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**F. No. 07/36/2020-DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building,
5, Parliament Street, New Delhi – 110001**

NOTIFICATION

Dated: 3rd September, 2021

**(FINAL FINDINGS)
Case No. ADD-AC - 06/2020**

Subject: Anti-circumvention investigation concerning circumvention of anti-dumping duty imposed on imports of “Measuring Tapes” originating in or exported from China PR by imports of “Measuring Tapes” originating in or exported from Singapore and Cambodia-reg.

F. No. 7/36/2020-DGTR – Having regard to the Customs Tariff Act 1975, as amended from time to time 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 thereof;

1. Whereas, M/s FMI Limited (hereinafter also referred to as the “Applicant” or “Domestic Industry”) filed an application before the Designated Authority (hereinafter also referred to as the “Authority”), on behalf of the domestic industry, in accordance with 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 “AD Rules” or “Rules”), alleging that the anti-dumping duties imposed on the imports of “Measuring Tapes” (hereinafter also referred to as “product under consideration” or “PUC” or “subject goods”), originating in or exported from China PR (hereinafter also referred to as the “subject country”) are being circumvented by way of imports of “Measuring Tapes” exported from Singapore and Cambodia [hereinafter also referred to as “Product Under Investigation” or (“PUI”)].

2. Whereas, in view of a duly substantiated application filed by the Applicant under Rule 26 of the Rules, the Authority initiated the investigation vide Notification No. 7/36/2020-DGTR dated 21st September, 2020 to determine the existence and effect of the circumvention of the anti-dumping duty levied on the imports of “Measuring Tapes” from China PR and to consider recommendation of extension of the said anti-dumping duty on the imports of “Measuring Tapes” from Singapore and Cambodia as well in accordance with the relevant Rules.

A. BACKGROUND OF THE CASE

A-1. The Previous Anti-Dumping Investigation

Anti-dumping duties on the imports of “Measuring Tapes”, originating in or exported from China PR.

3. The Authority, vide Initiation Notification No.14/31/2002-DGAD dated 23rd October, 2002, initiated anti-dumping investigation concerning imports of Measuring Tapes originating in or exported from China PR.
4. The Authority, vide Final Findings Notification No.14/31/2002-DGAD dated 1st September, 2003 recommended definitive anti-dumping duties on import of Measuring Tapes originating in or exported from China PR, which were imposed by the Central Government vide Notification No. 147/2003-Customs dated 07.10.2003.
5. Thereafter, the Authority recommended continued imposition of the anti-dumping duties vide Notification No. 15/2/2008-DGAD dated 27th March, 2009 which were imposed by the Central Government vide Notification No.49/2009-Customs dated 15/05/2009.
6. The Authority initiated the second sunset review investigation vide Notification No. 15/09/2014-DGAD dated 09/05/2014 and duties were imposed by the Central Government vide Notification No. 31/2015-Customs dated 09/07/2015.
7. The Authority initiated third sunset review investigation vide Notification No.7/24/2019-dated 18/12/2019 and recommended extension of antidumping duties on imports of “Measuring Tapes” originating in or exported from China PR vide Final Findings Notification F. No. 7/24/2019-DGAD dated 18th June, 2020. Definitive anti-dumping duties were imposed by the Ministry of Finance vide Notification No. 17/2020-Customs (ADD) dated 8th July, 2020. The anti-dumping duty is in existence till 7/7/2025.
8. It is noted that due to intensification of imports from Chinese Taipei, Malaysia, Thailand and Vietnam, the domestic industry filed a fresh application seeking anti-dumping duty on these countries for the subject goods, as the circumvention law had not been introduced at that time. Consequently, the Authority vide final findings Notification No. 14/21/2014-DGAD dated 10.03.2016 recommended imposition of anti-dumping duties

and vide Customs Notification No. 16/2016-Customs (ADD) dated 02.05.2016, definitive duties were imposed. The existing duty has expired on 1st May, 2021.

A-2. The present Anti-Circumvention Investigation

9. M/s FMI Limited has filed an application requesting extension of the anti-dumping duties imposed on imports of “Measuring Tapes” from China PR to imports of “Measuring Tapes” produced and exported from Singapore and Cambodia, in accordance with Section 9A(1A) of the Customs Tariff Act 1975 read with Rule 25 and 26 of the Rules. The Applicant has contended that there is circumvention of duties, which is evident from the change in pattern of trade and the same is undermining the remedial effects of duties imposed. The Applicant has requested for the extension of antidumping duty imposed.
10. After examination of prima facie evidence of circumvention of the subject goods, the Authority initiated Anti-Circumvention investigation vide Notification No. 7/36/2020-DGTR dated 21st September, 2020.

B. PROCEDURE

11. The procedure described herein below has been followed with regard to the subject investigation.
 - i. The Authority notified the Embassies of Singapore and Cambodia in India about the receipt of Anti-Circumvention application in accordance with the Rule 26(4).
 - ii. The Authority issued a Public Notice dated 21st September, 2020, published in the Gazette of India, Extraordinary, initiating anti-circumvention investigation concerning imports of the product under investigation (PUI) from Singapore and Cambodia (hereinafter also referred to as the circumventing countries).
 - iii. In accordance with the Rule 6(2) of the AD Rules, the Authority forwarded a copy of initiation notification to the Embassies of Singapore and Cambodia in India, known exporters of the PUI, importers of the PUI in India, as per information available in the application.
 - iv. The Authority wrote to the known exporters/producers of the PUC/PUI in the subject/circumventing countries and requested them to file their responses in the prescribed questionnaire and make their views known in writing within the time limit prescribed. A copy of the letter and questionnaires sent to the exporters were also sent to Embassies of Singapore, Cambodia and China PR along with a list of known exporters/producers, with a request to advise the exporters/producers to respond to the Authority within the prescribed time.
 - v. In accordance with the Rule 6(3) of the AD Rules, a copy of the non-confidential version (NCV) of the application filed by the Applicant was sent to the producer/exporters of China PR, Singapore, Cambodia, and the Governments of Singapore, Cambodia and China PR. A copy of the NCV of the application was also made available to the interested parties, on request.

- vi. The Authority sent questionnaires to elicit relevant information to the following known exporters/producers in Singapore, Cambodia and China PR in accordance with the Rule 6(4) of the AD Rules:

Singapore

1.	Aik Lee Industries Supply Pte Ltd	2.	PND Hardware & Trading Pte Ltd
3.	CBA Industries Pte Ltd	4.	President Trading Company Pte Ltd
5.	E.J. Motiwalla & Co	6.	Sellery Tools Pte Ltd
7.	Ekay International Pte Ltd	8.	SGM Hardware Pte Ltd
9.	Instrumac Tools Marketing	10.	Southern Grace Hardware Pte Ltd
11.	ITL Hardware & Engineering Supplies Pte Ltd	12.	Wah Lei Industrial Supply Co Pte Ltd
13.	Kah Hong Hardware Engineering Pte Unlimited	14.	Wing Poh Hardware Pte Ltd
15.	Kok Han Marketing Pte Ltd	16.	Nomi Japan Private Ltd.
17.	Kong Aik Hardware Pte Ltd	18.	Meia (Trading) PTE Ltd.

