

F. No. 6/09/2024-DGTR
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Trade Remedies
4th Floor, Jeevan Tara Building,
5, Parliament Street, New Delhi -110001

Date: 13.03.2025

DISCLOSURE STATEMENT
Case No. ADD (O.I.) 08/2024

Subject: Disclosure Statement of anti-dumping investigation concerning imports of ‘Plastic Processing Machines’ originating in or exported from China PR and Taiwan.

In accordance with Rule 16 of the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended, I am directed by the Designated Authority to disclose the essential facts under consideration in the matter relating to the anti-dumping investigation concerning imports of Plastic Processing Machines originating in or exported from China PR and Taiwan.

1. This disclosure statement comprises the following four Sections:

Section I: General Disclosure

Section II: Assessment of Dumping – Methodology and Parameters

Section III: Assessment of Injury and Causal Link Section

Section IV: Methodology for arriving at Non-Injurious Price

(Confidential copy for the domestic industry only)

2. The sections cited above contain essential facts under consideration of the Designated Authority, which would form the basis for Final Findings. The reproduction of facts does not tantamount to either acceptance or rejection of any fact/argument/submission. Arguments raised/submissions made by the interested parties during the present investigation are reflected in this disclosure statement to the extent they are considered relevant to this investigation by the Designated Authority.
3. Notwithstanding the facts given in this disclosure statement (including facts given on a confidential basis), the Designated Authority would consider all replies given on merit in order to arrive at the final determination.

4. *** in this disclosure statement represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
5. Interested parties may offer their comments, if any, in the form of soft copy, latest by 5.00 PM on 20th March,2025 through email to jd12-dgtr@gov.in, dd19-dgtr@gov.in, dir15-dgtr@gov.in, and consultant-dgtr@nic.in.
6. Interested parties are requested not to repeat their earlier submissions if already included and addressed in this disclosure statement.
7. Since anti-dumping investigations are time bound, the Designated Authority will not entertain any request for extension of time.
8. This issue with the approval of the Designated Authority.

Sd-/
Rajiv Kumar Soni
Director (FT)
jd12-dgtr@gov.in

Enclosures: As above

To,

All Interested Parties

Subject: Anti-dumping investigation concerning imports of ‘Plastic Processing Machines’ originating in or exported from China PR and Taiwan.

A. BACKGROUND OF THE CASE

1. Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter 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 referred as the “Anti-Dumping Rules” or “the Rules”) thereof, the Plastic Machinery Manufactures Association of India (hereinafter referred to as the “applicant association” or “PMMAI”) has filed a duly substantiated application on behalf of Electronica Plastic Machines Limited, Milacron India Private Limited, Shibaura Machine India Private Limited and Windsor Machines Limited (hereinafter referred to as “domestic industry”) before the Designated Authority (hereinafter referred to as the “Authority”) for initiation of anti-dumping investigation concerning imports of Plastic Processing Machines (PPM) or Injection Moulding Machines (hereinafter referred to as “product under consideration” or “PUC” or “subject goods”), from China PR and Taiwan (hereinafter referred to as the “subject countries”). The association and the participating domestic producers have together hereinafter been referred to as “applicants”.
2. The Authority, on the basis of sufficient prima facie evidence submitted by the domestic industry, issued a public notice vide Notification No. 6/09/2024-DGTR dated 29th March 2024, published in the Gazette of India – Extraordinary, initiating the subject investigation in accordance with the Section 9A of the Act read with Rule 5 of the Rules to determine the existence, degree and effect of the alleged dumping of the subject goods originating in or exported from the subject countries and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the alleged injury to the domestic industry.

B. PROCEDURE

3. The procedure described hereinbelow has been followed with regard to the investigation:
 - a. The Authority notified the embassy of the subject countries in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance with Rule 5(5) of the Anti-Dumping Rules.

- b. The Authority issued a public notice dated 29th March 2024 published in the Gazette of India – Extraordinary, initiating the anti-dumping investigation concerning imports of the product under consideration from the subject countries.
- c. The Authority sent a copy of the initiation notification to the embassy of the subject countries in India, the known producers and exporters from the subject countries, the known importers/users in India, and the other interested parties, as per the addresses made available by the domestic industry. The interested parties were requested to provide relevant information in the form and manner prescribed in the initiation notification and make their submissions known in writing within the time limits prescribed in the initiation notification.
- d. The Authority provided a copy of the non-confidential version of the application filed by the applicants to the known producers/exporters and to the embassies of the subject countries in India in accordance with Rule 6(3) of the Rules.
- e. The embassy of the subject countries in India were also requested to advise the exporters/producers from their respective subject countries to submit their responses to the questionnaire within the prescribed time limit. A copy of the letter and questionnaire sent to the known producers/exporters was also sent to them along with the names and addresses of the known producers/exporters from the subject countries.
- f. The Authority sent a questionnaire to the following known producers/exporters in the subject countries in accordance with Rule 6(4) of the Rules:

SN	Subject countries	Producer/Exporter
1	China PR	Chen De Plastics Machinery Co. Ltd.
2		Cosmos Machinery Ltd.
3		Demag Plastics Machinery (Ningbo) Co. Ltd.
4		Guangdong Yizumi Precision Machinery Co. Ltd.
5		Guangzhou Borch Machinery Co. Ltd.
6		Haitain International
7		Hangzhou Tederic Machinery Co. Ltd.
8		Liguang Machinery Co. Ltd.
9		Mitsrong Mould & Machine Co. Ltd.
10		Ningbo Haixiong Plastics Machinery Co. Ltd.
11		Ningbo Hengrun Plastic Machinery Co. Ltd.
12		Ningbo Shuangma Machinery Industry Co. Ltd
13		Qingdao Runjia Plastic Machinery Co. Ltd.
14		Qingdao Sanyl Plastic Machinery Co Ltd.
15		Shandong Tongjya Machinery Co. Ltd.
16		Shanghai GS Machinery Manufacture Co. Ltd.

17		Suzhou Fosita Science and Technology Co. Ltd.
18		Xinle Huabao Plastic Machinery Co. Ltd.
19		Zhangjiagang King Machine Co. Ltd.
20		Zhejiang East Zhouqiang Plastic & Mould Industry Co. Ltd
21		Zhejiang Golden Eagle Plastic Machinery Co. Ltd.
1	Taiwan	Asian Plastic Machinery Co Ltd
2		Huarong Plastic Machinery CO., Ltd.
3		Pan Stone Precision Industries Co Ltd

- g. In response to the above notification, the following producers/exporters from subject countries have responded and filed an exporter's questionnaire response:

SN	Subject countries	Producer/Exporter
1	China PR	Chen Hsong Machinery (Ningbo) Co. Ltd.
2		Chen Hsong Machinery (Shenzhen) Co. Ltd.
3		Chen Hsong Machinery Co. Ltd.
4		Chen Hsong Sales & Marketing (Shenzhen) Co. Ltd.
5		Dongguan Fu Chun Shin Plastic Machinery Manufacture Co. Ltd.
6		Engel Machinery (Changzhou) Co. Ltd.
7		Engel Machinery (Shanghai) Co. Ltd.
8		Foshan Shunde Chen De Plastics Machinery Co. Ltd.
9		Foshan Shunde Chen De Precision Machinery Co. Ltd.
10		Fu Chun Shin (Ningbo) Machinery Manufacture Co. Ltd.
11		Yizumi High Speed Packaging Technology Co. Ltd.
12		Yizumi Precision Machinery (HK) Co. Ltd.
13		Yizumi Precision Machinery (Suzhou) Co. Ltd.
14		Yizumi Precision Molding Technology Co. Ltd.
1	Taiwan	Asian Plastic Machinery Co Ltd
2		Chen Hsong Machinery Taiwan Co. Ltd.
3		Huarong Plastic Machinery Co. Ltd

- h. The Authority also sent questionnaires to the known importers/users of the product under consideration in India calling for necessary information in accordance with Rule 6(4) of Rules.

SN	User/importer
1	Arun Plasto Moulders India Pvt. Ltd.
2	Bharat Box Factory Limited
3	CJ Polytech Private Limited
4	Ejobs info Tech India Pvt. Ltd
5	Electronics Machine Tools Ltd.
6	Kunstocom (India) Limited
7	Moldwell Products
8	Moldwell Products India Private Limited
9	Prince Plastics International Pvt. Ltd.
10	Sakkthi Polymers
11	Satzer Electronics Limited
12	Sumi Motherson Group
13	Supreme Industries Limited
14	Tech Plastic Industries
15	Tooling Temple
16	Victorious Engineering Works
17	Vidyut Metallics Limited

- i. In response to the above notification, the following importers and users have submitted questionnaire responses to the Authority:

SN	User/importer
1	Blackburn & Co. Pvt. Ltd.
2	Chen Hsong Machinery (India) Pvt. Ltd. (Chinese producer)
3	Chen Hsong Machinery (India) Pvt. Ltd. (Taiwan producer)
4	FCS Manufacturing (India) Pvt. Ltd.
5	Moulded Fibreglass Products
6	Yizumi Precision Machinery (India) Pvt. Ltd

- j. Submission have also been made by the China Plastics Machinery Industry Association (CPIMA), All-India Plastics Manufacturers Association (AIPMA) and Organization of Plastics Processors of India (OPPI) and these have been considered in the present disclosure statement.
- k. Exporters, foreign producers and other interested parties who have not responded, or did not supply information relevant to this investigation, have been treated as non-cooperating interested parties.
- l. The Authority issued an Economic Interest Questionnaire to all the known producers and exporters, importers, and the applicants. The economic interest questionnaire was also shared with the administrative line ministry. The domestic

industry, Engel Machinery (Changzhou) Co. Ltd., China and Engel Machinery (Shanghai) Co. Ltd., China have filed the economic interest questionnaire. The Ministry of Heavy Industries has also responded to the economic interest questionnaire.

