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**F. No. 6/7/2022-DGTR  
Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
(Directorate General of Trade Remedies)  
4th Floor, Jeevan Tara Building, Parliament Street, New Delhi – 110001**

**INITIATION NOTIFICATION**

**(Case No - AD (OI) - 07/2022)**

**Dated: 29<sup>th</sup> September 2022**

**Subject: - Initiation of anti-dumping investigation concerning imports of “Industrial Laser Machines, used for cutting, marking, or welding” from China PR.**

1. Having regards 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 thereof, as amended from time to time (hereinafter also referred to as the “Rules or AD Rules”), Sahajanand Laser Technology Limited (hereinafter referred to as the "applicant" or “SLTL”) have filed an application before the Designated Authority (hereinafter referred to as the "Authority") for initiation of an anti-dumping investigation concerning imports of “Industrial Laser Machines, used for cutting, marking, or welding” (hereinafter referred to as the "subject goods" or "product under consideration") originating in or exported from China PR (hereinafter referred to as the "subject country").
  2. The applicant has alleged that material injury to the domestic industry is being caused due to dumped imports of the subject goods originating in or exported from the subject country. Accordingly, the applicant has requested for the imposition of anti-dumping duty on the import of the subject goods from the subject country.
- A. Product under consideration**
3. The product under consideration in the present application is “Industrial Laser Machines, in fully assembled, SKD or CKD form, used for cutting, marking, or welding operations”. The scope of the PUC includes Laser Cutting Machines (LCM), Laser Marking Machines (LMM), and Laser Welding Machines (LWM).

4. These machines are used for cutting, marking, or welding on metal/ non-metal surfaces. Depending on the specific end-use application of the PUC, the power of the laser used in the PUC can range from 3 watts to 40 kilowatts. All laser industrial machines used for purposes other than cutting, marking, or welding are excluded from the scope of the PUC.
5. The product under consideration is classified under Chapters 84, 85 and 90 under tariff headings 84561100, 84569090, 84622920, 84798999, 85152190, 85158090, and 90132000. The customs classification is only indicative and is not binding on the scope of the present investigation.
6. The domestic industry has proposed the following Product Control Number (PCN) for the product under consideration for fair comparison-

SN	Attribute	Values
1.	Category / Type of machine	1. Laser Cutting Machines (LCM) 2. Laser Marking Machines (LMM) 3. Laser Welding Machines (LWM)
2.	Laser power	1. 500 watts to 40 kilowatts (LCM) 2. 3 watts to 1 kilowatt (LMM) 3. 3 watts to 4 kilowatts (LWM)

7. All interested parties are requested to furnish their comments on the above suggested PCNs within 20 days from the initiation notification.

**B. Like article**

8. The applicant has claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. It has been further stated that there are no known significant differences in the subject goods produced by the domestic industry and that exported from China PR. The applicant has claimed that products produced by the domestic industry and imported from subject country is comparable in terms of physical and chemical characteristics, manufacturing process and technology (there is no other known technology for production world over), functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The applicant has claimed that the two are technically and commercially substitutable. The consumers have used and are using the two interchangeably. The issue of like article has been examined by the Authority. Therefore, for the purpose of the present investigation, the subject goods produced by the applicant is being treated by the Authority as 'like article' to the subject goods being imported from the subject country.

**C. Domestic industry and standing**

9. The application has been filed by M/s Sahajanand Laser Technology Limited. In addition to the applicant, there are various other producers of the subject goods in India.

The Authority has received support letters from Lastronics Technology Private Limited, Proteck Machinery Pvt. Ltd. and Messers Cutting System India Private Limited wherein their capacity, production, and domestic sales have been declared. The applicant has submitted production volume of the other Indian producers as per market intelligence. It has been submitted that the applicant has imported the product under consideration from the subject country during the POI. However, the volume of import is insignificant in relation to total imports into India and the demand in India. It is seen that the production by the applicant constitutes a major proportion of the production of the like article in India. Further, the applicants together with supporters account for 57% of the total domestic production of the like article in India. The applicant has certified that they are not related to any exporter or producer of the subject goods in the subject country or an importer in India either directly or indirectly within the meaning of Rule 2(b) of Anti-Dumping Rules and the application satisfies the criteria of standing in terms of Rule 5(3) read with Rule 2(b) of the Anti-Dumping Rules.