Cambodia

1.	Spring Plastic Co., Ltd.	2.	Yeijer Industrial (Cambodia) Co., Ltd
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China PR

1.	Ningbo Land Tools & Measuring Tools Co. Ltd	2.	Yiwu Wudian Great Wall Hardware Factory Co Ltd
3.	Ningbo Hongdi Measuring Tape Industry Company	4.	Baofeng Tools & Measuring Tools Co Ltd
5.	Ningbo Land Tools & Measuring Tools Co. Ltd.	6.	Henan Bonthe Measuring Tools Co., Ltd
7.	Shaanxi Yuan Hang Machinery Equipment Import & Export Corp., Ltd.	8.	YuchengXinghong Measuring Tools Co Ltd.
9.	CixiZunbao Steel Tape Company Ltd.	10.	Foshan Zongtian Measuring Tools Co Ltd.

- vii. In response, Bestech (Singapore) Precision Pte. Ltd., Singapore (producer) and Meia (Trading) Pte. Ltd., Singapore (exporter) have filed exporter questionnaire response and made submissions with regard to the investigation. Submissions made, wherever found relevant, have been examined by the Authority.
- viii. None of the producers/exporters from China PR and Cambodia have filed any response.
- ix. Questionnaires were also sent to the following known importers or users of the subject goods in India seeking necessary information in accordance with Rule 6(4) of the AD Rules.

- a. M/s Lohia Trade Concern.
 - b. M/s Vinay Brothers.
 - c. M/s VK International.
 - d. M/s Fahad Enterprises
 - e. M/s Ghanshyam Dass & Sons (Veekay Industries).
 - f. M/s New Wave Industries
 - g. M/s Ashiana Exports Inc.
 - h. M/s SK Enterprises
 - i. M/s Sterling Enterprises
- x. In response to the initiation notification, none of the above-mentioned importers or users have responded or filed any response.
 - xi. The Authority made available non-confidential version of the evidence presented by the various interested parties.
 - xii. The information provided by the interested parties on confidential basis was examined with regard to the sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted, and such information has been considered confidential and not disclosed to the 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.
 - xiii. Information was sought from the Applicant and other interested parties to the extent deemed necessary.
 - xiv. The investigation was carried out for the period starting from April, 2019 to March, 2020 (12 months) (hereinafter referred to as the “period of investigation” or “POI”). The examination of trends, in the context of injury analysis, covered the period from 2016-17, 2017-18, 2018-19 and the POI.
 - xv. Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to provide the details of imports from subject goods during the last four years, including the period of investigation, and the same was received. The Authority has used the DGCI&S imports data for the computation of the volume and value of imports and injury analysis.
 - xvi. In accordance with the Rules, the Authority provided opportunity to the interested parties to present their views orally in an oral hearing held on 19th February, 2021. All the parties were requested to submit their written submissions by 23rd February, 2021 and rejoinder submissions by 26th February, 2021.
 - xvii. Submissions made by all the interested parties have been considered appropriately for the present Final Findings Notification to the extent considered relevant.
 - xviii. Wherever an interested party has refused access to, or has otherwise not provided the necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has recorded its observation on the basis of the facts available.

- xix. A Disclosure Statement containing the essential facts in this investigation which would have been formed the basis of the Final Findings was issued to the interested parties on 11.08.2021 and the interested parties were allowed time upto 18.08.2021 to comment on the same. The comments on the Disclosure Statement received from the interested parties have been considered, to the extent found relevant, in this Final Findings Notification.
- xx. *** in this Final Findings Notification represents the information furnished by an interested party on a confidential basis, and so considered by the Authority under the Rules.
- xxi. Exchange rate considered for the POI for conversion of USD to Indian Rupees is 1USD=Rs. 71.65

C. PRODUCT UNDER CONSIDERATION/ PRODUCT UNDER INVESTIGATION AND LIKE ARTICLE

PRODUCT UNDER CONSIDERATION

C.1 Views of the Opposing Interested Parties

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

C.2 Views of the Domestic Industry

13. The domestic industry has made the following submissions with regard to the scope of the product under consideration and the like article:
- i. The product involved in the previous investigations and the present investigation is "Measuring Tapes".
 - ii. The PUC falls under Customs sub-heading No. 9017 of the Customs Tariff Act, 1975. The classification is, however, indicative only and in no way binding on the scope of the present investigation.
 - iii. The Product under Consideration is Measuring Tapes manufactured from tempered quality carbon steel blade, phosphate and coated with special enamel to withstand corrosion and rust and having a variety of usages.
 - iv. There is no known difference in the subject goods produced by the domestic industry and the subject goods imported into India. They are comparable in terms of the technical specifications, quality, functions or end-uses. The two are technically and commercially substitutable. Hence, the subject goods should be treated as like articles in accordance with the Rules.

PRODUCT UNDER INVESTIGATION

C.3 Views of the Opposing Interesting Parties

14. The responding parties from Singapore stated that the goods supplied by them are produced by them in Singapore and are not the goods originating in China PR.

C.4 Views of the Domestic Industry

15. The product under investigation is “Measuring Tapes” exported from Singapore and Cambodia, classified under 9017 of the Customs Tariff Act, and is the object of circumvention in the present investigation.

C.5 Examination by the Authority

16. The present investigation is an anti-circumvention investigation of duties imposed on the imports of “Measuring Tapes” originating in or exported from China PR. Therefore, the scope of the product under consideration in the present investigation remains the same as defined in the original and the last conducted sunset review investigation, i.e., Final Findings Notification F. No. 7/24/2019-DGAD dated 18th June, 2020, and is reproduced herein below:

8. The PUC in the present sunset review investigation is "Measuring Tapes". This being a sunset review investigation, the scope of the PUC remains the same as that in the original investigation. The PUC in the original investigation was defined as under

(a) The product under consideration is "Measuring Tapes", its parts and components etc., all type of steel measuring and fibre glass tapes and their parts or components are the subject matter of the present petition. It is generally used for measuring the length, breadth etc. of an object. It is used by foreman, mason, carpenter, forestry departments and tailors etc. Measuring Tapes are manufactured from tempered high quality carbon steel blade, phosphate and coated with special enamel to withstand corrosion and rust. Measuring tapes are used for: -

- a. high precision professional jobs;*
- b. measuring depth, width, or length of an object;*
- c. contraction and surveys.*

(b) In technical terms, the measuring tapes are defined in terms of length and width of a tape, raw material used i.e., steel or fibre glass and, finally precision with which dimensions are marked on the tape. It is classified under Chapter 90 of the Customs Tariff Act under sub-headings 9017, 9017.80, 9017.8001, 9017.90. The petitioner has stated that subject goods are being imported under above-mentioned sub-headings. The Customs classification is indicative only and not binding on the scope of investigation.

17. The Authority has considered the product under investigation (PUI) as “Measuring Tapes” exported from Singapore and Cambodia in the present anti-circumvention investigation. This has also been referred to as “Product under Investigation” or “PUI”.

18. Product under Investigation is classified under sub-heading No. 9017 of the Customs Tariff Act. The classification is, however, indicative only and in no way binding on the scope of the present investigation.
19. The Authority notes from the information on record that the subject goods produced by the domestic industry is "like article" to the circumvented goods imported from Singapore and Cambodia. The subject goods produced by the domestic industry and circumvented goods from Singapore and Cambodia are comparable in terms of technical specifications, functions or end-uses product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. The consumers are using the two interchangeably.