- m. The period of investigation (POI) for the purpose of present investigation is 1st October 2022 to 30th September 2023 (12 months). The injury analysis period covers 2020-21, 2021-22, 2022-23 and the period of investigation.
- n. The interested parties were granted an opportunity to present their comments on the scope of the PUC and propose PCNs, if required, within a period of 15 days from the date of the initiation notification. Based on the submissions received from certain interested parties, a meeting was held on 30th April 2024 to discuss the need for PCN methodology.
- o. The scope of the product under consideration and the PCN methodology for the investigation was notified on 8th July 2024.
- p. A list of all the interested parties was uploaded on the DGTR website along with the request therein to all of them to email the non-confidential version of their submissions to all the other interested parties.
- q. In accordance with Rule 6(6) of the Rules, the Authority provided an opportunity for the interested parties to present their views orally in a public hearing held on 8th October 2024 in hybrid mode. The parties who presented their views in the oral hearing were requested to file written submissions of the views expressed orally, followed by rejoinder submissions, if any.
- r. The information provided by the interested parties on a 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 as confidential and not disclosed to the other interested parties. Wherever possible, parties providing information on a confidential basis were directed to provide sufficient non-confidential versions of the information filed on a confidential basis.
- s. A request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to provide transaction-wise details of the imports of the subject goods for the injury investigation period and the period of investigation. The same has been received by the Authority and has been considered in this disclosure statement.
- t. The Authority conducted the physical verification at the premises of the applicants to the extent considered necessary for the purposes of present investigation.
- u. The non-injurious price (hereinafter referred to as the 'NIP') has been determined based on the cost of production and reasonable profits of the subject goods in India, based on the information furnished by the domestic industry on the basis of Generally Accepted Accounting Principles (GAAP) and Annexure III to the AD

- Rules, 1995 so as to ascertain whether anti-dumping duties lower than the dumping margin would be sufficient to remove injury to the domestic industry.
- v. The Authority has considered all the arguments raised and information provided by all the interested parties to the extent the same is supported with evidence and considered relevant to the present investigation.
 - w. “***” in this disclosure statement represents information furnished by an interested party on a confidential basis and so considered by the Authority under the Rules.
 - x. The exchange rate adopted by the Authority for the subject investigation is **1 US\$=Rs.82.51**.

C. PRODUCT UNDER CONSIDERATION

4. At the stage of initiation, the product under consideration was defined as under:

“2. The product under consideration in the present investigation is Plastic Processing Machines (PPM) or Injection Moulding Machines also known as injection presser used for processing and moulding of plastic materials.

3. The scope of the product under consideration includes all kinds of plastic processing or injection moulding machines, having clamping force not less than 40 tonnes and not above 3200 tonnes. The product under consideration also includes machines in fully assembled, semi knocked down (SKD), complete knocked down form (CKD), sub-assemblies.

- a. A plastic processing machine in semi knocked down stage shall mean a plastic processing machine which is not fully assembled but is transacted as a plastic processing machine with all essential components not fitted together and the machine is not ready to use.*
- b. A plastic processing machine in completely knocked down stage shall mean a plastic processing machine in its incomplete or unfinished form, has the essential character of the complete machine when put together, and contains all critical components, barring widely used components.*
- c. Sub-assemblies specifically for plastic processing machine.*

4. The following types of products are, however, excluded from the scope of the product under consideration:

- i. Blow moulding machines classified under Custom Tariff Act, 1975 under sub heading 84773000.*
- ii. Vertical injection moulding machines.*
- iii. All electric injection moulding machines wherein the mechanical movements such as injection, moulding closing, moulding opening, ejection, screw-drive etc.*

are controlled by independent servo motors and having digital control system and without hydraulic unit.

- iv. Multi-colour/ multi-mould machinery for making footwear, rotary injection moulding machinery for making footwear and footwear sole/strap/heel injection moulding machine classified under the Custom Tariff Act, 1975 under sub-heading 8453.*
- v. Second hand/used plastic processing machines.*

5. The subject goods are classified under Chapter 84 of the Customs Tariff Act, 1975 under the sub-heading 84771100 and 84779000. The Customs classification is only indicative and is not binding on the scope of the product under consideration.

C.1 Submissions made by other interested parties.

- 5. The interested parties have made the following submissions with respect to the product under consideration and like article:
 - a. Inclusion of SKD, body/component/parts is highly misleading. It is a settled principle that only such finished goods which are commercially sold by the domestic industry can be considered in the scope of the product under consideration.
 - b. Machines imported to produce nylon cable ties are distinct from the type manufactured by the domestic industry. The product supplied by the domestic industry may satisfy one but does not satisfy all parameters. These machines are not commercially interchangeable.
 - c. PCN should be considered based on weight, dimensions, and other parameters rather than the clamping force. The weight of the machines significantly impacts the cost as heavier machines are more durable and expensive. PCN should be assigned considering 80% weightage to weight and 20% to technical parameters like clamping force.
 - d. The usage of terminology - “Semi knocked down (SKD) body /component /parts” is highly misleading, unclear and ambiguous. This would also make spares, parts and other items to be included
 - e. The Authority should issue the list of assemblies which are part of the product scope.
 - f. The circumvention law can only invoke once there is existence of anti-dumping duties on the product. Since there are no duties at present, the circumvention law cannot be invoked in fresh investigation. Further, there is no provision of threat of circumvention.
 - g. There are members of the association who are producing components, therefore, if the Authority wants to include components, data of those producers should be filed with the Authority and consolidated combined non-confidential version should be circulated to all interested parties.

- h. The domestic industry has imported assemblies/components. The scope of the product includes components, assemblies and sub-assemblies. Therefore, the domestic industry should have provided updated application.
- i. The term “Semi knocked down (SKD) body /component /parts” is highly misleading, unclear and ambiguous. Inclusion of only “parts” within the scope of the duty or the investigation will be blatantly arbitrary and unjustified. This would also make spares, parts and other items to be included.
- j. One of the important factors contributing to the cost of product under consideration is weight of the machine. Heavier machines are costlier than lighter ones, as heavier machines are sturdy and durable. Thus, proper weightage should be given to the weight of the machine for arriving at PCN methodology.

C.2 Submissions made by applicants.

- 6. The applicants have made the following submissions with respect to the product under consideration and like article:
 - a. The product can be supplied as finished ready-to-use equipment, in sub-assembly form or in CKD/SKD conditions, and the consumer can assemble it with negligible value addition.
 - b. Plastic processing machines comprise of number of sub-assemblies. The consumers have the choice to buy the product at production process, CKD, SKD and even part of sub-assembly.
 - c. The consumer can import critical components separately and other parts separately and assemble at its own place. The operations involved in assembly of these parts do not involve large technological investment or technical know-how.
 - d. Reference placed on the CESTAT case of M/s Huawei Technologies Co. Ltd. v Designated Authority; it was held that the scope of PUC should be defined in a way that avoids circumvention.
 - e. If the CKD and SKD forms are not included in the scope, the imports will continue post-imposition of duties. The MSME sector would continue to face hardships, increasing the risk of operational shutdowns.
 - f. The inclusion of CKD, SKD and sub-assemblies within the scope of the product is justified as the other interested parties themselves claimed that they have exported the product in these forms.
 - g. Indian industry has manufactured and supplied machines to make nylon cable tie. The applicants have supplied these machines to key downstream manufacturers of cable ties and related products.
 - h. Clamping force is a globally recognized term for the product under consideration. Mechanical Engineering Industry Association and Plant India categorizes total market based on tons.

- i. When the measures were in force, the parts, component, assemblies and sub-assemblies were being imported. However, after expiry of measures, only complete machines are being imported.
- j. The Chinese and Taiwanese producers have claimed that they export the product in CKD/SKD and sub-assembly form. However, the applicants are unaware of the exact details of these exports.
- k. The product can be supplied either as a complete assembled machine or in parts (CKD/SKD). Producers may export either the finished equipment or in sub-assembly form or in CKD/SKD condition, with minimal value addition required in India. It is essential to include CKD and SKD in the current investigation, as excluding them would allow imports to continue in these forms even after anti-dumping duties are imposed.

