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Government of India

Department of Commerce  
Ministry of Commerce & Industry  
(Directorate General of Anti-Dumping & Allied Duties)  
Udyog Bhawan, New Delhi

Dated: 13<sup>th</sup> June 2011

### **INITIATION NOTIFICATION**

**Subject: Initiation of anti-dumping investigation concerning imports of Digital Offset Printing Plates originating in or exported from China PR and Japan**

M/s Technova Imaging Systems (P) Ltd. has filed an application before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the Act) and 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 AD Rules) for initiation of anti-dumping duty investigation concerning imports of “Digital Offset Printing Plates” (hereinafter also referred to as subject goods) originating in or exported from China PR and Japan.

### **DOMESTIC INDUSTRY & STANDING**

2. The application has been filed by M/s TechNova Imaging Systems (P) Ltd, Mumbai (hereinafter referred to as the applicant) on behalf of the domestic industry. The production of the applicant accounts for a major proportion of the total domestic production of the like article and is more 50 % of total Indian production. The applicant thus satisfies the requirements of Rule 2(b) and Rule 5(3) of the AD Rules.

### **PRODUCT UNDER CONSIDERATION**

3. The product under consideration in the present investigation is Digital Offset Printing Plates (hereinafter referred to as “Digital Plates” or subject goods). Digital Plates are used in the printing industry for transferring data as an image (dot patterns or text) onto paper or on non-absorbent substrates like tin sheets or poly films, etc. In the printing process using digital plates, the digital workflow enables direct transfer of image from a ‘computer to the plate’ using lasers unlike the analogue workflow that requires an intermediary film to transfer the image.

Digital plates are made from high-purity litho-grade aluminium coils coated with a chemical coating. Digital plates may be either positive (non-exposed area forms image)

or negative (exposed area forms image) working plates. The coating components, also known as ‘sensitizers’ vary for different types of plates.

Digital plates may be broadly classified into two categories namely violet and thermal plates based on their application. Digital plates that are exposed using visible and near-visible light energy (violet lasers) are called violet plates. Similarly, digital plates that are exposed using infra-red energy are called Thermal plates. In addition, there are certain types of digital plates known as CtCP Plates (‘Computer-to-Conventional Plate’) that use ultra violet rays for exposure and transferring image directly from the computer to the plates. All types of digital plates in all dimensions are covered within the scope of the product under consideration.

The subject goods fall under Tariff Item ‘8442.5020’ of the Customs Tariff. However, there have been imports of the subject goods under other headings such as 3701.3000, 3704.0090, 3705.1000, 7606.9191 and 7606.9290 as well. Customs classifications are indicative only and in no way binding on the scope of the present investigation.

#### **COUNTRIES INVOLVED**

4. The present application has been filed in respect of alleged dumping of the product under consideration from China PR and Japan (hereinafter referred to as subject countries).

#### **LIKE GOODS**

5. The applicant has claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. There are no differences either in the technical specifications, quality, functions or end uses of the dumped imports and the domestically produced subject goods. The two are technically and commercially substitutable. The applicants have claimed that goods produced and supplied by them and the subject goods imported into India are being interchangeably used by the user industry.

Therefore, subject goods produced by the applicant in India are being treated as ‘like article’ to the goods being imported from the subject countries for the purpose of the present investigation.

#### **NORMAL VALUE**

##### **JAPAN**

6. The applicant has submitted that all possible efforts were made to get evidence of the price at which the subject goods are being sold in the domestic market of Japan. However, the applicant has not been able to get any evidence of actual domestic selling price in Japan which can constitute accurate and adequate evidence for the purpose of the

present investigation. The normal value has, therefore, been determined based on estimates of cost of production taking international raw material prices. Accordingly, normal value has been determined based on LME prices of aluminium, consumption norms of the domestic industry, utilities prices prevailing in Japan based on publicly available information, other conversion costs including selling, administrative and financial expenses as per domestic industry's experience and a reasonable profit margin.

