

NO. 15/40/2010- DGAD
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)
DIRECTORATE GENERAL OF ANTI DUMPING & ALLIED DUTIES
UDYOG BHAVAN, NEW DELHI

Final Findings

Dated the 29th March 2012

Subject: Mid-term Review Anti-dumping investigation limited to the product scope of definitive Anti-dumping Duty imposed in pursuance of Anti-Dumping Investigation involving import of “Tyre Curing Presses” also known as Tyre Vulcanisers or Rubber Processing Machineries for tyres from China PR.

BACKGROUND

NO. 15/40/2010- DGAD Whereas, having regard to the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as Act.) and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 as amended from time to time, (hereinafter referred to as the ‘AD Rules’), vide Notification No. 14/22/2007-DGAD dated 15th October, 2009 the Designated Authority (hereinafter referred to as ‘the Authority’) notified its final findings for imposition of Anti Dumping Duty on import of “Tyre Curing Presses” also known as Tyre Vulcanisers or Rubber Processing Machineries for tyres (hereinafter also referred to as the subject goods) originating in or exported from China PR (hereinafter referred to as the subject country).

2. And whereas anti-dumping duty was imposed on the subject goods vide Customs Notification No: 01/2010-Customs dated 8th January, 2010.

3. M/s Ralson India Ltd., Ludhiana, a user of the subject goods, filed an application before the Authority in accordance with the Act and the AD Rules for initiation of Mid-Term Review seeking exclusion of anti-dumping duty on the product ‘6 Day Light Bicycle Tyres Curing Presses’ from the scope of the Anti-Dumping Duty levied on ‘Tyres Curing Presses’ vide Customs Notification No: 01/2010-Customs dated 8th January, 2010. To this end, the company furnished a detailed statement setting out the following grounds for seeking the review:-

- a. There is no manufacturer within India who manufactures and can supply ‘6 Day Light Bicycle Tyres Curing Presses’ required for their product, viz. Bicycle Tyres.
- b. M/s Ralson India Limited has corresponded with the Domestic industry in the original investigation, namely M/s Larsen & Turbo Limited and contended that M/s Larsen & Turbo Limited is not ready to manufacture and supply ‘6 Day Light Bicycle Tyres Curing Presses’ required for their product, viz. Bicycle Tyres.

3A. The Authority sought a response from M/s Larsen & Turbo Limited on the subject. In response thereto, the consultant of the company vide their letter dated 17th January, 2010 informed the Authority that '6 Day Light Tyres Curing Presses for Cycle tyres' required by M/s Ralson India Limited are in fact low end product and that domestic industry does not wish to focus in this market in foreseeable future.

4. In the above backdrop, the Authority issued a public notice dated 23rd May 2010 published in the Gazette of India, Extraordinary, initiating Mid-term review of the aforesaid final findings dated 15th October, 2009, in pursuance of which the anti dumping duty was notified vide Customs Notification dated 8th January, 2010. It was, however, clarified that the Mid- term review was limited to the product scope of the said anti-dumping duty in the context of the application filed by M/s Ralson India Limited.

B. PROCEDURE

5. In the present proceedings the procedure described herein below has been followed:

- (i) The Authority sent copies of the initiation notification dated 23rd May 2010 to the Embassy of the subject country in India, known exporters from the subject country, known importers and other interested parties, and the domestic industry, as per the information available with it. Parties to this investigation were requested to file their response and make their views known in writing within the prescribed time limit.
- (ii) Copy of the non-confidential version of the application filed by M/s Ralson India Limited along with the initiation notification was sent to the Embassy of the subject country, to the following known exporters and to other interested parties in accordance with the AD Rules:

Known exporters:-

- (a) Gulian Rubber Machinery, No 24, General Road, Gulian, China PR.
- (b) Sino Rubber Machinery Co Limited, 23-Changan Road, Sanming – Fujian, China PR.
- (c) Yiyang Yishan Rubber Machinery Co Limited, 64 – Huilong Road, Yiyang City, Hunan China PR.

Known Importers:-

- (a) Apollo tyres Ltd., Apollo House, 7, Institutional Area, Sector 32 Gurgaon-122001 (Haryana).
- (b) Birla tyres, Shivam chamber, 53, Syedamirali Avenue, Kolkata-700019.
- (c) Bridgestone India Pvt. Ltd., Plotno.12, Khedagrowth Centre, Post-Sagore, Pin-454 774. Dist- Dhar, Madhya Pradesh.
- (d) Ceat ltd., 463, Dr. Annie Besant road, Mumbai-400030.
- (e) Balkrishna Industries Limited, 421-422 – Creative, 72-Nm Joshi Marg, Mumbai 400 011, Maharashtra.
- (f) Falcon tyres Ltd., Krs road, Meatball post, Mysore-570016.
- (g) Goodyear India Ltd., Mathura road, Ballabgarh, Haryana-121004.