C.3 Examination by the Authority

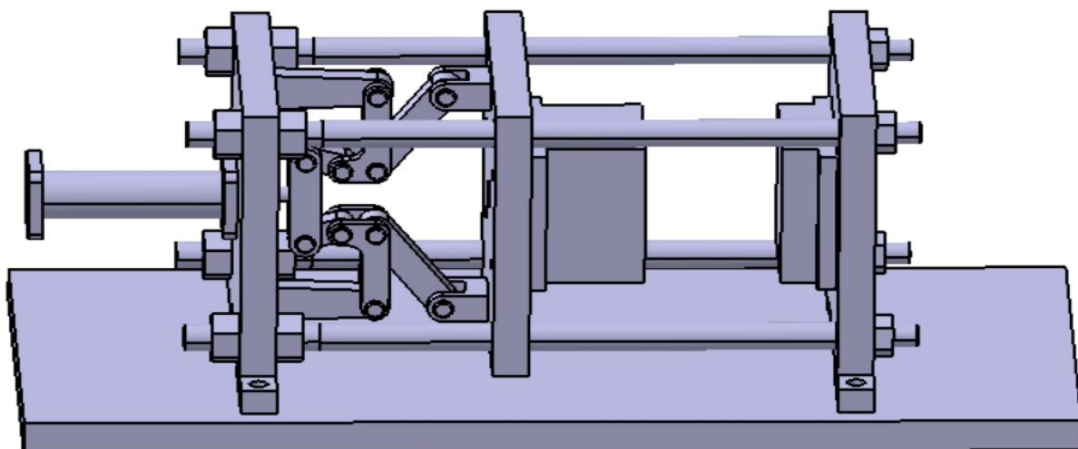
7. The product under consideration in the present investigation is Plastic Processing Machines (PPM) or Injection Moulding Machines also known as injection presser used for processing and moulding of plastic materials.
8. The product under consideration at the time of initiation was all kinds of plastic processing machines or injection moulding machines having clamping force not less than 40 tonnes and not more than 3200 tonnes, used for processing or moulding of plastic materials. The scope included product as described below: -
 - i. A plastic processing machine in semi knocked down stage, which means a plastic processing machine which is not fully assembled but is transacted as a plastic processing machine with all essential sub-assemblies not fitted together and the machine is not ready to use.
 - ii. A plastic processing machine in completely knocked down stage which means a plastic processing machine in its incomplete or unfinished form, has the essential character of the complete machine when put together, and contains all critical components, barring widely used components.
 - iii. One or more sub-assemblies specifically meant for production of plastic processing machines.
9. The scope of the product under consideration excluded the following products:
 - i. Blow moulding machines classified under the Custom Tariff Act, 1975 under sub-heading. 8477 30 00.
 - ii. Vertical injection moulding machines.

- iii. All electric injection moulding machines wherein the mechanical movements such as injection, moulding closing, moulding opening, ejection, screw-drive etc. are controlled by independent servo motors and having digital control system and without Hydraulic unit.
 - iv. Multi-colour/ multi-mould machinery for making footwear, rotary injection moulding machinery for making footwear and footwear sole/strap/heel injection moulding machine classified under the Custom Tariff Act, 1975 under sub-heading 8453.
 - v. Second hand/used plastic processing machines.
10. The product under consideration is classified under Chapter 84 of the Customs Tariff Act, 1975 under the sub-heading 84771100 and 84779000. The interested parties highlighted that the customs classification mentioned was incorrect. A corrigendum was issued dated 28th August 2024 in which the subheadings were clarified as 84771000 and 84779000. It is noted that the customs classification is only indicative and is not binding on the scope of the product under consideration.
11. Various issues have been raised with regards to the PUC, the scope of PUC, clarification regarding imports in CKD or SKD forms, specific exclusions from the scope of PUC, and PCN methodology. These issues have been dealt with hereunder.
12. A plastic processing machine, commonly known as an injection molding machine, is a specialized industrial machine used to manufacture plastic products by the process of injection molding. Injection molding is manufacturing process where molten plastic is injected into a mold cavity, cooled, and solidified to form a finished shape/product. Plastic processing machine offers the benefit of high production efficiency, and the ability to produce complex shapes with tight tolerances with minimal waste.
13. The plastic processing machines are manufactured in various sizes and capacities described in terms of clamping forces. The domestic producers as well as the foreign producers manufacture different types of plastic processing machines with different clamping force. Further, the machines can have additional features, as required by the customers for a particular application. Machines with different tonnage are used for molding different group of products.
14. The manufacturing process of the product under consideration can be broadly categorized into the following –
 - a. Fabrication of a large number of components to form a number of different sub-assemblies. A typical machine may have anywhere between 500 to 1500 different types of components, which are assembled into 10 to 15 sub-assemblies.

- b. Assembly of various sub-assemblies into final machine
 - c. Testing and painting.
 - d. In case of large size machines, the assembled machine may be unassembled into few sub-assemblies for the purpose of transportation.
 - e. Packing & shipment.
15. The process of fabrication of components involves framing of (a) injection unit with screw, barrel and nozzle, (b) clamping unit using platens, tie bars and cylinders, (c) frame and base using welding, cutting, and CNC machining and (d) electrical and hydraulic systems.
16. Sample image of injection unit is given below: -



17. Sample image of clamping unit is as below: -



18. Sample image of machine base frame is given below: -

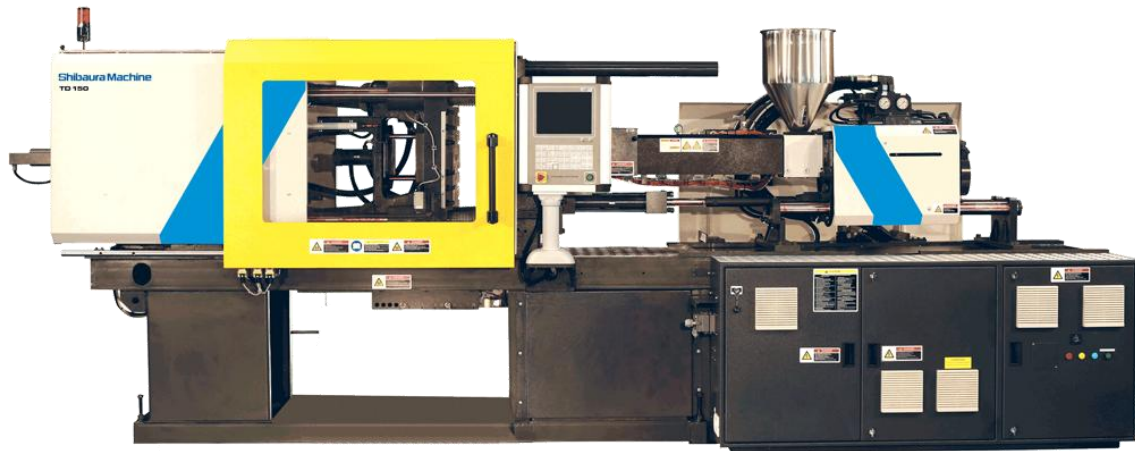


19. Once these sub-assemblies are manufactured, injection unit and clamping units are assembled to make complete machine. These sub-assemblies are mounted onto the machine frame and integrated with hydraulic and electrical systems. Control system is then installed to manage the machine's operations.

20. As part of the testing procedure, machines are tested for proper pressure, flow rates, and electrical connections. The machine is operated under simulated working conditions to ensure performance of injection pressure and clamping force.

21. Following are few illustrations of the complete plastic processing machinery produced by the participating domestic producers.





a. Scope of the product under consideration

22. The Authority invited comments from the interested parties on the scope of product under consideration and proposed PCN methodology. Thereafter, the Authority held deliberations with the interested parties on 30th April 2024 to finalize the scope of the product under consideration and the PCN methodology.

23. Some of the interested parties requested restricting the scope of the product under consideration to machines with clamping force upto 1500 tons. During the PUC/PCN meeting, the applicant accepted the contention of other interested parties in this regard. The scope of the product under consideration was thereafter restricted to machines with clamping force upto 1500 tons.
24. Interested parties contended that CKD, SKD and sub-assemblies'/parts/ components of the product under consideration cannot be included within the scope of the product under consideration. Exclusion of these have been sought on the grounds that the scope of the product under consideration cannot include products which have not been imported into India.
25. The applicant has referred to the decision of M/s Huawei Technologies Co. Ltd. vs. Designated Authority, wherein it was held that the scope of product under consideration should be defined in a way that meets the intended objective.
26. The Authority notes the nature of the product and the production process. It is noted that the producers first produce a number of sub-assemblies and thereafter these are assembled into finished machine. The process involved in assembly of sub-assemblies does not involve significant production process, plant & equipment, manufacturing skills, investment, manpower. The core of production is in designing the machines and making a number of sub-assemblies. Further, as noted above, machines may be transported as read-to-use fully assembled machines, or in more than one part and as a number of sub-assemblies. The Authority notes that the responding Chinese producers have reported exports of (i) completely knocked down (CKD) (ii) semi-knocked down (SKD) (iii) sub-assemblies and (iv) finished machines.
27. The Authority notes that the scope of the "product under consideration" has direct impact on the objective and purpose of the investigation and proposed measures. A wider scope of the product under consideration can lead to uncalled for remedy to the Indian industry, in addition to possible complexities in the conduct of the investigation and therefore implementation of the measures. At the same time, a narrow scope of the product under consideration may fail to meet the intended objective of addressing injurious dumping in the domestic market. A narrow scope of the product under consideration may not provide requisite remedy to the domestic industry and can result in continued injury to the domestic industry because of adoption of measures by importers/users to avoid the measures invoked.
28. It is noted that the product under consideration is a capital goods item. It is not necessary that capital goods are imported in a fully assembled and in ready-to-use condition. It may not even be feasible to do so for large size machines. For ease of transportation or other

logistic considerations, the machines may be imported in the form of unassembled parts, which are then assembled post importation. Importing the machine in SKD form does not change the essential nature and characteristics of the finished product. The only difference between a fully assembled ready-to-use machine and an unassembled machine is the form in which they are imported.

29. Any user has the option to import either finished complete ready to use machine or import the machine in SKD or sub-assemblies form and assemble the same in India. It was seen at the time of physical verification that machines are seldom dispatched as a single item in fully assembled form. These are transported as sub-assemblies and then assembled at the consumer's place. It is also possible for the users to import the machine in SKD condition and assemble it at its factory. Therefore, the threat of imports of the product in unassembled or SKD form contended by the applicants is not an unsubstantiated assertion.
30. It is seen that a plastic processing machine comprises of large number of components. The number of components can be as low as 500 and as high as 1500. However, the clamping unit, injection unit and machine base frame form integral and necessary part of the product under consideration. Other sub-assemblies include items such as barrels, cable, strain rod, cylinders, platens etc. Assembly of unassembled parts (such as clamping unit, injection unit and machine base) into a complete machine is not a significant process and only involves joining parts together.
31. Considering the abovementioned justifications related to the nature of the product, its ease of assembly, form of transportation, retention of its characteristics and likeness in the unassembled/semi assembled form and high likelihood of circumvention, the Authority finds it appropriate to include completely knocked down (CKD) and semi-knocked down (SKD) machines and sub-assemblies in the scope of the product under consideration.

b. Clarification regarding imports in CKD and SKD form.