D. SCOPE OF DOMESTIC INDUSTRY & STANDING

D.1 Views of the other Interested Parties

20. None of the exporters, importers, consumers and any other interested parties has filed any comment or submission with regard to the standing of the domestic industry.

D.2 Views of the Domestic Industry

21. The domestic industry has made the following submissions with regard to the domestic industry and standing:
- i. The present application has been filed by M/s. FMI Limited. The Applicant is neither related to an importer in India nor exporter from Singapore and Cambodia, nor has the Applicant imported the product under investigation (PUI).
 - ii. The Applicant has held that the Applicant constituted the domestic industry in the past investigations, including the recently concluded sunset review investigation.
 - iii. The Applicant commands a major proportion, i.e., *** MT (74%) in the total domestic production, i.e., *** MT (***) of the subject goods in India.

D.3 Examination by the Authority

22. The application has been filed by M/s. FMI Limited. The Applicant provided details of the Indian production and its share in Indian production. It is seen that the share of the Applicant constitutes a major proportion of the gross domestic production. Further, the Authority determined in the recently concluded SSR investigation that the Applicant constitutes domestic industry within the meaning of the Rules. It is noted that the test of 25% and 50% are not per se applicable for an investigation initiated under Rule 26 of the Rules.
23. Considering the information on record, the Authority holds that the production of the Applicant constitutes a major proportion in Indian production and the Applicant

constitutes domestic industry within the meaning of the Rules. Although no such determination is required in an investigation initiated under Rule 26 of the Rules.

E. ASSESSMENT OF DUMPING - METHODOLOGY AND DETERMINATION OF NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN

E.1 Assessment of Dumping Margin

24. Under Section 9A(1)(c) of the Customs Tariff Act, 1975, 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)”

25. The Authority had sent questionnaires to the known producers/exporters from the circumventing countries, advising them to provide information in the form and manner prescribed by the Authority. Bestech (Singapore) Precision Pte. Ltd. and MEIA (Trading) Pte. Ltd., from Singapore filed the Exporter Questionnaire Response.

E.2 Normal Value and Export Price of PUI from Singapore and Cambodia

26. The normal value has been determined in accordance with Rule 25(1) of the Rules, which is provided hereunder:

25. Circumvention of anti-dumping duty.– (1) Circumvention shall be considered as a change in the pattern of trade between any country and India or between individual companies in any country subject to measures and India, as a result of a practice, process or work for which there is insufficient cause or economic justification other than the imposition of the duty; and where there is evidence of injury or that the remedial effects of the duty are being undermined in terms of the prices or quantities or both of the like product; and where there is evidence of dumping in relation to the normal values previously established for the like product, if necessary with appropriate changes or adjustments or in accordance with the provisions of rule 10.

27. The Domestic Industry has claimed that Bestech (Singapore) Precision Pte. Ltd. is not the producer of the subject goods in Singapore. Bestech (Singapore) Precision Pte. Ltd. has claimed to be a producer and also claimed that it has imported the major raw material steel strips from China PR to manufacture the subject goods.
28. The Authority notes that China PR is treated as a non-market economy subject to rebuttal. The Authority, in order to satisfy itself of the veracity of the information provided in the Exporter Questionnaire Response by the producer and the exporter and also to give sufficient opportunity to the producer/exporter to give requisite information, had sent emails dated 17th March, 2021 and 15th July, 2021 to provide information like month wise production of Measuring Tapes and month wise consumption of raw material for the POI; month wise consumption of stores and spares for the POI; copy of the ledger / SAP screenshots for all the expenses claimed in App-7 both for the company as a whole and the PUC for the POI; stores and spares invoice for each of the month of POI; ledger / SAP for total sales value for company as a whole as well as the PUC for the POI; installation reports of the machines producing the PUC; copy of the data of the commissioning of plant, daily production reports and the consolidated production report of the POI; technical estimate of the Inputs-Output ratio; pay roll report of the employees, etc.
29. In reply to the Authority's mail dated 15th July, 2021, the producer/exporter provided the information vide their email dated 3rd August, 2021. This information was examined by the Authority and it was noted that: -
- a. While the producer and the exporter were asked to provide the ledger / SAP screenshots for all the expenses claimed in App -7 both for the company as a whole and the PUC for the POI, they submitted typed statements only which were not from their books of accounts. For none of the expenses claimed in App-7, there was any SAP/Ledgers.
 - b. The producer/exporter had claimed to produce *** MT of the subject goods and had consumed exactly the same amount of steel strips (*** MT) without a single KG of wastage.
 - c. They could provide only one invoice of stores and spares whereas the Authority had asked for one invoice for each month of the POI.
 - d. The installation reports of the machines producing the PUC was not submitted.
 - e. The data of commissioning of the plant was not submitted.
 - f. Copies of the electricity bills for the unit for the POI was not submitted.
 - g. The Technical estimate of the Inputs-Output ratio was claimed to be 1:1, which is practically not possible in a manufacturing unit producing measuring tapes.
 - h. Repair and maintenance work log of the machines for the POI was not submitted.
 - i. Pay roll report of the employees was not submitted.
30. Therefore, the Authority holds that Bestech Precision Pte. Ltd. and MEIA (Trading) have not filed sufficient information and that not only the questionnaire responses filed by the

responding producer/exporter are incomplete but also the information asked from them vide communication dated 15th July, 2021 is incomplete. Accordingly, the Authority rejects the complete response filed by Bestech Precision Pte. Ltd. and MEIA (Trading).

31. It is also noted that none of the exporters from Cambodia has participated in the investigation.
32. The Authority, therefore, adopts the normal value for Singapore and Cambodia as determined in the Final Findings Notification No. 7/24/2019-DGAD dated 18th June, 2020 for China PR, i.e., on the basis of the estimates of cost of production in India, duly adjusted, including selling, general & administrative expenses of the domestic industry by adding reasonable profits. The Authority further notes that in the POI in the present investigation, the export of the subject goods is primarily of Steel Tapes. Thus, the Authority adopts the normal value as determined in the Final Findings Notification No. 7/24/2019-DGAD dated 18th June, 2020 for Steel Tapes. Thus, the same for Singapore and Cambodia is as shown in the Dumping Margin Table below.

E.3 Export Price of PUI from Singapore and Cambodia

E.3.1 Export Price of PUI from Singapore

33. Since the questionnaire responses of both Bestech Precision (producer) and Meia (Trading) (exporter) from Singapore have been rejected by the Authority, being incomplete and devoid of requisite information, and also since the dumping margin is determined only for the producer, the export price for Meia (Trading) (exporter) cannot be determined. Therefore, the export price for all the exporters from Singapore has been determined on the basis of the DGCI&S import data. The net export price at ex-factory level in respect of all exporters from Singapore has been determined after making due adjustments for ocean freight, marine insurance, commission, bank charges, port expenses and handling charges on the basis of facts available to determine export price at ex-factory level. The net export price so determined is as shown in the Dumping Margin Table below.