- (h) JK tyre & Industries Ltd. Linkhouse, 3, Bahadurshahzafar Marg, New Delhi-110002.
- (i) MRF Ltd. 124, Greaves road, Chennai-600006.

Association:-

Automotive Tyres Manufacturers Association, PHD House, 4th Floor, Opposite Asian Games Village, Siri Fort Institutional Area, New Delhi 110 016.

Domestic Producers:-

- (a) Larsen & Toubro Limited, LTM Business Unit, Mount Poonamallee Road, Mnapakkam, Chennai 600 089.
- (b) Devon Machines Pvt. Limited, 63-B – Northern Phase, Ambattur Industrial Estate, Chennai.
- (c) Alfred Herbert (India) Limited, PO Box 681, Herbert House, 13/3, Strand Road, Kolkata India.
- (d) Specific Engineering Corporation Pvt. Limited, R-494, TTC Industrial Area, MIDC, Thane – Belapur Road, Navi Mumbai 400 071.
- (e) Trimac Machinery Manufacturing Pvt. Limited, Plot No. R-609, TTC Area, Rabale, Navi Mumbai 71.

- (iii) In response to the Disclosure Statement, none of the interested parties has responded:
- (iv) The Authority made available non-confidential version of the evidence presented by the applicant in the form of a public file kept open for inspection by the interested parties.
- (v) 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 08.11.2011. The parties, which presented their views in the public hearing, were requested to file written submissions of the views expressed orally. Interested parties were provided opportunity for rejoinder submissions on the views expressed by opposing interested parties.
- (vi) The arguments made in the written submissions / rejoinders received from interested parties have been considered, wherever found relevant, in these final findings;
- (vii) Information provided by interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claims. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted and such information has been considered 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.

(viii) In accordance with Rule 16 of the AD Rules, the essential facts considered by the Authority were disclosed to the known interested parties and comments received on the same have been considered, wherever found relevant, in these final findings.

(ix) *** in this notification represents information furnished by an interested party on confidential basis, and so considered by the Authority under the Rules.

Product Under Consideration

6. The product under consideration in the original investigation was “**Tyre Curing Presses**”. As per the original investigation carried out by the Designated Authority the product was defined as under:

3. The product under consideration in the present petition is “Tyre Curing Presses” also known as Tyre Vulcanisers or Rubber Processing Machineries for tyres. Tyre Curing Press is a machine used for curing tyre during manufacturing of a tyre. Tyre curing press is a machine where tyres get their final shape and tread pattern. Hot moulds shape and vulcanize the tyres. The moulds are engraved with the tread pattern, the sidewall markings of the manufacturer and those required by law. After curing, the tyres are removed from their moulds and taken to final finish and inspection.

4. The size of the Tyre Curing Press is normally indicated in inches by the internal diameter of the Dome or the diameter of the platen. This in turn determines the maximum size of the mould that can be used in the press. The mould diameter is the critical parameter that determines the maximum size of a tyre that can be cured in that press. Generally as the press size increases it can accommodate a bigger diameter mould and hence it can cure bigger tyres. The broad classification of press sizes for various tyre segments are as shown below:

24”-36” – Scooter tyres

40” -52” – Passenger car and LCV tyres

55”- 65.5” – Truck tyres

78” – Tractor and agricultural equipment tyres

85”-185” – OTR tyres (Mining and special equipment)

Optional Add ons such as vertical chuck loader, segmented mould operator and post cure inflators which help the press in terms of automation better productivity and better product handling capacity etc. are added depending upon the requirement of the customers.

5. Tyre Curing Presses is classified under Chapter 84 of the Customs Tariff Act, 1975 under subheading 8477.51 under subheading 8477.5100 under the Indian Trade Classification (Based on Harmonized Commodity Description and Coding system).

7. In its final findings dated 15th October 2009, the Authority examined the Product under consideration as follows:

14. The authority examined the issue in details and in this regard it has been noted that all sizes of presses (up to 130”) (whether or not imported during POI) are

manufactured in the manufacturing facility of the domestic industry. It has been further noted that facility available for bigger sizes of presses can also be used for smaller sizes of presses. The technical requirement however differs depending upon the size of press. Regarding objection of the interested parties about comparability of presses, it has been noted that for all sizes of presses, manufacturing is comparable up to bare mechanical construction and it is a saleable commodity. The press is, however, incomplete without electrical panels, the pneumatic panel and valve battery, etc. Depending upon the requirement of the customers, the press can be customised by adding extra features such as vertical chuck loaders segmented mould operator and post cure inflators, etc. which help the press in terms of automation better productivity and better product handling capacity etc.