32. Interested parties have sought clarification on the meaning of CKD and SKD in so far as these concerns scope of the PUC. The Authority therefore considers it appropriate to clarify the meaning and interpretation of these terms in so far as scope of the product under consideration is concerned.
 - a. Imports as Semi knocked down (SKD) means a plastic processing machine which is in incomplete or unfinished form, not fully assembled, but is transacted as parts of a plastic processing machine. These parts are not fitted together, and the machine is not ready to use. Imports in SKD form shall imply imports of all the SKD or sub-assemblies required for production of the product under consideration. Further, imports of complete clamping/clamp unit or complete injection unit with or without

screw & barrel or machine base frame or fabrication frames/covers for injection moulding machines are essential sub-assemblies or SKD of the product under consideration and therefore imports of these sub-assemblies or SKD are within the scope of the product under consideration.

- b. Completely knocked down (CKD) means a plastic processing machine in its components form. Such components will have the essential character of the complete machine when put together. Imports in CKD form shall imply imports of all the components required for production of the PUC.

c. Specific exclusions from the scope of the product under consideration.

- 33. The interested parties have sought exclusion of nylon cable-tie moulding machines on the ground that the same was not being produced by the Indian industry. The domestic industry has provided sales invoices for sales made with respect to these. Therefore, it is not considered appropriate to exclude these from the scope of the investigation.

- 34. The following products are specifically excluded from the scope of the product under consideration: -

- a. Blow moulding machines classified under Custom Tariff Act, 1975 under subheading. 8477 30 04.
- b. Vertical injection moulding machines.
- c. All electric injection moulding machines wherein the mechanical movements such as injection, moulding closing, moulding opening, ejection, screw-drive etc. are controlled by independent servo motors and having digital control system and without hydraulic unit.
- d. Multi-colour/multi-mould machinery for making footwear, rotary injection moulding machinery for making footwear and footwear sole/strap/heel injection moulding machine classified under the Custom Tariff Act, 1975 under sub heading 8453.
- e. Second hand/used plastic processing machines.
- f. Imports of any standalone parts/components, other than those specified above.
- g. Imports of clamping/clamp unit, injection unit with or without screw & barrel, machine base frame and fabrication frames/covers imported for production of a machine other than injection moulding machines.

d. PCN methodology

- 35. After considering the comments from the interested parties, the Authority, vide notification dated 8th July 2024, clarified the scope of the product under consideration and the PCN methodology for the purpose of providing information relevant to the present investigation and proposed determination.

36. The interested parties had requested PCN based on power type, machine structure, types of material, clamping force, shot weight, tie bar distance etc. to be considered as PCN parameter.
37. It was seen that the request for PCN based on these parameters was also made in the previous anti-dumping investigations concerning the imports of these products where the Authority observed as follows: -
- 28. In this regard, the Authority notes that the parameters like Distance between tie-bars, maximum mold thickness, clamp stroke and injection shot weight are merely design parameters and therefore does not make the two products different. The Authority, however, notes that the Chinese exporters have failed to quantify with substantial evidence, the difference in such parameters at any stage of investigation. As regards the lesser weight of imported machine, the Authority is of the view that in a machine-like Plastic Processing Machinery, weight cannot be a pricing parameter since buyers pay for desired technology and features and not for the weight.*
38. It is noted that the Authority had rejected the claims for different PCN in the previous investigations as well. The interested parties have not contended any new factual basis in the present investigation.
39. As regards shot weight as a PCN parameter, it was observed that the shot weight merely determines the weight of the output generated by the machine and does not form significant factor impacting the cost of production of the different types of products under consideration with different shot weight parameter, but the same clamping force. It is understood that shot weight and clamping force are inter-related parameters, and clamping force has already been treated as a PCN parameter. It is also seen that request for shot weight as PCN was also made in the previous investigation but was not accepted.
40. As regards machine structure (two platen-three platen) as a PCN parameter, it is observed that these are dependent on the shot weight and are not a significant part of the cost of production. When shot weight itself is not a relevant factor for determination of PCN, machine structure in itself does not form basis for determination of a PCN parameter. It is seen that request for mechanical structure as PCN was also made in the previous investigation but not accepted by the Authority.
41. As regards tie bar distance as a PCN parameter, it is observed that tie bar distance does not vary significantly within products of same clamping force. The share of tie-bar distance alone forms less than [***] share in the overall cost of the product under consideration. Such being the case, changes due to different tie bar distance would be insignificant.

42. It was seen that the imports description of the product under consideration in the customs data does not have any distinguishing feature other than the clamping force.
43. The Authority after considering submissions from interested parties considered clamping force as the only relevant parameter for the purpose of determination of dumping margin and injury margin.
44. Considering the above, the Authority proposes to define the scope of product under consideration for the purpose of present investigation as follows:

The product under consideration in the present investigation is Plastic processing machines (PPM) or Injection Moulding Machines, also known as injection presser, used for processing and moulding of plastic materials.

The scope of the product under consideration includes all kinds of plastic processing or injection moulding machines, having a clamping force not less than 40 tonnes and not more than 1500 tonnes. The scope of the product under consideration includes machines in fully assembled, semi knocked down (SKD), complete knocked down form (CKD), or a combination of SKD & CKD. The scope is further clarified below –

- a. *A plastic processing machine in semi knocked down stage shall mean a plastic processing machine which is not fully assembled but is transacted as a plastic processing machine with parts or sub-assemblies not fitted together and the machine is not ready to use. A semi knockdown machine shall also imply sub-assemblies namely clamping/clamp unit, injection unit with or without screw & barrel, machine base frame and fabrication frames/covers imported for injection moulding machine.*
 - b. *A plastic processing machine in completely knocked down stage shall mean a plastic processing machine in its incomplete or unfinished form, has the essential character of the complete machine when put together, and contains all components required for assembling the machines.*
45. It is noted that the domestic industry produces machines with different clamping forces. The machines produced by the domestic producers and supplied by the producers in the subject countries are technically and commercially substitutable and hence like articles. These product types are inter-se like products within their clamping force ranges. Machines of different clamping forces are produced using the same manufacturing facility with the same manpower and similar raw materials. Producers can thus interchangeably produce machines of different clamping forces and can readily switch from production of one type to the other.

Accordingly, the Authority proposes to hold that the products produced by the domestic industry are 'like article' to the product imported from the subject countries in terms of Rule 2(d) of the Rules.

D. SCOPE OF DOMESTIC INDUSTRY AND STANDING

D.1 Submissions made by other interested parties

46. The following submissions have been made by the other interested parties with regard to the domestic industry and standing:
- a. Shibaura Machine Indian Private Limited and Milacron India Private Limited has imported the subject goods and made false statements and declarations in the application that they have not imported the product under consideration.
 - b. Shibaura Machine Indian Private Limited has a related company - Shibaura Machine (Shanghai) Co Ltd. Shibaura Shanghai has exported the subject goods to its affiliated company in India.
 - c. Manufacturing means the process of building or assembling something, especially in a factory. Thus, manufacturers who are assembling the parts/components and making final product shall be considered as manufacturers.
 - d. Haitian is either producing or procuring the major components of the machines in India or from other Indian manufactures/vendors.
 - e. The statement that Haitian import 100 machines each month and selling it in the Indian market is incorrect and baseless. Haitian is manufacturing 70-80% of the machines in India and only importing specialized machine which are not produced in India.
 - f. Despite having other producers of subject goods in India, the domestic industry is only focused on limited producers which raises concern over completeness and fairness of the application.
 - g. There are numerous other producers who are importing some parts and components from China and doing value addition here by purchasing certain parts in India similar to the domestic industry.
 - h. When other interested parties raised self-import concerns, the domestic industry selectively declared some assemblies as excluded, implying only those were within scope. The domestic industry has imported these identified assemblies.
 - i. Applicants cannot be considered as eligible domestic industry as they did not disclose that they have imported the product under consideration during the period of investigation from subject countries.
 - j. The information filed by other producers through support letters must be reconciled with the information filed by the domestic industry in relation to the production of other producers.

- k. Domestic industry is producing and selling only complete machines in the market and is not selling components. Surprisingly, those producers who are producing and selling components in the merchant market are not included as domestic industry. This implies that there will be no selling price, no cost and no NIP available with the Authority.
- l. There are at least 10 other producers apart from 19 other producers identified by the domestic industry. DGTR must examine whether the domestic industry constitute major proportion of total Indian production in India under Anti-Dumping Agreement.

D.2 Submissions made by the applicants.

