained significant despite existing anti dumping duties. When the imports from the subject countries remained significant even in presence of anti dumping duty, there are all the probabilities that the volume would at the least increase in the event of cessation of anti dumping duty. There is no reason to believe that the volume will decline in the event of cessation of anti dumping duty.

(vi) **Market Share held by the subject countries in the Indian market**

100. The market share of imports from the subject countries is quite significant in spite of the existing anti dumping duties. In the event of cessation of anti dumping duty, the volumes are likely to surge.

101. On the basis of the above analysis, the Authority proposes to hold that cessation of duty is likely to lead to continued dumping of the product.

**I. Magnitude of Injury and injury margin**

102. The Non-injurious Price for the subject goods has been compared with the landed value of the exports of subject goods from both the subject countries for determination of injury margin. The injury margin has been worked out as under:

Country of Origin	Producer	Exporter	NIP	Landed Value (US\$/Kg)	Injury Margin (US\$/Kg)	Injury Margin (%)	Injury Margin (%) Range
			(US\$/Kg)				
China PR	Changhong Plastics Group Imperial Plastics Co. Ltd.	Changhong Plastics Group Imperial Plastics Co. Ltd.	***	***	***	***%	20%-30%
China PR	Changhong Plastics Group Imperial Plastics Co. Ltd.	Changhong Plastics Group Co. Ltd.					
China PR	Changhong Plastics Group Imperial Plastics Co. Ltd.	Any		***	***	***%	25%-35%
China PR	Others	Any					
Chinese Taipei	Any	Any	***	***	***	***%	15%-25%

### **J. Indian industry's interest and other issues**

103. The Authority recognizes that the imposition of anti-dumping duties might affect the price levels of the product in India. However, fair competition in the Indian market will not be reduced by the anti-dumping measures. On the contrary, imposition of anti-dumping measures would remove the unfair advantages gained by dumping practices, prevent the decline of the domestic industry and help maintain availability of wider choice to the consumers of subject goods. The Authority notes that the imposition of the anti-dumping measures would not restrict imports from the subject country in any way, and therefore, would not affect the availability of the product to the consumers. The purpose of imposing anti-dumping duties, in general, is to eliminate injury caused to the domestic industry by the unfair

trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. The consumers could still maintain two or even more sources of supply.

**K. Post disclosure Statement submissions by the interested parties**

104. Post disclosure Statement submissions by the Domestic Industry

- a. The product under consideration in the present petition is Cable Ties. Since the product under consideration is produced and sold by various names, the Designated Authority may kindly specify in duty table that the product under consideration should attract duty regardless of alternate names used by the importers. Further, since the product under consideration does not have dedicated customs code, the authority may kindly specify in duty table that the customs classification is indicative only.
- b. The information on record clearly establishes that the production of the petitioner constitutes a major proportion in Indian production.
- c. Changhong Plastics have withdrawn their MET claims and, therefore, Designated Authority is fully justified in proceeding with the best available information.
- d. There is continued dumping of the product under consideration from the subject countries. This is clearly established by the quantum of dumping margin assessed by the DA.
- e. The landed price of imports from both the subject countries is undercutting the domestic selling price. Further, the domestic industry is suffering price suppression.
- f. The import price of the subject goods from the subject countries is significantly below the non-injurious price showing significantly positive injury margin.
- g. Price suppression indicates likely adverse price effect of dumped imports on domestic industry in the event of expiry of the anti dumping duty in force.
- h. Dumping of the product under consideration is likely to intensify from the subject countries, should the current anti dumping duty be removed.
- i. Existence of significant price undercutting in the event of expiry of anti dumping duty is likely to result in consumers switching over to the imported material.
- j. The anti dumping duty in force has been effective to a limited extent so far in keeping a check on the volume of imports from the subject countries in the current period, in view of the fact that the product was suffering benchmark form of duty and the same has been modified to fixed quantum very recently.
- k. There are sufficient reasons to believe that the volume would definitely surge in the event of cessation of anti dumping duties; given the fact that the producers in the subject countries are holding sufficient capacities and are highly export oriented.

l. In the event of cessation of anti dumping duty, the domestic industry would be forced to reduce the prices. Its natural impact would be on the profitability of the domestic industry. Decline in profits would lead to decline in cash flow and return on investment. If the domestic industry chooses to maintain its normal price levels, it is likely to lose its sales volume as consumers would increasingly switch over to the imports.