15. In view of the submissions made by the domestic industry and other interested parties, the authority notes that for same size of presses imported product can be substituted with the presses manufactured by the domestic industry as add on features are only optional requirement of the customers. Therefore the authority holds that the presses made by domestic industry is 'like article' of the product imported from the subject countries. Regarding limiting the scope of products to sizes imported during POI, the Authority notes that the presses can be made in the same facility irrespective of their sizes, though higher sizes presses would require higher technical different skills and know-how. The domestic industry has capability to produce different sizes and their variation of presses. Therefore the authority holds that there is no reason to restrict the scope of product under consideration to the sizes of presses imported during POI only. It has also been argued that the product under consideration should be restricted to the sizes manufactured by the domestic industry as there cannot be an injury to the sizes not produced by the domestic industry. The Authority has examined the issue and note that the imports have been made for the presses up to 104 inches. The domestic industry is producing not only this size of press but also higher sizes of presses (130 inch). At this stage, it has been established that domestic industry can manufacture presses up to 130 inches. The domestic industry is yet to manufacture higher sizes of presses, though there is no indication that the domestic industry is not in position to manufacture higher sizes of presses. The product under consideration is the Tyre Curing Press of all sizes, therefore, it is not possible to restrict the scope of product under consideration as imports can be of any size (higher or lower), similarly the domestic industry may also manufacture higher sizes of presses. The Authority, however, in view of the fact that the domestic industry is yet to manufacture higher size of press, is recommending the duty on the presses of the maximum size that has been produced by the domestic industry so far so that buyer may not be put to disadvantage, in case domestic industry is not in position to manufacture higher size of press. The domestic industry may, however, seek the review of the findings in future depending upon the capacity/ facility available to manufacture the higher size of press. The Anti-dumping Rules provide for the Changed Circumstances Review and the same will be followed on receipt of the application for review.

Submissions made by the Interested Parties

8. The applicant has reiterated its earlier submission contending that there is no manufacturer within India, which manufactures and can supply '6 Day Light Bicycle Tyres Curing Presses' required for their product, viz. Bicycle Tyres.

Submissions made by the domestic industry:

9. The domestic industry has made the following submissions:

- (a) That they do not have any objection to the exclusion of '6 Day Light Tyre Curing Press for curing bicycle tyres', from the purview of anti dumping, as desired by M/s Ralson India Ltd. It was, however, clarified that this should not be taken as an admission that tyre curing presses of any other description can be exempted from the purview of anti-dumping duties; regardless of whether or not the domestic industry produces and supplies such types. The company also requested the Authority to indicate the product description for exclusion from scope of the anti dumping duty in the Customs notification as 'Six Day Light Curing Press for curing bi-cycle tyres'.

Examination by the Authority

10. The Authority has taken note of the submissions, arguments and the evidence provided by the interested parties and the information available on record. The Authority notes that M/s Ralson India Ltd., Ludhiana has sought exclusion of 'Six Day Light Curing Press for curing bi-cycle tyres' from the ambit and scope of the duty as no domestic producer of the subject goods manufactures the same in India. The Authority further notes that this claim has not been disputed by the domestic producer, M/s Larsen & Toubro; at whose request the anti-dumping investigation was initiated and in pursuance whereof the anti-dumping duty is presently in force on the subject goods. No other interested party has responded in the instant matter.

11. Therefore, the Authority notes that it would be appropriate to accede to the request of M/s Ralson India Ltd., Ludhiana and recommend exclusion of 'Six Day Light Curing Press for curing bi-cycle tyres' from the ambit and scope of the duty.

Conclusion and Recommendation

12. In view of above facts, the Authority recommends that 'Six Day Light Curing Press for curing bi-cycle tyres' be excluded from the ambit and scope of the anti-dumping duty recommended earlier vide Final Findings dated 15th October, 2009 on the captioned subject and notified by the Department of Revenue, Ministry of Finance vide Customs Notification Number 01/2010-Customs, Dated 8/1/2010.

13. An appeal against this order shall lie before the Customs, Excise and Service tax Appellate Tribunal in accordance with the relevant provisions of the Act.

(Vijaylaxmi Joshi)
Designated Authority