E.3.2 Export Price of PUI from Cambodia

34. None of the exporters from Cambodia have participated in the investigation and provided any information/details of export price. The Authority has, therefore, determined the export price on the basis of the DGCI&S import data. The net export price at ex-factory level in respect of all exporters from Cambodia has been determined after making due adjustments for ocean freight, marine insurance, commission, bank charges, port expenses and handling charges on the basis of facts available to determine export price at ex-factory level. The net export price so determined is as shown in the Dumping Margin Table below.

E.4 Dumping Margin of PUI

35. On the basis of the above stated normal value and export price so determined at ex-factory level, the dumping margin has thus been worked, which is as follows:

Particulars	Unit	Singapore	Cambodia
Normal Value	US\$ per Kg	***	***
Net Export Price	US\$ per Kg	***	***
Dumping Margin	US\$ per Kg	***	***
Dumping Margin	%	***	***
Dumping Margin	Range	300-400	100-200

36. It is, thus, seen that the imports of the PUI are made at dumped prices.

F. EXAMINATION OF INJURY AND CAUSAL LINK

F.1 Examination of Circumvention

37. The Authority notes that the relevant provision of the Customs Tariff Act and Anti-Dumping Rules pertaining to circumvention are as under:

Section 9A(1A) of the Customs Tariff Act:

“(1A) Where the Central Government, on such inquiry as it may consider necessary, is of the opinion that circumvention of anti-dumping duty imposed under sub-section (1) has taken place, either by altering the description or name or composition of the article subject to such anti-dumping duty or by import of such article in an unassembled or disassembled form or by changing the country of its origin or export or in any other manner, whereby the anti-dumping duty so imposed is rendered ineffective, it may extend the anti-dumping duty to such article or an article originating in or exported from such country, as the case may be.”

Rule 25 of AD Rules:

“25. Circumvention of anti-dumping duty. -

(1) Circumvention shall be considered as a change in the pattern of trade between any country and India or between individual companies in any country subject to measures and India, as a result of a practice, process or work for which there is insufficient cause or economic justification other than the imposition of the duty; and where there is evidence of injury or that the remedial effects of the duty are being undermined in terms of the prices or quantities or both of the like product; and where there is evidence of dumping in relation to the normal values previously established for the like product, if necessary with

appropriate changes or adjustments or in accordance with the provisions of rule 10.

(2) The practice, process or work referred to in the sub-rule (1) includes, inter-alia, -

(a) where an article subject to anti-dumping duty is imported into India from any country including the country of origin or country of export notified for the purposes of levy of anti-dumping duty, in an unassembled, unfinished or incomplete form and is assembled, finished or completed in India or in any other country, such assembly, finishing or completion shall be considered to circumvent the anti-dumping duty in force if, -

(i) the operation started or increased after, or just prior to, the anti-dumping investigations and the parts and components are imported from the country of origin or country of export notified for purposes of levy of anti-dumping duty; and

(ii) the value added to the inputs brought in, during the assembly or completion operation, is less than 35% of the manufacturing cost:

Provided that for calculation of value addition, expenses on account of procurement of technology, such as patents, copyright, trademark, royalty, technical know-how, consultancy charges, etc., shall not be included in the value of the parts brought in.

Explanation I. - 'Value' means the cost of assembled, complete or finished article less value of imported parts or components.

Explanation II. - For the purposes of calculating the 'value', expenses on account of payments relating to intellectual property rights, royalty, technical know-how fees and consultancy charges, shall not be taken into account.

(b) where an article subject to anti-dumping duty is imported into India from country of origin or country of export notified for the levy of anti-dumping duty after being subjected to any process involving alteration of the description, name or composition of an article, such alteration shall be considered to circumvent the anti-dumping duty in force if the alteration of the description or name or composition of the article subject to anti-dumping duty results in the article being altered in form or appearance even in minor forms regardless of the variation of tariff classification, if any;

(c) where an article subject to anti-dumping duty imported into India through any exporter or producer or country not subject to anti-dumping duty, such exports shall be considered to circumvent the anti-dumping duty in force if the exporters or producers notified for the levy of anti-dumping duty change their trade practice, pattern of trade or channels of sales of the article in order to have their products exported to India through any exporter or producer or country not subject to anti-dumping duty;

(d) any other manner whereby the anti-dumping duty so imposed is rendered ineffective

38. For the purposes of examination of imports of both PUC and PUI, the Authority has considered the transaction wise data of DGCI&S.

39. The Authority notes that the anti-dumping measures are producer/exporter specific. The producers/exporters subjected to an anti-dumping investigation need to provide relevant data/information so that the Authority can make a determination. Bestech (Singapore) Precision Pte. Ltd., Singapore (producer), and Meia (Trading) Pte. Ltd. (exporter) have filed exporter questionnaire response and made submissions with regard to the investigation.

F.2 Views of the Opposing Interested Parties

40. The opposing interested party, namely, Bestech Precision Pte. Ltd. and Meia Trading, Pte ltd. Singapore, made the submissions as under:
- i. Bestech Precision manufactures Measuring Tapes using basic raw materials like steel coils by the purchase of raw materials.
 - ii. The steel which is imported by the company could be used for a variety of purposes and it is not demarcated only to Measuring Tapes.
 - iii. The petitioner did not share the photographs used in the hearing with the opposing parties and this was against the direction issued by the Authority which stipulated to share the documents used in the hearing at least 24 hours prior to the hearing.
 - iv. Balance sheet of Bestech shows that they have made significant investments in their plant and machinery. Bestech has looked up to the export opportunity to India, as India has been maintaining ADD on Chinese Measuring Tapes and wanted to be an alternative supplier to the Indian users.
 - v. Bestech's purpose is not supplying of Chinese material to Singapore and diverting those products to India in any manner.
 - vi. The petition does not contain any evidence to substantiate the contention that the subject goods exported from Singapore are Chinese goods which are used to circumvent the ADD in force on the subject goods from China PR.
 - vii. The exports shall be considered to circumvent the anti-dumping duty in force, only if the exporters or producers notified for the levy of anti-dumping duty change their trade practice according to Rule 25 (2)(c) which was emphasized by the respondents.
 - viii. Bestech is not related to Hui Zhou Bestech Precision Product Co Ltd., China PR.
 - ix. The respondents point out that the petitioner has sources in Singapore etc. However, it appears that the petitioner has made websites and adduced evidence to implicate the Singapore producers.
 - x. Bestech has no relation with any Chinese producer/exporter of Measuring Tapes. The relationship with the Chinese producers should be shown as per the Rule 2(2) (as given in Trade Notice 9/2018) and not based on any web links. Trade Notice 9/2018 dated 10.05.2018 has clarified the requirements for establishing such a relationship.
 - xi. The respondent companies are not related to any Chinese parties and there were no transactions involving Chinese companies and the allegation that the Chinese

materials are being diverted to India through Singapore is totally unsubstantiated.