m. Duty may be recommended on fixed amount basis in US\$ term.

n. Post disclosure Statement submissions by the cooperating exporters

105. The sole responding exporter, M/s. Changhong Plastics has advanced following arguments -

a. The Authority may demonstrate how it has called for and obtained production and sales data for Blackburn as the only producer of the product under consideration in India.

b. The present disclosure does not appear to fulfill the obligations set out in Rule 16 since the DGCI&S import data as well as Impex import data has not been made available with the disclosure statement. Not even a complete country-wise annual summary of the data has been provided with the disclosure statement. The same may be made available and the exporter be given an opportunity to comment on the same.

c. The exporters may be allocated their individual margins in conjunction with their respective trade channels as their export sales data is already placed on record of the Authority.

d. The Authority should disclose the normal value figure, so that the exporter can verify their dumping margin calculation.

e. It appears inequitable for the non-cooperating producers to receive the same margin of dumping and injury as compared to the cooperating exporters. The export price calculation for "all others" rate from China PR should be based on the methodology followed in the MTR investigations, i.e., lower representative price reported by the responding exporter from China PR.

f. The dumping and injury margins calculated for Taiwan appear to be lower than that of the cooperating exporter from China PR, considering that not even a single exporter from Taiwan has cooperated in the present and even previous investigations for the product.

g. The dumping and injury margins appear to be calculated in a discriminatory manner as the Authority has not verified data regarding the prices and channels of trade involved.

h. The exact margin per unit may be made available to the exporters.

i. The decline in market share of domestic industry is not related to the market share of subject imports. It is attributable to the increasing shares of the other domestic producers and imports from Thailand.

- j. The imports from Thailand continue to remain a breach in causal link until and unless the domestic industry specifically files an application for investigation on imports from Thailand.
- k. In cumulation, subject country imports have decreased over the injury period.
- l. The domestic sales of the domestic industry have increased from 2010-11 to POI.
- m. The other products produced in the plant have had an increasing share. Therefore, decline in production of product under consideration cannot be attributed to the subject imports.
- n. There is an inherent cost or inefficiency in the domestic industry which is causing it material injury, as the other domestic producer has been able to double its market share.
- o. While the petitioner may have filed an alternate petition requesting duties on imports from Thailand, the DA is still obligated to demonstrate how injury suffered on account of these imports has been segregated so as to not attribute the same to the subject imports.
- p. The Authority has neither acknowledged nor addressed the averments made by the exporters with respect to claim of the petitioner on likelihood. The analysis of the petitioner with regard to volume of exports over the years from the subject countries is skewed and presented out of context. Secondly, mere existence of a positive finding in the MTR and significant market share being held by the subject countries does not imply a likelihood of continuation or recurrence of dumping and injury.
- q. The petitioner's claim of freely disposable present and potential capacities with foreign producers and their export orientation is baseless.
- r. If prices in India are so atrociously low, then the question that begs consideration is how India can be considered a price attractive market. It would make no commercial sense to sell in a market with lower prevailing prices as compared to foreign markets.
- s. The exporters cannot adequately comment on the NIP calculation without a meaningful summary.

106. **Examination by the authority**

- a. As regards the argument concerning production of M/s Blackburn and standing of the Domestic Industry, the authority notes that the petitioner had provided information with regard to production of M/s Blackburn on which none of the interested parties provided any evidence establishing that the claim of the domestic industry in this regard was incorrect.
- b. As regards disclosure of import data provided by Impex the secondary source, the authority notes that Impex data was provided by the petitioner as part of its petition and the same also included in the non confidential version of the petition.

DGCI&S transaction wise data has been obtained by the authority; however authority has adopted Impex data in view of constraints regarding DGCI & S data as stated in the disclosure statement.