#### **D. BASIS OF ALLEGED DUMPING**

##### **i. Normal value**

10. The applicant has cited and relied upon Article 15(a)(i) of China's Accession Protocol and claimed that producers in China PR must be asked to demonstrate that market economy conditions prevail in their industry producing the like product with regard to the production and sale of the product under consideration. It has been stated that in case the responding Chinese producers are not able to demonstrate that their costs and price information are market-driven, the Chinese producers should be treated as a non-market economy and the normal value should be calculated in terms of Para 7 of Annexure-I. Under Para 7, the normal value for non-market economy country is required to be determined on the basis of prices of the subject goods in the market economy third country or price from such third country to other countries, including India, or on some other reasonable basis including price paid or payable in India.
11. It is noted that the product under consideration does not have dedicated customs HS code in which it is traded, and therefore it was difficult to ascertain the export price of the subject goods from the market economy to other countries including India for the purpose of prima facie determination of normal value for China PR. The Authority has, for the purpose of initiation, considered the constructed normal value for China PR based on cost of production of the domestic industry, and adjustment, with a reasonable profit.

##### **ii. Export price**

12. The applicant has claimed the CIF price reported as per market intelligence for determination of export price. Hence, the Authority has relied on the information provided by the applicant for the purpose of initiation. The export price has been adjusted with ocean freight, marine insurance, commission, inland freight expenses, port expenses and bank charges. There is sufficient prima facie evidence with regard to the net export

prices claimed by the applicant.

**iii. Dumping margin**

13. Considering the normal value and export price determined as above, dumping margin has been determined, in accordance with Section 9 A(1)(a) of the Customs Tariff Act, 1975. It is noted that dumping margin is not only above de minimis level, but also significant. There is sufficient prima facie evidence that the normal value of the subject goods in China PR is significantly higher than the subject goods from the subject country are being dumped into the Indian market, which prima facie to justify the initiation of investigation.

**E. Evidence of Injury and Causal link**

14. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has furnished prima facie evidence regarding the injury having taken place as a result of the alleged dumping, resulting in price undercutting and price suppression of the prices of domestic industry. The performance of the domestic industry has been adversely impacted in respect of production, low market share, deterioration in profits, cash profits and return on investments. There is sufficient prima facie evidence to justify initiation of anti-dumping investigation.

**F. Initiation of Anti-Dumping Investigation**

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

**G. Subject country**

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

**H. Period of investigation**

17. The applicant has proposed the period from 1st April, 2021 to 31st March, 2022 (12 months) in the application, which is in accordance with the Customs Notification No. 09/2021 dated 02 -02-2020. The injury investigation period will cover the periods, 2018-19, 2019-2020, 2020-21 and the POI.

**I. Procedure**

18. Principles as given in Rule 6 of the Rules will be followed for the present investigation.

**J. Submission of Information**

19. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Authority via email at email addresses [jd12-dgtr@gov.in](mailto:jd12-dgtr@gov.in) and [dd16-dgtr@gov.in](mailto:dd16-dgtr@gov.in) with a copy to [adg14-dgtr@gov.in](mailto:adg14-dgtr@gov.in), [adv14-dgtr@gov.in](mailto:adv14-dgtr@gov.in).
20. The known producers/exporters in the subject country, their government through their Embassy in India, the importers and users in India known to be connected with the subject goods and the domestic industry are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time-limit set out below.
21. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time-limit set out below.
22. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other interested parties.
23. Interested parties are further advised to keep a regular watch on the official website of the Designated Authority <http://www.dgtr.gov.in/> for any updated information with respect to this investigation.

**K. Time Limit**

24. Any information relating to the present investigation should be to the Designated Authority via email at the email addresses [jd12-dgtr@gov.in](mailto:jd12-dgtr@gov.in) , [dd16-dgtr@gov.in](mailto:dd16-dgtr@gov.in) and a copy to [adg14-dgtr@gov.in](mailto:adg14-dgtr@gov.in) [adv14-dgtr@gov.in](mailto:adv14-dgtr@gov.in) within thirty (30) days from the date of receipt of the notice as per Rule 6(4) of the Anti-Dumping Rules. It may, however, be noted that in terms of explanation of the said Rules, the notice calling for information and other documents shall be deemed to be have been received within one week from the date on which it was sent by the Authority or transmitted to the appropriate diplomatic representative of the exporting country. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its finding on the basis of the facts available on records in accordance with the Rules.
25. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant investigation and file their questionnaire response/submissions within the time limit mentioned above.

**L. Submission of information on confidential basis**

26. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same in terms of Rule 7(2) of the Rules and the Trade Notices issued in this regard. Failure to adhere to the above may lead to rejection of the response / submissions.
27. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately.
28. The “confidential” or “non-confidential” submissions must be clearly marked as “confidential” or “non-confidential” at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
29. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which is claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
30. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority. The other interested parties can offer their comments on the confidentiality claimed within 7 days of receiving the non-confidential version of the document.
31. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.

32. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.
33. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

**M. Inspection of Public File**

34. In terms of Rule 6(7) of the Rules, any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties. The modality of maintaining public file in electronic mode is being worked out.

**N. Non-cooperation**

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

  
(Anant Swarup)  
Designated Authority