- xii. The investigation is not tenable as the petitioner failed to establish any case under Rule 25 (2)(c) of the Rules read with Rule 25.
- xiii. No evidence was presented to demonstrate that the remedial effects of Anti-Dumping Duties put in place on import of PUC from China PR were undermined by the alleged circumventing imports from the subject countries.
- xiv. The petitioner's argument that there is no need under the Rules to look at the injury side in any manner to determine undermining effects carries no merit.
- xv. The petitioner has only submitted a statement of price undercutting and statement of import/dumping which fails to show the undermining of remedial effects. The performance of the petitioner as evident from the SSR investigation concerning the subject goods shows that the price undercutting as claimed by the petitioner has not affected them.
- xvi. Hon'ble CESTAT in Bridgestone case has held that price undercutting is not sufficient to show injury. This is relevant in the context of undermining effects of duty which remains the same as Anti-Circumvention Rules are part of Anti-Dumping Rules only.
- xvii. Imports from Singapore are taking place at 60 – 85% undercutting range during the injury period and not attracting any anti-dumping duty and thus did not impact the performance of the domestic industry at all and all the key injury parameters like volume and price in the SSR Findings have shown significant increases.

F.3 Views of the Domestic Industry

41. The following submissions were made by the domestic industry:

- i. There is no known producer of measuring tapes in either of the subject countries.
- ii. Bestech (Singapore) Precision Pte. Ltd. is not a producer of the subject goods. Evidence establishing that such a company has been plotted to project as if it is a producer gets established by the fact that when the domestic industry filed the present petition, the website of this company did not exist and the only company that was known to exist in the name and style of Bestech Precision was Huizhou Bestech Precision Parts Co. Ltd, a company based in China PR. As on date, the Huizhou Bestech Precision Parts Co. Ltd's website is inaccessible or non-operative. Screenshot of the Chinese website no longer being available was provided to the Authority. The website of Meia Trading Pte Ltd. is no longer accessible, as established by the screenshot of website of Meia Trading as on date.
- iii. The domestic industry deputed one of its representatives to the address given by the company. After visiting the company, the domestic industry got the following tour report:

"I went to the site. It is certainly not a manufacturing facility. Looks like a repair shop having loads of stacks of material. Measuring approximately

(the estimation from outside) 15 feet deep and 12 feet wide. There is nothing about this company on the registrar of company website. Asked a few persons in the neighbourhood, could be a repair shop for scooter cycles, motorcycles, machining shop or something of that sort.”

- iv. Upon visiting the address given by Bestech (Singapore) Precision Pte. Ltd., it was found that the location was merely the size of a small shop that cannot even house machines that the “producer in Singapore” has claimed on its website. These machines require large spaces not just in length but in height as well. The company does not even have gross space to accommodate such machine, as is established by the photographs of the company premises taken and provided to the Authority.
- v. Visit to their website shows list of facilities with the company and the same shows that whereas the website mentions even small machines, when it comes to Measuring Tapes, it only states “Measuring Tape division etc.”. This clearly shows attempt to create records.
- vi. The domestic industry has got the photo of the location, which are provided to the Authority. These show that it is a small machine shop.
- vii. EQR filed by Bestech (Singapore) shows that it has been in existence since 1981. However, it has only just started exporting to India.
- viii. This company has exported its product entirely to India and no other market in the world, nor their own domestic market.
- ix. In an economy as expensive as Singapore, where labour cost is extremely high, how Bestech Singapore has claimed that it has produced and exported the product at an import price of Rs *** per kg., which does not even cover raw material costs.
- x. As per market intelligence, only Nomi Japan Private Limited, MEIA Trading PTE. Ltd. and Yeijer Industrial have exported the subject goods from Singapore and Cambodia in India. The websites of these exporters show that they are not producers of the subject goods.
- xi. The volume of imports from Singapore and Cambodia was ‘Nil’ till 2015 – 2016, but the imports have increased exponentially since the last review investigation conducted against China PR. The change in pattern of trade sprouts from imposition of the duty and circumvention of the same.
- xii. The imports from China PR remained significant up to 2006-07 despite imposition of the duty as the duty was imposed in benchmark form, but later when it was changed to fixed form of duty from 2010-11. After the change in the form of the duty in sunset review investigation, imports started coming in from Malaysia, Chinese Taipei, Vietnam and Thailand. Post-imposition of duty on these countries, imports have declined drastically from these countries and started coming in from Cambodia and Singapore.
- xiii. During the same course of time, the imports from Singapore and Cambodia kept increasing which were earlier non-existent or nominal.
- xiv. The Chinese goods are processed in Singapore and Cambodia and are being exported to India. The domestic industry has faced dumped imports from one source or the other for the last 15 years.

- xv. The change in pattern of trade is the result of a practice, process or work and insufficient cause or economic justification other than the imposition of the duty for the same.
- xvi. Measuring Tapes exported from Singapore and Cambodia are Chinese goods which are merely processed in these countries to enable them to change the country of origin and export to India by reporting Singapore or Cambodia as the country of origin.
- xvii. The domestic industry submits that the circumvention is done intentionally to avoid the duty and a disrespectful action against the quasi-judicial process.
- xviii. While considering the meaning of the circumvention, the Authority must examine the following: (a) intention of the exporters and the importers; (b) adverse impact of circumvention on imposed duty; (c) nature of circumvention; (d) value addition in the process by exporters if any; and (e) relevance and importance of knowledge with the exporters and importers.
- xix. Bestech (Singapore) Precision Pte Ltd. is not a producer of the subject goods in Singapore. The exporter has filed false and misleading information and claims. Analysis of the questionnaire response filed by the exporter, its written submissions and statement made at the time of oral hearing makes is absolutely clear that the exporter has made false, fabricated and misleading claims, as is established by the following:
 - a. The copy-paste error claimed by the Singapore exporter in the factory address clearly shows the extent of misleading information and claim, and should not be allowed by the Authority. The said address appears at many places in the questionnaire itself. The representatives of Singapore exporter did not state at the time of oral hearing that this was a copy & paste error. Further, even the website till date shows the first address provided in the questionnaire response.
 - b. The exporter gave a new address in the written submissions. It is, however, found that this new address is also misleading. Google search of the new address furnished by the respondents shows that it is an address of an entirely different company, i.e., TMX Precision Tooling PTE Ltd. This clearly shows continuing attempts to falsify information.
 - c. As per the responding producer, the factory is located at the address 5002 Ang Mo Kio Avenue 5, #02-06, Singapore 569871. However, with the help of market research it was found that the address was of entirely different company, namely, TMX Precision Tooling PTE Ltd. Photographic evidence has been submitted from the site.
 - d. No website of Bestech Precision (Singapore) Pte Ltd existed at the time of the filing of the petition by the domestic industry. The only website which existed was of Meia Trading Pte Ltd. which provided information on its related company namely Bestech Precision. The only company that existed in the name and style of Bestech Precision was Huizhou Bestech Precision Parts Co. Ltd, a company based in China PR. The website is no longer accessible.