- c. The responding exporters have claimed separate dumping margin for different trade channels. However the authority consistently evaluates dumping margin producer & exporter wise and not trade channel wise. Further there is no legal provision which requires the authority to determine separate dumping margin for each trade channel. In fact, different dumping margins for each sales channel would not be appropriate.
- d. The responding exporters have requested for disclosure of normal value. Since the normal value is based on the confidential information of the domestic industry as the exporter has withdrawn the MET claim, the normal value so constructed cannot be disclosed.
- e. As regards dumping margin for residual category in case of China, the authority considers that it would be appropriate to determine dumping margin for the non cooperative exporters from China on the basis of reasonable level of export price after duly accounting for exports reported by the cooperating exporters. In case of Taiwan, since none of the exporters have cooperated with the authority, the authority has determined export price on the basis of weighted average of the imports in India during the POI.
- f. As regards the argument that the dumping margin for Changhong Plastics is not based on data provided by the company, it is clarified that the authority has determined export price for Changhong Plastics on the basis of information provided by the company.
- g. It has been contended that the market share of the subject countries has declined and that of other countries has increased. It is however noted that the rules require the authority to consider whether margin of dumping is more than de-minimus, whether volume of imports is more than negligible and whether cumulative assessment of the effect of imports is appropriate. These conditions have been met in the present case and therefore it would be appropriate to do cumulative assessment of dumped imports from subject countries.
- h. It has been contended by the responding exporter that the decline in market share of domestic industry is not related to the market share of subject imports and the same is attributable to the increasing shares of the other domestic producers and imports from Thailand. The authority has however not held that the market share of the domestic industry has declined because of imports from subject countries. Further, since the present investigation is a sunset review investigation, it is not necessary that the decline in market share of the domestic industry should be due to subject imports. Given significant price undercutting by the subject imports, the market share of the subject countries is likely to increase in the event of cessation

of anti dumping duty. Further, the domestic industry has contended and no party has refuted that the goods are being exported from Thailand by Giantlok, a company related to the producer in China. Thus, the market share of imports from subject countries shows likelihood of injury to the domestic industry.

- i. It has been contended that the other products produced in the plant have had an increasing share and the decline in production of product under consideration cannot be attributed to the subject imports. It is however noted that production of the product under consideration forms about 80% of total production and capacity utilization of the domestic industry was merely 51% during the POI and therefore production of other types of products could not have led to decline in production of the product under consideration.
- j. It has been contended that the sales of the domestic industry have increased from 2010-11 to POI. It is however noted that despite imposition of anti dumping duty and rising demand, sales volumes of the domestic industry in POI were still materially lower than the sales volumes in 2009-10. Whereas demand for the product under consideration increased from 1191 MT in 2009-10 to 1393 MT in POI, sales of the domestic industry declined from 265 MT to 223 MT in the corresponding period.
- k. It has been contended that there is an inherent cost or inefficiency in the domestic industry which is causing it material injury. It is however noted that the domestic industry is required to be seen as it exists. Further, the authority is required to examine injury to the domestic industry, as defined under Rule 2(b). The share of petitioner in Indian production constituted a major proportion and therefore the authority is required to examine injury to the defined domestic industry.
- l. It has been contended that even if the petitioner has filed petition requesting duties on imports from Thailand, the authority is still obligated to demonstrate how injury suffered on account of these imports has been segregated so as to not attribute the same to the subject imports. The authority notes that under the Rules, the authority is required to segregate injury from undumped imports. The authority is not required to segregate injury from other dumped imports.
- m. It has been contended that the information provided by the domestic industry does not establish likelihood. It has been contended that the analysis with regard to volume of exports over the years from the subject countries is skewed and presented out of context; mere existence of a positive finding in the MTR and significant market share being held by the subject countries does not imply a likelihood of continuation or recurrence of dumping and injury; the petitioner's claim of freely disposable present and potential capacities with foreign producers and their export orientation is baseless; if prices in India are so atrociously low, then India cannot be considered a price attractive market; it would make no commercial sense to sell in a market with lower prevailing prices as compared to

foreign markets. The authority notes that submissions made by the domestic industry are supported with verifiable claims. Further, the exporters have not even provided mandatory information with regard to transaction wise details of their exports to various countries globally, as prescribed in Exporters Questionnaire Part-II. The fact that the present market share of the subject countries is significant and the price undercutting from subject countries is significantly high itself establishes that cessation of anti dumping duty is likely to lead to significant injury to the domestic industry. As regards price attractiveness, the authority notes that the price attractiveness is required to be seen in the light of prevailing prices in India and not from the import price into India. The import prices are dumped prices and the imports are at present attracting anti dumping duty. Given that the prices prevailing in the Indian market are high, the exporters would naturally find Indian market lucrative for exporting large volumes of the product in the event of cessation of anti dumping duty.