### **CHINA PR**

7. The applicant has claimed that China PR should be treated as a non-market economy and has determined normal value in accordance with Para 7 and 8 of Annexure I of the AD Rules. The applicant has claimed Constructed Normal Value based on LME prices of aluminium, consumption norms of the domestic industry, conversion costs including selling, administrative and financial expenses as per domestic industry's experience and a reasonable profit margin.

### **EXPORT PRICE**

8. The applicant has claimed export price of the subject goods from the subject countries based on the transaction wise import data provided by the Eximnet. Adjustments have been claimed on account of ocean freight and marine insurance to arrive at ex-factory export price. There is sufficient evidence of the export price for the subject goods from the subject countries.

### **DUMPING MARGIN**

9. Normal value and export price have been compared at ex-factory level, which shows significant dumping margin in respect of each of the subject countries. It is considered that there is, prima facie, evidence that the normal value of the subject goods in the subject countries is significantly higher than the ex-factory export price indicating, prima facie, that the subject goods are being dumped by exporters from the subject countries.

### **INJURY AND CAUSAL LINK**

10. The applicant has claimed that they have suffered material injury by way of increased losses, increase in inventories, decline in return on capital employed and cash profits, etc. The applicant has also claimed adverse price effects as evidenced by price depression, price suppression, price undercutting and price underselling. The applicant has claimed that the material injury has been caused due to the dumped imports from the subject countries. The Authority considers that there is sufficient evidence of 'injury'

being suffered by the applicant caused by dumped imports from subject countries to justify initiation of an anti-dumping investigation.

### **INITIATION OF ANTI DUMPING INVESTIGATIONS**

11. The Designated Authority, in view of the foregoing paragraphs, holds that sufficient evidence of dumping of the subject goods originating in or exported from the subject countries, injury to the domestic industry and causal link between the alleged dumping and injury exist to justify initiation of an anti-dumping investigation. The Authority hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry in terms of Rule 5 of the AD Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of anti-dumping duty, which if levied would be adequate to remove injury to the domestic industry.

### **PERIOD OF INVESTIGATION (POI)**

12. The Period of Investigation for the purpose of the present investigation is 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2011 (12 months). However, the period for injury examination would cover periods from 1<sup>st</sup> April 2007 to the end of the POI i.e. 2007-08, 2008-09, 2009-10 and 2010-11(POI).

### **SUBMISSION OF INFORMATION**

13. The known exporters in the subject countries and their Government through their Embassy in India, importers and users in India known to be concerned and the domestic industry are being informed separately to enable them to file all relevant information in the form and manner prescribed. Any other interested party may also make its submissions relevant to the investigation within the time-limit set out below and write to:

**The Designated Authority,  
Directorate General of Anti Dumping & Allied Duties,  
Ministry of Commerce & Industry,  
Department of Commerce,  
Room No. 243, Udyog Bhavan,  
New Delhi – 110011**

### **TIME LIMIT**

14. Any information relating to this investigation should be sent in writing so as to reach the Authority at the above address not later than 40 days from the date of

publication of this notification. The known exporters and importers, who are being addressed separately, are however required to submit the information within 40 days from the date of the letter addressed to them separately. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record their findings on the basis of the ‘facts available’ on record in accordance with the AD Rules.

### **SUBMISSION OF INFORMATION ON NON-CONFIDENTIAL BASIS**

15. All interested parties shall provide a non-confidential summary in terms of Rule 7(2) of the AD Rules for the confidential information provided by them. The non-confidential version or non-confidential summary of the confidential information should be in sufficient detail to provide a meaningful understanding of the information to the other interested parties. If in the opinion of the party providing information, such information is not susceptible to summary; a statement of reason thereof is required to be provided.

Notwithstanding anything contained in the above paragraph, if the Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in a generalized or summary form, it may disregard such information.

### **INSPECTION OF PUBLIC FILE**

16. In terms of Rule 6(7), the Authority maintains a public file. Any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

### **NON COOPERATION**

17. 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 facts available and make such recommendations to the Central Government as deemed fit.

(Vijaylaxmi Joshi)

Designated Authority