- e. Importing raw materials like steel coils/iron plate from unrelated parties in China PR does not mean that the exporter is to be considered as a producer.
- xx. In response to exporter's submission that documents should be shared 24 hours before the hearing, it is submitted that the said procedure is applicable for physical hearing, as the parties do not get access to the documents being provided by the interested parties. However, the present hearing was a DVC and the interested parties had access to what was being shown to the Designated Authority.
- xxi. In reference to exporter/producer's submission that "relation" should be shown as per Rule 2(2) as given in Trade Notice 9/2018), the domestic industry has responded that evidence of "relationship" in any form to an exporter/producer in China PR that establishes existence of a trade channel would suffice as evidence for circumvention. The parties from China PR and Singapore involved in the trade channel of exports of subject goods in China PR and Singapore are not even required to be "related" by law.
- xxii. The primary criteria to be met is whether the exporter is indeed engaged in the production and is undertaking manufacturing activities to such an extent that the same meets the value addition condition.
- xxiii. The dumping margin should be determined with reference to the normal value established earlier.
- xxiv. Exporter has not provided sufficient information to enable the Authority to determine normal value based on its response.
- xxv. In response to exporter's submission that effect on key price and profitability parameters should be shown, the domestic industry submits that the Anti-circumvention investigation is different from an original investigation. The Authority requires limited information only on whether remedial effects of duties are being undermined.
- xxvi. Reference of other interested parties to the Bridgestone case is totally misplaced, as the judgment concerns an original investigation. Present investigation is an anti-circumvention investigation. The Rules also provides for undermining of the remedial effects of the duties.
- xxvii. The exporters have entered the Indian market by resorting to circumvention measures and sold their good with undermining effects. The Domestic Industry is only concerned with the manner in which the exporter is utilizing the market opportunity.

F.4 Examination by the Authority

- 42. The Authority has examined the submissions of the domestic industry and the opposing interested parties as under:
 - a. The domestic industry has claimed that there are no producers of Measuring Tapes in countries under investigation, nor the named producer in Singapore, i.e., Bestech (Singapore) Precision Pte. Ltd is a producer of Measuring Tapes in any manner. M/s Meia (Trading) Pte. Ltd. has filed an Exporter Questionnaire Response, while Bestech (Singapore) Precision Pte. Ltd has filed a response as a producer of the

subject goods affiliated to Meia (Trading) Pte. Ltd. (exporter). Bestech Precision has submitted two factory addresses. The address provided in the questionnaire response is *No. 3 Soon Lee Street, #02-10 Pioneer Junction, Singapore (627606)* and the address later provided in the written submission is *5002 Ang Mo Kio Avenue 5, #02-06, Singapore 569871*.

- b. The Authority notes that the factory address *No. 3 Soon Lee Street, #02-10 Pioneer Junction, Singapore (627606)* shown in the questionnaire response is also shown as the Corporate Office address as well as the Registered Office address in the questionnaire response. With regard to this Bestech Precision has submitted Utility Bill (electricity, gas and water) showing *5002 Ang Mo Kio Avenue 5, #02-06, Singapore 569871* as address of the company.
- c. The questionnaire response filed by the producer claims that it has commenced production of the subject goods in 2014-15. In this regard, it is noted that the exporter neither had any sales in the domestic market nor it had exported the PUC to any third country. From this the Authority concludes that company's intention was not to undertake full-fledged manufacturing activity but indulge in trading of the PUC of Chinese origin by export of the same to the Indian market.
- d. Bestech Precision has claimed to have achieved prescribed value addition of 35% from raw-material stage while exporting the subject goods to Meia (Trading). It is noted that Bestech Precision has sold *** MT of the PUI to Meia (Trading) for Singapore dollars (SGD) *** whereas Meia (Trading) has exported the PUI to India for SGD *** which is mere ***% increase in the value.
- e. Further, in its Questionnaire Response the company has reported per unit expenditure on account of wages & salaries as *** SGD, which is ***% of the total reported expenditure.
- f. The company did not provide any satisfactory information in its questionnaire response in the form of production process undertaken, steps taken for producing the product, names of the raw materials used other than steel, etc.
- g. However, the Authority, in order to give sufficient opportunity to the producer/exporter to rebut the charges levelled by the domestic industry and to satisfy itself of the veracity of the information provided in the Exporter Questionnaire Response (EQR) by the producer and the exporter, had sent email 17th March, 2021 and 15th July, 2021 to both of them to provide information like month wise production of Measuring Tape and month wise consumption of Raw material for the POI; month wise consumption of stores and spares for the POI; copy of ledger / SAP screenshots for all the expenses claimed in App-7 both for company as a whole and PUC for the POI; trial balance for the POI in Excel file; sample Raw material invoices, stores and spares invoice for each of the month of POI; details of other products produced by the company since utility is allocated in the production ratio; ledger / SAP for total sales value for company as a whole as well as PUC for the POI; certified copy of App-5, 7 and 8; installation reports of the machines producing PUC; copy of the data of commissioning of plant, daily production reports and consolidated production report of the POI; technical estimate of the Inputs-Output ratio; pay roll report of the employees, etc.

43. In reply to the Authority's mail dated 15th July, 2021, both the producer/exporter provided the information vide their email dated 3rd August, 2021. This information was examined by the Authority and it was noted that: -

- a. While the producer and exporter were asked to provide ledger / SAP screenshots for all the expenses claimed in App -7 both for company as a whole and PUC for the POI, they submitted typed statements only which were not from their books of accounts. For none of the expenses claimed in App-7, there was any SAP/Ledgers.
- b. The producer/exporter had claimed to produce *** MT of the subject goods and had consumed exactly the same amount of steel strips (***) MT without a single KG of wastage.
- c. They could provide only one invoice of stores and spares whereas Authority had asked for one invoice for each month of the POI.
- d. Installation Reports of the machines' producing PUC was not submitted.
- e. Data of commissioning of plant was not submitted.
- f. Copy of the electricity bills for the units for the POI was not submitted.
- g. Technical estimate of the Inputs-Output ratio was claimed to be 1:1, which is practically not possible in a manufacturing unit producing measuring tapes.
- h. Repair and maintenance work log of the machines for the POI was not submitted.
- i. Pay roll report of the employees was not submitted.

44. Therefore, the Authority holds that Bestech Precision and Meia (Trading) have not filed sufficient information and that not only the questionnaire responses filed by the responding producer/exporter are incomplete but also the information asked for from them vide communication dated 15th July, 2021 is incomplete.

45. In view of the above, the Authority holds that it was not able to check and verify the value addition done by the producer/exporter in Singapore.

46. However, the Authority, in order not to leave any aspect of the investigation unattended, has considered and examined the following aspects as well to the extent feasible.

F.5 Examination of Change in Pattern of Trade

47. The Authority has examined the stipulated criteria on shift in trade pattern from PUC to PUI and to examine whether change in trade pattern is stemmed from an economic justification other than the imposition of anti-dumping duty or is on account of levy of anti-dumping duties on the subject goods, in accordance with Rule 25(1).

48. The Authority, considering the history of dumping in the product, finds it appropriate to examine the change in pattern of trade from the original investigation onwards. It is seen that the imports from China PR remained significant up to the first sunset review. The

product was attracting benchmark form of duty at that time. However, considering the facts of that case, the Authority modified the form of duty to fixed quantum of duties at the time of 2nd sunset review. This led to a decline in imports from China PR. However, imports started from Thailand, Vietnam, Malaysia and Chinese Taipei. Therefore, the Authority undertook investigation in respect of these countries as well and recommended imposition of duties vide Final Findings Notification dated 10.03.2016 and the same were imposed by the Ministry of Finance vide Notification No. 16/2016-Customs (ADD) dated 2nd May, 2016. This led to decline in imports from these countries, i.e., Thailand, Vietnam, Malaysia and Chinese Taipei. However, imports started from Singapore and Cambodia, the countries under present circumvention investigation, in significant volume.