- 47. The applicants have made the following submissions with respect to the domestic industry and standing:
 - a. The present application has been filed by Plastics Machinery Manufacturers Association of India (PMMAI). Electronica Plastic Machines Limited, Milacron India Private Limited, Shibaura Machine Indian Private Limited and Windsor Machines Limited have provided the relevant data.
 - b. The participating producers have not imported fully assembled injection moulding machines, machines in SKD/CKD form.
 - c. Other producers namely, Avinya Machinery International Pvt. Ltd., Ghanshyam Eng. Co., JH-Welltec Machines (India) Pvt. Ltd., Moon Machinery e. Polymechplast Machines Ltd., Parth Engineering Works, Supermac Machinery and Swift Auxil Technik Pvt. Ltd. have supported the application.
 - d. The participating producers are not related to any producer in the subject countries or any importer of the product in India. The participating producers account for more than 50% of Indian production.
 - e. Haitian Plastic Machinery Group is the largest exporter of the product to India and has been exporting since 2000. When anti-dumping measures were imposed in 2005, the company reduced its exports and started an assembly unit in India which imported machines in SKD form, assembled them and supplied them to Indian consumers.
 - f. When the measures expired in 2021, Haitian Plastic Machinery Group stopped their assembly operations completely and started importing complete machines. Haitian has imported the product in fully assembled and in CKD/SKD condition during the period of investigation.
 - g. Haitian was shown as a domestic producer because of its assembly operations, which only ceased after 2021. The applicants have not considered Haitian in ascertaining domestic production. Based on the volume of its imports, Haitian should be considered an importer and not a producer.
 - h. Shibaura Machine (Shanghai) Co. Ltd is not a producer of the product under consideration. They produce all electric machines which are outside the scope of the product.

- i. As regards the submission that there are 93 producers in India, the interested parties have not provided any information with regards to names & addresses, capacity, production, domestic sales, and the clamping force of these 93 producers.
- j. Standing under the rules is determined by production, not the number of producers. The interested party has not demonstrated that the applicant production does not constitute a major proportion of Indian production. Majority of the other producers manufacture small machines with less than 40 tonnes of clamping force.
- k. Producers of subject goods means whether engaged in production of machines or sub-assemblies forming part of the subject goods are required to be considered as producers. However, if some company has produced one or more sub-assemblies and supplied the same to a machine manufacturer, the volume cannot be counted, as it would lead to double accounting.
- l. Haitian India is only a reseller and trader of subject goods in India. The import data shows that Haitian has imported around 900 plastic processing machines in the period of investigation.
- m. Despite initiation notification, Haitian has not showed any interest. Even if the Authority considers Haitian as other Indian producers for the purpose of standing, Haitian has not provided information on their production.

D.3 Examination by the Authority

48. The submissions made by the interested parties and the domestic industry concerning standing and scope of the domestic industry have been examined and addressed hereunder.

49. Rule 2(b) of the Anti-Dumping Rules defines domestic industry as below:

“(b) "domestic industry" means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those whose collective output of the said article constitutes a major proportion of the total domestic production of that article except when such producers are related to the exporters or importers of the alleged dumped article or are themselves importers thereof in such case the term 'domestic industry' may be constructed as referring to the rest of the producers.”

50. The application has been filed by the Plastics Machinery Manufacturers Association of India (PMMAI). The application was filed on behalf of the domestic producers of the product under consideration. Electronica Plastic Machines Limited, Milacron India Private Limited, Shibaura Machine India Private Limited and Windsor Machines Limited have provided information relevant to the present investigations and have specifically requested imposition

of ADD. The Authority notes that the production of the applicant companies constitutes 57% of the total Indian production of the like article in India.

51. The Authority has received letters from Avinya Machinery International Pvt. Ltd., Ghanshyam Eng. Co., JH-Welltec Machines (India) Pvt. Ltd., Moon Machinery, Polymechplast Machines Ltd., Parth Engineering Works, Supermac Machinery and Swift Auxil Technik Pvt. Ltd. supporting the present application.
52. As regards the contention that Shibaura Machine India Private Limited is related to the Shibaura Machine (Shanghai) Co Ltd., China, the Authority notes that Shibaura Machine (Shanghai) Co Ltd., China is the producer of all electrical machines. The domestic industry has provided information on the exports made by the entity. It is seen that the producer has exported electrical machines which are outside the scope of the product under consideration in the present investigation. Therefore, for the purpose of present investigation, the Authority has considered Shibaura Machine India Private Limited as eligible domestic industry.
53. With regards to submissions that Shibaura Machine India Private Limited and Milacron India Private Limited have imported the product under consideration from the subject countries, the Authority has verified the DGCI&S transaction wise import data and found that Shibaura Machine India Private Limited and Milacron India Private Limited have not imported the product under consideration from the subject countries. These entities have imported components which do not form part of the product under consideration.
54. With regards to the contention raised by other interested parties that Haitian India is not the importer but a producer of the subject goods in India, it is noted that none of the opposing parties have submitted any empirical information and have not provided evidence to substantiate their claims. Intimation was sent to Haitian India asking them to provide information such as details of production and sales of machines produced, bill of entry wise details of imports, details of plants and machinery installed etc. However, Haitian India has not provided reply to the information sought. Since they failed to provide any evidence, the Authority could not verify the authenticity of such claims.
55. As regards the contention of other interested parties about the existence of more domestic producers, the Authority observes that the legal requirement to determine standing is based on production volume, not on the number of producers. The other interested parties have not provided any evidence to demonstrate that the production of the petitioning domestic producers does not constitute a major proportion in Indian production or the petitioning domestic producers fail to meet the conditions outlined in Rule 5, read with Rule 2(b). Therefore, the Authority has not accepted the contention raised by the other interested parties.

56. The applicants are not related to any importer in India or exporter of the subject goods in the subject countries and have not imported the subject goods from the subject countries during the period of investigation. The table below shows the share of the participating producers in the total Indian production.

SN	Particulars	UOM	Oct 22 to Sep 23
1	Production of participating producers	Nos	3,895
2	Other Indian producers	Nos	2,925
3	Total Indian Production	Nos	6,820
	Share in %		
4	Applicant	%	57.11
5	Other Indian producers	%	42.89

57. Therefore, having regard to the information on record, the Authority holds applicants constitute “domestic industry” within the meaning of Rule 2(b) of the Rules and proposes to consider that the application satisfies the criteria of standing in terms of Rule 5 of the Rules.

E. CONFIDENTIALITY AND MISCELLANEOUS SUBMISSIONS.

E.1 Submissions made by other interested parties.

58. The following submissions have been made by the other interested parties with regard to confidentiality.
- a. Applicants violated the Trade Notice 10/2018. They failed to provide actual information on production quantity, capacity utilization percentage, sales quantity, sales value, no. of employees, productivity per day, inventory, research & development expense, PBIT, interest / finance cost, depreciation.
 - b. Applicants are habitual users of trade remedy investigations. They have enjoyed the benefit of anti-dumping duty for more than 10 years. The duty has served its purpose and is not warranted in future. The imports from the subject country have declined and are not causing injury to the applicants.
 - c. Despite over 13 years of protection through anti-dumping duties, these domestic producers have failed to compete effectively in the market, indicating a reliance on these measures.
 - d. Haitian is an interested party in the present investigation as the Authority notified all known interested parties of the subject matter vide email dated 3rd April 2024. The first email was sent to Haitian. Further, the domestic industry has themselves noted Haitian Huayuan Machinery (India) Pvt Ltd as other Indian producers.

- e. The domestic industry has failed to make the case for imposition of retrospective imposition of duty.
- f. The period of investigation considered by the Authority is inappropriate and does not accurately represent market conditions. The base year is affected by covid 19 and in 2021-22, there was lockdown and significant market disruption. 2022-23 shows return to normal condition with increase in imports rather than surge in imports.
- g. AIPMA has duly registered as an interested party vide letter dated 9th April 2024. Under Rule 6 (4), the Authority may request information. However, no such request was made to AIPMA, demonstrating that we have not neglected our obligations, contrary to the domestic industry's allegations.
- h. AIPMA, CPIMA actively participated as an industry association, presenting arguments during the hearing and in written submissions dated 14th October 2024. AIPMA and CPIMA have been recognized in prior investigations, such as the Final Findings No. 6/26/2020-DGTR dated 9th August 2021 concerning "Viscose Rayon Filament Yarn above 60 deniers" from China PR.
- i. There is no obligation for AIPMA and CPIMA to provide the documents referenced by the domestic industry, as they are specifically required of the applicant association. Reference placed on Manual of Operating Practices.

E.2 Submissions made by the applicants

59. The applicants have made following submissions: -
- a. Submissions made on confidentiality by the interested parties are belated. The Authority in the initiation notification stated that comments must be made within 7 days from the date of circulation of NCV of the application.
 - b. Trade Notice 10/2018 requires information relating to sales value and profitability on an actual basis. However, the disclosure of information on actual basis would have led to disclosure of price and cost information which is sensitive in nature.
 - c. CPMIA, AIPMA and OPPI have failed to comply with the obligations set out under Rule 6 and 7, thereby failing to establish themselves as interested parties in the present investigation. Additionally, the interested parties have failed to respond to the relevant questionnaires.
 - d. CPMIA is not an association dedicated to the producers/exporters of the subject goods in China PR. Out of the 28 producer/exporters, only Chen De Plastic Machinery participated in the present investigation.
 - e. The Customs Tariff Act, Anti-dumping Rules, and WTO ADA allow the domestic industry to request trade remedial measures against unfair imports causing injury. There is no limit to how often the industry can seek redress.
 - f. As regards the submission that the demand in the period of investigation has recovered in the period of investigation and there is no surge, there is no justification for post-

Covid demand shifting to China instead of the Indian industry. The increase in imports during 2021-22 and 2022-23 proves that Covid did not stop imports.

- g. Further, the Chinese producers have taken close to 1 year to deliver the machines. This delay in delivery contradicts their claims of quick lead times. Despite increased demand, Indian industry saw a decline in domestic sales, clearly indicating that imports are the cause.
- h. The Indian industry's product profile has remained similar over the injury period, with smaller machines requires much lower time compared to larger one. This demonstrates that the applicant lost sales volume, as profits on gross domestic sales declined sharply.
- i. Haitian has failed to register themselves as registered interested party as per Trade Notice 11/2018. Thus, submission of Haitian cannot be considered as they are not even registered.