- n. The exporters have contended that they cannot adequately comment on the NIP calculation without a meaningful summary. The authority notes in this regard that methodology followed for NIP determination and meaningful summary therefore is contained in the disclosure statement. The authority further notes that the confidential information of the domestic industry cannot be disclosed in the light of Rule 7, as the domestic industry has claimed confidentiality on the same.
- o. The authority notes the claim of the domestic industry regarding the form of duty and stating the classification of PUC as indicative only in the duty table as well. Keeping in view the established need to continue levy of antidumping duty, the authority notes that fixed form of duty would be appropriate in the facts and circumstances of the case.

#### **L. CONCLUSIONS**

107. Having regard to the contentions raised, information provided and submissions made by the interested parties and facts available before the Authority as recorded in this finding and on the basis of the above analysis of the state of continuation of dumping and consequent injury and likelihood of continuation/recurrence of dumping and injury, the Authority concludes that:

- a) There is continued dumping of the product concerned from the subject countries, causing injury to the domestic industry.
- b) Price undercutting and underselling are positive.
- c) The financial performance of the Domestic Industry has deteriorated.
- d) Dumping of the product under consideration is likely to intensify from the subject countries should the current anti-dumping duty be withdrawn.

#### **M. Recommendations**

108. Having regard to the legal provisions, contentions raised, information provided by interested parties, submissions made by interested parties and facts available before the Authority as recorded in the above findings and on the basis of above analysis of the state of continuation of dumping and consequent injury to domestic industry and likelihood of continuation of dumping and injury, the Authority concludes that

- a) The subject goods from subject countries are entering the Indian market at dumped prices and dumping margin is significant. It is also seen that the subject goods continue to be exported to India at dumped prices despite the existing anti dumping duties and there is a likelihood of its continuation should the existing antidumping duties be withdrawn.
- b) The price undercutting and price underselling from subject countries, without the anti dumping duties, are significant. The Domestic Industry continues to suffer material injury on account of continued dumping of subject goods from subject countries during the period of investigation and there is likelihood of deterioration in the operating performance of domestic industry in the event of cessation of anti dumping duties.
- c) The anti dumping duties are required to be continued.

109. Having concluded as above, the Authority is of the view that anti-dumping measure is required to be extended as specified in the duty table below.

110. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of anti-dumping duty equal to the lesser of the margin of dumping and the margin of injury, so as to remove the injury to the domestic industry. Accordingly, the anti-dumping duty equal to the amount indicated in Col. 9 of the table below are recommended to be imposed by the Central Government on the imports of the subject goods, originating in or exported from the subject countries.

## Duty Table

S. No.	Sub-Heading	Description of Goods	Specification	Country of Origin	Country of Export	Producer	Exporter	Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	3926 90	Cable Ties	Any	People's Republic of China	People's Republic of China	M/s Changhong Plastics Group Imperial Plastics Co. Ltd.	M/s Changhong Plastics Group Imperial Plastics Co. Ltd.	1.99	Kg	US\$
2	3926 90	Cable Ties	Any	People's Republic of China	People's Republic of China	M/s Changhong Plastics Group Imperial Plastics Co. Ltd.	M/s Changhong Plastics Group Imperial Plastics Co. Ltd.	1.99	Kg	US\$
3	3926 90	Cable Ties	Any	People's Republic of China	People's Republic of China	Any other than S. No 1 and 2 above	Any other than S. No 1 and 2 above	2.13	Kg	US\$
4	3926 90	Cable Ties	Any	People's Republic of China	Any Country other than subject countries	Any	Any	2.13	Kg	US\$
5	3926 90	Cable Ties	Any	Any Country other than subject countries	People's Republic of China	Any	Any	2.13	Kg	US\$
6	3926 90	Cable Ties	Any	Taiwan	Taiwan	Any	Any	1.29	Kg	US\$
7	3926 90	Cable Ties	Any	Taiwan	Any Country other than subject countries	Any	Any	1.29	Kg	US\$
8	3926 90	Cable Ties	Any	Any Country other than subject countries	Taiwan	Any	Any	1.29	Kg	US\$

### **Further Procedures**

111. An appeal against this order, after its acceptance by the Central Government, shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act, 1975.

(J K Dadoo)  
Designated Authority