Year	Unit	China PR	Vietnam, Thailand, Malaysia & Chinese Taipei	Cambodia & Singapore	Other Countries	Total	Demand
2010-11	MT	66	408	0	147	622	2,537
2011-12	MT	32	678	0	85	795	2,774
2012-13	MT	18	1,159	0	95	1,273	3,659
2013-14	MT	20	1,292	-	2	1,314	3,698
2014-15	MT	-	2,159	-	147	2,306	5,082
2015-16	MT	16	1,261	0	1	1,278	4,185
2016-17	MT	33	206	406	45	689	4,127
2017-18	MT	79	4	1,267	20	1,369	6,062
2018-19	MT	40	23	1,775	31	1,869	7,073
2019-20	MT	37	4	1,317	173	1498	6,749

49. The Authority further examined the market share in demand in India of the various countries. It is seen from the table below that while an average market share of 29.96% was vacated by Vietnam, Thailand, Malaysia & Chinese Taipei in 2016-17, an average market share of 20.03% has now been captured by Singapore and Cambodia.

Year	Unit	China PR	Vietnam, Thailand, Malaysia & Chinese Taipei	Cambodia & Singapore	Other Countries	Total
2010-11	MT	2.62%	16.10%	0.00%	5.80%	24.52%
2011-12	MT	1.16%	24.44%	0.00%	3.06%	28.66%
2012-13	MT	0.51%	31.68%	0.00%	2.60%	34.78%
2013-14	MT	0.55%	34.94%	0.00%	0.05%	35.53%
2014-15	MT	0.00%	42.48%	0.00%	2.89%	45.38%
2015-16	MT	0.39%	30.12%	0.00%	0.03%	30.54%
2016-17	MT	0.80%	4.98%	9.84%	1.08%	16.71%
2017-18	MT	1.30%	0.06%	20.90%	0.33%	22.59%

2018-19	MT	0.56%	0.32%	25.10%	0.44%	26.43%
2019-20	MT	0.66%	0.09%	24.27%	3.08%	28.10%

50. It is evident that there is a significant increase in the imports in absolute terms and in relation to consumption in India from the countries under investigation, i.e., Singapore and Cambodia. Further, while the market share of the countries under investigations increased, the market share of the domestic industry declined. Thus, there is a clear change in the pattern of trade, first in favour of Vietnam, Thailand, Malaysia & Chinese Taipei, and after imposition of duties on these countries, in favour of countries under investigation, i.e., Singapore and Cambodia.

F.6 Economic justification other than the imposition of anti-dumping duty or due to imposition of anti-dumping duty

51. Considering the facts available before the Authority and the change in pattern of trade determined above, the Authority notes that:

- a. Prior to 2016-17, imports from Singapore and Cambodia were non-existent.
- b. The sole responding producer, Bestech Precision, has not been able to establish through enough reliable evidence of applicable value addition that it is a genuine producer of the subject goods.
- c. Though Bestech Precision has claimed in its response that the value addition from raw-material stage is more than prescribed limit of 35%, as explained above, they have failed to provide reliable documentary evidence in support of their claim. Bestech Precision has not established that it has undertaken production of the product under consideration to the extent of prescribed value addition limit under the Rules.

52. Therefore, in view of the change in pattern of trade since 2016-17; absence of prescribed limit of 35% value addition, indicating absence of genuine producers of the subject goods in the subject countries; and the information available with the Authority with respect to M/s MEIA (Trading) PTE. Ltd. and Bestech (Singapore) Precision Pte. Ltd., the Authority holds that the change in pattern of trade of the PUC has no justification other than imposition of duties on the imports of the subject goods from China PR. The Chinese exporters, due to imposition of anti-dumping duty on the PUC from China PR, have changed the channel of their exports of the PUI through Singapore and Cambodia.

F.7 Assessment of effect of circumvention on existing anti-dumping measures and the Domestic Industry.

53. An essential aspect in an anti-circumvention investigation is whether the remedial effects of the anti-dumping duty imposed earlier are being undermined. The Authority, therefore, examined the manner in which and to the extent the circumvented products are undermining the duty imposed and thereby rendering such a duty as redundant. The

Authority has examined whether the remedial effects of the anti-dumping duties are being undermined in terms of market share and price undercutting due to the imports of the product under investigation from Singapore and Cambodia.

F.8 Market Share Assessment

54. It is seen that since the continuation of the duties in the 2nd sunset review, i.e., post 2015-16 and imposition of the duties on the other sources dumping the subject goods in the Indian market, the imports from Singapore and Cambodia to India started and captured a significant market share. It is seen that whereas the market share of the Indian producers declined, that of the subject imports increased significantly. This decline in the market share of the Indian producers is despite the existence of duties, thus showing that the remedial effects of duties are being undermined.

F.9 Effect of circumvention on Net Sales Realization of PUC of DI during the POI

55. With regard to the effect of imports of PUI on prices, it is required to be analysed whether there has been a significant price undercutting by the circumventing imports as compared to the price of the like product in India. The Authority determined price undercutting considering the selling price of the domestic industry and landed price of imports.

Singapore

Parameter	Unit	Singapore
Import volume	MT	891
Landed value	Rs. /Kg	73
Selling price	Rs. /Kg	***
Price undercutting	Rs. /Kg	***
Price undercutting	%	***
Price undercutting	%Range	75-85

Cambodia

Parameter	Unit	Cambodia
Import volume	MT	426
Landed value	Rs. /Kg	132
Selling price	Rs. /Kg	***
Price undercutting	Rs. /Kg	***
Price undercutting	%	***
Price undercutting	Range	55-65

56. It is seen that the landed price of imports was significantly below selling price of the domestic industry.

F.10 Erosion of efficacy of existing anti-dumping duty on PUC during the POI

57. The Authority has determined the quantum of anti-dumping duty that would have been payable on imports of the product under investigation from Singapore and Cambodia if circumventing would not have resorted to from these countries. The Table below quantifies the amount of erosion of anti-dumping measures on the PUC; based on the average duty on Steel for all periods.

Period	Imports	ADD			ADD payable
		MT	US\$/Kg	Exchange rate	Rs/Kg
In case of Cambodia					
2016-17	116	2.83	67.95	192	223
2017-18	648	2.83	65.33	185	1,198
2018-19	629	2.83	70.82	200	1,261
2019-20 (POI)	426	2.83	71.65	203	864
Total					3,546
In case of Singapore					
2016-17	290	2.83	67.95	192	558
2017-18	619	2.83	65.33	185	1,144
2018-19	1146	2.83	70.82	200	2,297
2019-20 (POI)	891	2.83	71.65	203	1,807
Total					5,806
Total for subject countries					
2016-17	406	2.83	67.95	192	781
2017-18	1267	2.83	65.33	185	2,342
2018-19	1775	2.83	70.82	200	3,558
2019-20 (POI)	1317	2.83	71.65	203	2,671
Total					9,352

58. It is seen that an amount of Rs. 9,352 Lakhs were payable on these imports, if declared as of Chinese origin, over this period. Further, there is no duty on imports of the subject goods from Singapore because of Free Trade Agreement between India and Singapore.

G. POST DISCLOSURE COMMENTS

G.1 Comments made by the Opposing Interested Parties

59. The following submissions have been made by the opposing interested parties:

- i. The export price claimed by the responding parties be considered by the Authority as the responding parties have provided all documentary evidences with regard to export price. The same can be corroborated from DGCI&S/DG

Systems/Customs data and reliance can be placed on the same to determine individual margin to the companies.