E.3 Examination by the Authority

- 60. The Authority made available the non-confidential version of the information provided by the various parties to all the other interested parties as per Rule 6(7).
- 61. With regard to confidentiality of information, Rule 7 of Anti-dumping Rules provides as follows:

“Confidential information: (1) Notwithstanding anything contained in sub-rules (2), (3) and (7) of rule 6, sub-rule(2) of rule 12, sub-rule(4) of rule 15 and sub-rule (4) of rule 17, the copies of applications received under sub-rule (1) of rule 5, or any other information provided to the designated authority on a confidential basis by any party in the course of investigation, shall, upon the designated authority being satisfied as to its confidentiality, be treated as such by it and no such information shall be disclosed to any other party without specific authorization of the party providing such information.

(2) The designated authority may require the parties providing information on a confidential basis to furnish a non-confidential summary thereof and if, in the opinion of a party providing such information, such information is not susceptible to summary, such party may submit to the designated authority a statement of reasons why summarization is not possible.

(3) Notwithstanding anything contained in sub-rule (2), if the designated 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.”

62. The submissions made by the applicants and the other interested parties concerning confidentiality, to the extent considered relevant, were examined by the Authority and addressed accordingly. 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 a confidential basis were directed to provide sufficient non-confidential versions of the information filed on a confidential basis. The Authority also notes that all the interested parties have claimed their business-related sensitive information as confidential.
63. As regards the contention that the domestic industry is a habitual user of trade remedy measures and has enjoyed the benefits of the anti-dumping duty for more than 10 years, the Authority notes that there is no bar on the number of times domestic industry can seek redressal from unfair trade practices of the foreign producers/exporters or no bar on the number of times anti-dumping duty can be imposed. The recommendations for the imposition of the anti-dumping duty are made only after investigation by the Authority and when the requisite legal requirements are met.
64. The Authority notes that CPMIA has not provided information on the producers/ exporters of the subject goods in the subject countries who have authorized CPMIA to represent them in this investigation. Further, CPMIA, AIPMA and OPPI have not submitted a list of its members involved in the production of the product under consideration. AIPMA and OPPI have not provided authorization letters from the members being represented. None of the members of AIPMA and OPPI have provided information in prescribed formats. The Authority notes that while the legal submissions made by these associations have been considered for the purpose of present investigation, the members of the associations are non-cooperative and the associations have not provided verifiable information relevant to determination of dumping, injury, causal link and impact of proposed ADD on their members.
65. As regards the submissions on the appropriateness of the period of investigation and the increase in imports because of normalization of post Covid situation, the Authority notes that the demand for the product under consideration shows a consistent increase over the injury period. While significant surge is reflected in imports, the same does not hold good for the sales of the domestic industry. Thus, the Authority is unable to accept this contention.

F. NORMAL VALUE, EXPORT PRICE AND DETERMINATION OF DUMPING MARGIN

F.1 Submissions made by other interested parties.

66. The other interested parties have made the following submissions concerning normal value, export price and dumping margin:
- a. Relevant provisions of protocol on China's accession to the WTO expired in 2016 and China can no longer be treated as non-market economy.
 - b. Taiwan can be considered as a surrogate country for China. The normal value for the machinery should be constructed based on the information provided by cooperative exporters from Taiwan.

G.2 Submissions made by the applicants.

67. The applicants have made the following submissions concerning normal value, export price and dumping margin:
- a. The exporters were required to establish that they were operating under market economy conditions. However, none of the Chinese producers have filed for MET. Hence, in the absence of MET, the normal value should be determined on the basis of price payable in India.
 - b. The exports made by Fu Chun Shin (Ningbo) Machinery Manufacture Co. Ltd. to India increased 400% compared to previous year, while the exports to other countries and domestic sales sharply declined.
 - c. The exports made by Chen Hsong Machinery (Shenzhen) Co. Ltd. to India increased 300% since the previous year, while the exports to other countries increased only by 3% and domestic sales sharply decline.
 - d. The exports made by Foshan Shunde Chen De Precision Machinery Co. Ltd. to India increased by over 15 times in the POI, while the exports to other countries increased only by 1% and domestic sales increased only by 10%. Export sales to India increased by 32% compared to the previous year, while export sales to other countries increased by only 4%.
 - e. The exports made by Yizumi Machinery (Suzhou) Co. Ltd. to India increased 383% compared to previous year, while the exports to other countries and domestic sales decline of 27% and 15% respectively.
 - f. Questionnaire responses submitted by Engel Machinery (Shanghai) Co. Ltd., Engel Machinery (Changzou) Co. Ltd. and Huarong Plastic Machinery Co. Ltd. are

incomplete as they have not filed appendix 6-10. They should be considered non-cooperative and not be granted individual dumping margins.

- g. The Authority does not consider a country forming part of subject countries as surrogate country.
- h. As regards normal value for China based on data of Taiwan producer, the product profile of Taiwan is very limited as compared to China. Even where there are some products imports from Taiwan, the volume of imports in these PCNs are quite low as compared to imports from China.
- i. The interested parties have not provided sufficient information to demonstrate that Taiwan is an appropriate market economy for China. Despite China's producers participating in the investigation, no information on capacity, demand, level of development has been provided.

G. 3 Examination by the Authority.

- 68. The response to exporters questionnaire has been filed by the following producers/exporters:
 - i. Chen Hsong Machinery (Ningbo) Co. Ltd., China
 - ii. Chen Hsong Machinery (Shenzhen) Co. Ltd., China
 - iii. Chen Hsong Machinery Co. Ltd., China
 - iv. Chen Hsong Sales & Marketing (Shenzhen) Co. Ltd., China
 - v. Dongguan Fu Chun Shin Plastic Machinery Manufacture Co. Ltd, China.
 - vi. Engel Machinery (Changzhou) Co. Ltd, China.
 - vii. Engel Machinery (Shanghai) Co. Ltd, China
 - viii. Foshan Shunde Chen De Plastics Machinery Co. Ltd, China
 - ix. Foshan Shunde Chen De Precision Machinery Co. Ltd, China
 - x. Fu Chun Shin (Ningbo) Machinery Manufacture Co. Ltd, China
 - xi. Yizumi High Speed Packaging Technology Co. Ltd, China
 - xii. Yizumi Precision Machinery (HK) Co. Ltd, China
 - xiii. Yizumi Precision Machinery (Suzhou) Co. Ltd, China
 - xiv. Yizumi Precision Molding Technology Co. Ltd, China
 - xv. Asian Plastic Machinery Co Ltd, Taiwan
 - xvi. Chen Hsong Machinery Taiwan Co. Ltd, Taiwan
 - xvii. Huarong Plastic Machinery Co. Ltd, Taiwan

G. 3.1 Determination of Normal value and Export Price

a. Normal value for China PR

- 69. Article 15 of China's Accession Protocol in WTO provides as follows:

“Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (“Anti-Dumping Agreement”) and the SCM Agreement shall apply in proceedings involving imports of Chinese origin into a WTO Member consistent with the following:

(a) In determining price comparability under Article VI of the GATT 1994 and the Anti - Dumping Agreement, the importing WTO Member shall use either Chinese prices or costs for the industry under investigation or a methodology that is not based on a strict comparison with domestic prices or costs in China based on the following rules:

(i) If the producers under investigation can clearly show that market economy conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product, the importing WTO Member shall use Chinese prices or costs for the industry under investigation in determining price comparability;

(ii) The importing WO Member may use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product.

(b) In proceedings under Parts II, III and V of the SCM Agreement, when addressing subsidies described in Articles 14(a), 14(b), 14(c) and 14(d), relevant provisions of the SCM Agreement shall apply; however, if there are special difficulties in that application, the importing WTO member may then use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. In applying such methodologies, where practicable, the importing WTO Member should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.

(c) The importing WTO Member shall notify methodologies used in accordance with subparagraph (a) to the Committee on Anti-Dumping Practices and shall notify methodologies used in accordance with subparagraph (b) to the Committee on Subsidies and Countervailing Measures.

(d) Once China has established, under the national law of the importing WTO Member, that it is a market economy, the provisions of subparagraph (a) shall be terminated provided that the importing Member's national law contains market economy criteria as of the date of accession. In any event, the provision of subparagraph (a)(ii) shall

expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO member, that market economy conditions prevail in a particular industry or sector, the nonmarket economy provisions of subparagraph (a) shall no longer apply to that industry or sector."

70. The applicants have relied upon Article 15(a)(i) of China's the Accession Protocol as well as para 7 of the Annexure I. The applicants 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 manufacture, production, and sale of the product under consideration. It has been stated by the applicants that in case the responding Chinese producers are not able to demonstrate that their costs and price information are market-driven, the normal value should be calculated in terms of provisions of Para 7 and 8 of Annexure- I to the Rules.
71. It is noted that while the provision contained in Section 15 (a)(ii) has expired on 11.12.2016, the provision under Article 2.2.1.1 of WTO Anti-dumping Agreement read with the obligation under Section 15(a)(i) of the Accession Protocol require criterion stipulated in paragraph 8 of Annexure I of the Rules to be satisfied through the information/data to be provided in the supplementary questionnaire on claiming market economy treatment. It is noted that since the responding producers/exporters from China PR have not submitted response to the supplementary questionnaire the normal value computation is required to be done as per the provisions of paragraph 7 of Annexure I of the Rules.
72. As none of the producers from China PR have claimed determination of normal value on the basis of their own data/information, the normal value has been determined in accordance with paragraph 7 of Annexure I of the Rules, which reads as under:

"7. In case of imports from non-market economy countries, normal value shall be determined on the basis of the price or constructed value in a market economy third country, or the price from such a third country to other countries, including India, or where it is not possible, on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted if necessary, to include a reasonable profit margin. An appropriate market economy third country shall be selected by the designated authority in a reasonable manner [keeping in view the level of development of the country concerned and the product in question and due account shall be taken of any reliable information made available at the time of the selection. Account shall also be taken within time limits; where appropriate, of the investigation if any made in similar matter in respect of any other market economy third country. The parties to the investigation shall be informed without

unreasonable delay the aforesaid selection of the market economy third country and shall be given a reasonable period of time to offer their comments.”

73. The Authority notes that while the interested parties have suggested consideration of Taiwan as a surrogate market economy country, it has not provided any information on how Taiwan is an appropriate market economy country, particularly when Taiwan is also subject to investigation. An appropriate market economy in a third country can only be selected, keeping in view the level of development of the country and the product in question. Since none of the interested party has provided information in this regard, and further since Taiwan is subject to investigations, the normal value cannot be determined on this basis.
74. The Authority notes that none of the interested parties have provided any information with regard to domestic price, constructed value or export price of the product in an appropriate market economy third country. The Authority notes that it is required to select an appropriate country on the basis of information and evidence brought on record by the interested parties. Since neither the domestic industry nor the interested parties have provided any verifiable information, the normal value could not be determined on this basis. Therefore, the normal value for China PR has been determined based on price actually paid or payable in India for the like article. The normal value has been determined considering the cost of production in India after addition for the selling, general & administrative expenses, and the reasonable profits. Further, in view of PCNs considered, the Authority has determined PCN wise normal value.

Export price for China PR

a. Chen Hsong Group from China

75. The Authority notes that seven group companies have filed response.
- a. Foshan Shunde Chen De Plastics Machinery Co., Ltd., Foshan Shunde Chen De Precision Machinery Co., Ltd., Chen Hsong Machinery (Shenzhen) Co., Ltd. and Chen Hsong Machinery (Ningbo) Co., Ltd. are the four producers of the product under consideration.
 - b. Chen Hsong Sales & Marketing (Shenzhen) Co., Ltd. and Chen Hsong Machinery Co Ltd are the two exporters of the product group.
 - c. Chen Hsong Machinery (India) Private Limited is the related entity in India which also has filed a response.
76. From the questionnaire response, it is seen that only Chen Hsong Machinery (Shenzhen) Co., Ltd., Foshan Shunde Chen De Plastics Machinery Co., Ltd. and Foshan Shunde Chen De Precision Machinery Co., Ltd. have exported the product under consideration to India.

77. It is seen that the producer has reported *** machines to India during the period of investigation.
78. The producer/exporter has claimed adjustments on accounts of ocean freight, insurance, credit cost and other deductions to arrive at PCN-wise weightage average of export price at ex-factory level. The adjustment claimed has been allowed. The export price is mentioned below in the dumping margin table.
- b. Yizumi Group
79. The Authority notes that six group companies have filed response.
- a. Yizumi Precision Machinery (Suzhou) Co., Ltd.,
 - b. Yizumi High Speed Packaging Technology Co., Ltd
 - c. Yizumi Precision Molding Technology Co., Ltd.,
 - d. Yizumi Precision Machinery (HK) Co., Limited
 - e. Yizumi Precision Machinery (India) Private Limited,
80. It is seen that the producer has reported *** machines to India during the period of investigation. The producer has sold directly to Indian customers as well as exported through its related exporters in other countries and through related importers in India.
81. The producer/exporter has claimed adjustments on accounts of ocean freight, insurance, credit cost and other deductions to arrive at PCN-wise weightage average of export price at ex-factory level. The adjustment claimed has been allowed. It is seen that the related importer in India has sold at losses. In view of the consistent practice of the Authority, the loss and the selling, administrative and general expenses have been adjusted in the net export price. The net export price so determined has been given below.
- c. Fu Chun Group
82. The Authority notes that six group companies have filed response.
- a. Fu Chun Shin (Ningbo) Machinery Manufacture Co., Ltd.
 - b. Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd.,
 - c. FCS Manufacturing (India)Private Limited, India.
83. It is seen that the producer has reported *** machines to India during the period of investigation. The producer has sold directly to Indian customers as well as through related importers in India.
84. The producer/exporter has claimed adjustments on accounts of ocean freight, insurance, credit cost and other deductions to arrive at PCN-wise weightage average of export price at ex-factory level. The adjustment claimed has been allowed. It is seen that the related importer

in India has sold at losses. In view of the consistent practice of the Authority, the loss and the selling, administrative and general expenses have been adjusted in the net export price. The net export price so determined has been given below.

d. Husky Injection Molding Systems Shanghai Ltd

85. The Authority acknowledges that Husky Injection Molding Systems Shanghai Ltd has participated in the current investigation, along with the related producers, Husky Injection Molding Systems SA and Husky Canada.

86. The Authority notes that the questionnaire response submitted by the producer was delayed. A communication was sent to the producer stating the following:

It is informed that the Authority had given to all interested parties to file the respective EQR/IQR/UQR/EIQ till 17.08.2024 on the subject above. Your response was received on 18.08.2024; accordingly, the Authority has treated your responses as being time barred and has not accepted your responses.

87. The producer did not contact the Authority after receiving the above notice. No explanation was provided for the late submission. Subsequently, the producer filed a writ petition in the High Court of Delhi. In the ruling of W.P.(C) 1378/2025 & CMAPPLs.6731-33/2025, the Hon'ble High Court directed the following:

9. Accordingly, in terms of the facts of the present case, the response to the questionnaire is directed to be taken on record. The delay, if any, in filing the same is condoned. The enquiry shall now proceed in accordance with law.

88. The Authority reviewed the response submitted by the producer. It was noted that the producer reported two transactions as imports of the product under investigation. The details of these two transactions are provided below.

SN	Particulars	PCN
1	***	***
2	***	***

89. It was observed that the reported transactions do not allow for the identification of the product exported. It could not be inferred if the product exported was product under consideration or non-product under consideration. Additionally, the producer failed to assign proper PCNs to these transactions. Although the value was provided for one of the transactions, the currency was not specified. The Authority also notes that the producer reported exports at the [***] level but only included ocean freight and marine insurance

costs. No information was provided regarding port handling, inland freight, or other related expenses. This information is critical for determining the net export price of the producer.

90. In the initiation notification, participating interested parties were given the following instructions for submitting their responses:

All communication should be sent to the Designated Authority via email at email addresses jd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to adv11-dgtr@gov.in. It must be ensured that the narrative part of the submission is in searchable PDF/MS Word format and data files are in MS-Excel format.

91. Husky Group has only submitted their response in PDF format. No Excel files have been provided for Appendix 1 to Appendix 10. Furthermore, it was noted that the Appendix 1 filed with the response was incomplete. The Authority observes that the response submitted by the producer did not provide enough clarity for a reasonable assessment of the individual dumping margin. Accordingly, the Authority proposes to not grant individual dumping margin.

e. Engel Machinery (Shanghai) Co., Ltd.

92. It was observed that the transactions reported in Appendix 3 A do not allow for the identification of the product exported by the producer. It could not be inferred if the product exported was product under consideration or non-product under consideration. Additionally, the producer failed to assign proper PCNs to these transactions. It was also seen that while the transactions were either at FOB or CIF level, information on expenses pertaining to domestic insurance, port and other related expenses was not provided. While the producer has provided delivery terms, it is seen that no adjustment of credit cost has been provided. The producer has also not provided backup documents for the adjustments claimed in the export price calculation.

93. In the initiation notification, participating interested parties were given the following instructions for submitting their responses:

All communication should be sent to the Designated Authority via email at email addresses jd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to adv11-dgtr@gov.in. It must be ensured that the narrative part of the submission is in searchable PDF/MS Word format and data files are in MS-Excel format.

94. Engel Machinery (Shanghai) Co., Ltd. has only submitted their response in PDF format. No Excel files have been provided for Appendix 1 to Appendix 10. The Authority observes that the response submitted by the producer did not provide enough clarity for a reasonable

assessment of the individual dumping margin. Accordingly, the Authority proposes to not grant individual dumping margin.

ii. Normal value and export price from Taiwan

i. Chen Hsong Machinery Taiwan Co., Ltd.

95. The Authority notes that three group companies have filed response.

- a. Chen Hsong Machinery Taiwan Co., Ltd
- b. Asian Plastic Machinery Co., Ltd.
- c. Chen Hsong Machinery (India) Private Limited

96. It is seen that the producer has reported 91 machines to India during the period of investigation. The producer has sold directly to Indian customers as well as through related importers in India.

97. It is noted that the domestic sales are in sufficient quantity in the domestic market. To determine the normal value, the Authority conducted the ordinary course of trade test to determine profit making domestic sales transactions with reference to cost of production of subject goods. In case profit making transactions are more than 80% then the Authority has considered all the transactions in the domestic market for the determination of the normal value. Where profitable transactions are less than 80%, only profitable domestic sales are taken into consideration for the determination of normal value. Based on the ordinary course of trade test, only profitable domestic sales have been taken for determination of normal value, since the profitable sales were less than 80%.

98. The producer has claimed adjustments inland transportation, credit cost and commissions. Accordingly, PCN-wise weightage average of normal value for Chen Hsong Machinery Taiwan Co., Ltd., Taiwan, has been determined, and the same is mentioned in dumping margin table.

99. It is noted from the response that Chen Hsong Machinery Taiwan Co., Ltd., Taiwan, has sold *** machines to unrelated customers in the domestic market. The producer/exporter has claimed adjustments on accounts of inland transportation and FCL charges to arrive at PCN-wise weightage average of export price at ex-factory level so determined is as shown in the Dumping Margin Table below:

ii. Huarong Plastic Machinery Co., Ltd.