- ii. There is nothing in the Rules which says that rejection of normal value should automatically lead to rejection of export price as well. The normal value is available with the Authority and the same should be compared with the export price submitted by the parties to determine dumping margin. Landed price on such basis should also be considered for injury margin determination.
- iii. Bestech (Singapore) Precision Pte. Ltd is only a genuine producer of Measuring Tapes in Singapore and any of its failure to adduce some documents due to certain difficulties will not vitiate its status as a producer in reality. The Authority will find more than 35% value addition if the information as submitted by the above parties is taken into consideration.
- iv. The company is having a very small factory. All the accounts are prepared in local software and figures are automatically transferred to the designated ledger.
- v. Whereas most domestic manufacturers in Singapore procure steel coils from China and slit them into pieces of different widths and lengths, a process that generates considerable scrap, increasing the cost of production, Bestech, on the other hand, procure slatted coils from China of 5- and 3-meters standard size to reduce wastage and cost of production.

G.2 Comments made by the Domestic Industry

60. The following submissions have been made by the domestic industry:

- i. Bestech Precision may be held to be a non-existent legal entity in Singapore, and the response filed be considered as fraudulent one.
- ii. There is sufficient evidence that circumvention of anti-dumping duty imposed on Measuring Tapes from China PR is taking place by import of Measuring Tapes being exported from Singapore and Cambodia, whereby the anti-dumping duties imposed are being rendered ineffective. The practice being followed by exporters in case of Singapore and Cambodia constitutes circumvention of the anti-dumping duties in force.

G.3 Examination by the Authority

61. The Authority notes that the submissions by the domestic industry and the other interested parties are repetitive and have already been dealt with. The Authority reiterates that:

- a. Prior to 2016-17, imports of Measuring Tapes from Singapore and Cambodia were non-existent.
- b. The sole responding producer, Bestech Precision, has not been able to establish through enough reliable evidence of applicable value addition that it is a genuine producer of the subject goods.
- c. While the producer and exporter were asked to provide ledger /SAP screenshots for all the expenses claimed in App -7 both for company as a whole and PUC for the POI, they submitted typed statements only which were not from their books of accounts. For none of the expenses claimed in App-7, there was any SAP/Ledgers.

- d. The producer/exporter had claimed to produce *** MT of the subject goods and had consumed exactly the same amount of steel strips (*** MT) without a single KG of wastage.
 - e. They could provide only one invoice of stores and spares whereas Authority had asked for one invoice for each month of the POI.
 - f. Installation Reports of the machines' producing PUC was not submitted.
 - g. Data of commissioning of plant was not submitted.
 - h. Technical estimate of the Inputs-Output ratio was claimed to be 1:1, which is practically not possible in a manufacturing unit producing measuring tapes.
 - i. Repair and maintenance work log of the machines for the POI was not submitted.
 - j. Pay roll report of the employees was not submitted.
62. Though Bestech Precision has claimed in its response that the value addition from raw-material stage is more than prescribed limit of 35%, as explained above, they have failed to provide reliable documentary evidence in support of their claim. Bestech Precision has not established that it has undertaken production of the product under consideration to the extent of prescribed value addition limit under the Rules.

H. CONCLUSION

63. Having examined the contentions of the domestic industry and other interested parties and based on the analysis as above, the Authority concludes that:
- i. There is a change in the pattern of trade of the Measuring Tapes, first in favour of Vietnam, Thailand, Malaysia & Chinese Taipei, and after imposition of anti-dumping duties on the imports of Measuring Tapes from these countries, in favour of the subject countries under investigation, i.e., Singapore and Cambodia.
 - ii. The change in the pattern of trade of Measuring Tapes has no justification other than the imposition of duties on the imports of Measuring Tapes originating in or exported from China PR.
 - iii. The Chinese exporters, due to imposition of anti-dumping duty on Measuring Tapes from China PR, have changed the channel of their exports of Measuring Tapes through Singapore and Cambodia.
 - iv. Bestech (Singapore) Precision Pte. Ltd, the responding producer from Singapore and Meia (Trading) Pte. Ltd., the responding exporter from Singapore, have failed to provide reliable documentary evidence to the effect that the value addition in manufacturing the PUI is as per the prescribed threshold in the AD Rules.
 - v. The decline in the market share of the Indian producers is despite the existence of duties, thus showing that the remedial effects of duties are being undermined.
 - vi. Imports of Measuring Tapes are entering at dumped prices, causing injury to the domestic industry.

I. PUBLIC INTEREST

64. The Authority also examined as to whether the extending the existing anti dumping duty on the imports of “Measuring Tapes” originating in or exported from China PR imposed by the Ministry of Finance vide Notification No. 17/2020-Customs (ADD) dated 8th July, 2020 on the imports of “Measuring Tapes” originating in or exported from Singapore and Cambodia would be against the larger public interest, i.e., importers/users/consumers in India.
65. The Authority noted that it had issued Gazette Notification initiating the anti-circumvention investigation for extending the existing anti-dumping duty on the imports of “Measuring Tapes” originating in or exported from China PR on the imports of “Measuring Tapes” originating in or exported from Singapore and Cambodia as well. This Gazette Notification is in the public domain. Through this Notification, the Authority had invited views from all the interested parties, including importers and users, on all aspects of the application submitted by the Domestic Industry for extension of the existing anti-dumping duty. It was specifically mentioned in the Initiation Notification that all the interested parties were advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses and offer their comments to the domestic industry’s application within the prescribed limit from the date of publication of the Notification. Further, on the DGTR website, questionnaires for importers and users are also available. Questionnaire for users invites comment from them, inter-alia, on the comparability of the product under investigation imported from the country concerned with that produced in India, identifying any differences (e.g., technical or physical characteristics, prices, uses, etc); whether their company would be in favour of the imposition of antidumping measures or against and are there products that could be easily substituted for the product under investigation.
66. The Authority notes that none of the importers/users filed any questionnaire response. Also, none of the producers/exporters from China and Cambodia filed any questionnaire response. Therefore, no evidence has been put forward by the importers and consumers in India in the form of questionnaire response showing that extending the existing anti-dumping duty on the imports of “Measuring Tapes” originating in or exported from China PR on the imports of “Measuring Tapes” originating in or exported from Singapore and Cambodia would have any significant adverse effect either on the importers/consumers or on the public at large in India.

J. RECOMMENDATION

67. The Authority, keeping in view the aforesaid, recommends extension of the existing anti-dumping duty on the imports of Measuring Tapes originating in or exported from China PR, imposed vide Custom Notification No. 17/2020-Customs (ADD) dated 8th

July, 2020, on the imports of Measuring Tapes originating in or exported from Singapore and Cambodia as well.

68. The validity of the anti-dumping duty on the imports of Measuring Tapes originating in or exported from Singapore and Cambodia would be from the date of notification of the duty and will co-terminate with the duty imposed on the imports of Measuring Tapes originating in or exported from China PR.

K. Further Procedure

69. An appeal against the order of the Central Government arising out of this final finding shall lie before the appropriate forum.


(Anant Swarup)
Designated Authority