100. In the initiation notification, participating interested parties were given the following instructions for submitting their responses:

All communication should be sent to the Designated Authority via email at email addresses *jd12-dgtr@gov.in* and *ad12-dgtr@gov.in* with a copy to *adv11-dgtr@gov.in*. It must be ensured that the narrative part of the submission is in searchable PDF/MS Word format and data files are in MS-Excel format.

101. Huarong Plastic Machinery Co. Ltd has only submitted their response in PDF format. No Excel files have been provided for Appendix 1 to Appendix 10.
102. It was observed that the producer failed to assign proper PCNs to these transactions reported in Appendix 3A and Appendix 4A. While payment terms show credit period, however, no credit cost has been reported. The producer has not provided any backup document for the adjustments claimed. The Authority observes that the response submitted by the producer did not provide enough clarity for a reasonable assessment of the individual dumping margin. Accordingly, the Authority proposes to not grant individual dumping margin.

iii. Dumping margin

Dumping Margin Table

SN	Producer	Normal value	Export price	Dumping margin		
		USD per machine			%	(Range)
A	China					
1	Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd. and Fu Chun Shin (Ningbo) Machinery Manufacture Co., Ltd	***	***	***	***	40-50%
2	Chen Hsong Machinery Co Ltd, Chen Hsong Sales & Marketing (Shenzhen) Co., Ltd, Chen Hsong Machinery (Ningbo) Co., Ltd., Chen Hsong Machinery (Shenzhen) Co., Ltd, Foshan Shunde Chen De Precision Machinery Co., Ltd., Foshan Shunde Chen De	***	***	***	***	40-50%

	Plastics Machinery Co., Ltd					
3	Yizumi Precision Molding Technology Co., Ltd., Yizumi High Speed Packaging Technology Co., Ltd, Yizumi Precision Machinery (HK) Co., Limited, Yizumi Precision Machinery (Suzhou) Co.,Ltd	***	***	***	***	55-65%
4	Any other producer	***	***	***	***	60-70%
B	Taiwan					
1	Chen Hsong Machinery Taiwan Co., Ltd.	***	***	***	***	40-50%
2	Any other	***	***	***	***	40-50%

G. EXAMINATION OF INJURY AND CAUSAL LINK

G. 1 Submissions made by other interested parties

103. The other interested parties have made the following submissions with regard to injury and causal link:
- a. There is a significant demand-supply gap in India. The domestic industry can produce only 5,100 units, while demand is at 7,956 units, with actual production at just 3,896 units.
 - b. There is a significant increase in interest costs and depreciation expenses without any corresponding increase in capacity or production levels.
 - c. There is no volume effect, as the increase in imports from the subject countries is minimal and driven by overall demand growth in India.
 - d. There are no claims of price suppression, undercutting, or underselling. Import prices have increased with a marginal decline in profits.
 - e. Demand has increased by 38%, and domestic industry sales have increased by 21%.
 - f. The capacity utilization of the domestic industry increased and is more than the base year.
 - g. The increase in the selling price of the applicants is higher than the increase in the cost of sales and selling price of imports.
 - h. There has been no addition to the capital employed. Despite that, the return has significantly increased, which indicates that applicants have obtained a very high rate of return.
 - i. The applicants have included components in their claim without providing information from companies producing and selling components in the merchant market. Since these companies did not submit data, it's unclear how the applicant claimed injury on components.
 - j. Market share of the subject countries increased due to post covid order in pipelines.
 - k. The applicant's claims that comparison of imports and performance of the domestic industry with 2020-21 will not be appropriate must be rejected as it is made without any justification and evidence.
 - l. The domestic industry is struggling to fulfill orders, with some suppliers unable to deliver for nearly a year. This prolonged delay highlights the urgent need for alternatives, such as imports.
 - m. Despite protection, domestic industry is not able to scale up their operations adequately to capture the opportunity available in the market. This shows that imports are not affecting the domestic industry performance.
 - n. Domestic industry has received sufficient protection from imports. The injury to the domestic industry is due to inter-se competition.

- o. The imports from Taiwan should not be cumulated as the conditions of competition between the imports from China and Taiwan are different. The machines imported from Taiwan have only 19 types of clamping force. Whereas for China PR there are 95 types of clamping force of the machines imported.
- p. The volume of imports from Taiwan has significantly decreased in the last two years of the injury period. On relative basis, the volume of subject imports in relation to production and consumption is very limited.
- q. The domestic industry has not given any information on price undercutting. The domestic industry's cost of sales has increased, the domestic industry was able to increase its selling price in consonance with the cost of sales.
- r. The capacity utilization of domestic industry has been more than 80% in the injury period.
- s. Domestic sales continuously increased in the injury period and decline in POI.
- t. Domestic selling price has continuously and significantly increased in the injury period.
- u. The domestic industry's financial parameters show healthy profits rather than any losses.
- v. Machines with smaller clamping force generates lower profit as compared to larger ones. With increased demand for smaller machines, the applicants' profits declined, though they continue to earn significant profits.
- w. The Annual Reports of Windsor Machines Pvt. Ltd. identifies several other factors such as operational risks including balancing supply and demand, securing and retaining essential talent, and addressing IT and machine technology advancements and exposure to foreign exchange risk etc. which are causes of injury.
- x. The application deliberately fails to address a number of crucial issues which had an impact on the domestic industry independently from the imports originating in the country concerned. Such reasons include internal problems, depressed market conditions globally, fluctuations in the price of raw materials, impact of the pandemic COVID-19, Russia Ukraine War etc.

H.2 Submissions made by the applicants

- 104. The applicants have made the following submissions with regard to injury and causal link:
 - a. Any comparison of performance of domestic industry during POI with 2020-21 will not be appropriate as the performance that year was impacted by COVID lockdown imposed in some months. Demand for the product was impacted owing to uncertainties and disruptions in the market.
 - b. April 2020 to September 2020 was included in the period of investigation in the anti-dumping investigation concerning imports from China where the Authority found the industry to be suffering to due to dumped imports.

- c. Demand was low in the base year due to COVID-19, and it increased throughout the injury period.
- d. Demand for product marginally declined during the period of investigation but the low-priced subject imports continued to increase so significantly that they now exceed the rate at which demand has risen.
- e. The volume of imports increased throughout injury period and in period of investigation. The volume of imports increased by almost 5 times in the POI compared to the base year.
- f. The data for the base year was the basis for the recommendation of ADD by the Authority wherein 250 machines constituted increase in imports. The number of machines has increased further.
- g. In value terms, the imports have increased from Rs. 91 Cr. in the base year to almost Rs. 500 Cr. in the period of investigation. Till 2022-23, the rate of increase of import volume and value was proportionate. But in period of investigation, the import volume shot up disproportionately as compared to the import value and the import price has declined.
- h. The market share of subject imports has increased consistently throughout injury period and in the period of investigation. While market share of domestic industry has declined consistently over the injury period with a marginal increase during the period of investigation.
- i. The production and capacity utilization and domestic sale of domestic industry has declined during the period of investigation.
- j. The inventories of the domestic industry have sharply increased during the POI compared to the previous and base year. Despite being the product as capital goods, the domestic industry suffered from accumulated inventory.
- k. The landed price of imports is significantly below the selling price of the domestic industry.
- l. The imports are undercutting the prices of the domestic industry. The landed price of subject imports is also below the cost of the domestic industry.
- m. While the cost of production of the domestic industry has increased in the POI, the selling price has not increased to represent the same. The landed price of imports has declined sharply during the same period. The imports are suppressing the prices of the domestic industry.
- n. The profits in 2020-21 was impacted by COVID-19 and dumping. Though the situation improved in 2021-22, the profitability of domestic industry declined by almost 50% in POI compared to the previous year. Similarly, the cash profit, PBDIT, and ROCE have also declined.
- o. The industry is labor-intensive. The participating producers employ more than 200 people and pay around Rs. 132 Cr. in wages to these employees. The employment

levels and wages have increased over injury period. Productivity has remained stagnant.

- p. Participating producers are not of MSME segment, but there are other MSME producers which cannot continue to pay employees when they are also suffering from low priced imports.
- q. The growth of the domestic industry has been static and is nowhere near the level it should have been as the entire increase in demand has been taken away by the imports.
- r. The price parameters have recorded negative growth, and the industry has lost close to Rs. 900 cr. of market in the period of investigation.
- s. Due to the decline in domestic industry's profitability, the ability to raise capital investment has severely impacted. Indian industry is majorly from MSME segment which cannot continue to inject funds into the business if it is not reasonably profitable.
- t. The market share of subject imports increased from less than 4% in the base year to 19% in the POI. Subject imports increased their market share by eating into the share of Indian producers.
- u. As regards submission on significant fluctuation in capital employed, the plants producing plastic processing machines are not capital-intensive. The average capital employed per machine is under Rs [***], while the cost per machine is around Rs [***]. As a result, even small changes in profitability significantly impacts the return on capital employed.
- v. Contrary to the submission of the other interested parties that the industry has capacity of 5,100 units, the Indian industry has a total capacity of 12,000 units, against a domestic demand of 8,000 units.
- w. Contrary to the submission that the depreciation has increased, the depreciation has declined over the injury period. While the depreciation cost has increased in the period of investigation, the cash profit has declined at a much higher rate.
- x. As regards the submission that the interest cost has increased, the interest cost has increased by only Rs [***], while the profit before interest has declined by Rs [***].

H.3 Examination by the Authority

- 105. The Authority has taken note of the various submissions made by the interested parties, including the domestic industry, and has analyzed them considering the facts available on record and the applicable laws. The injury analysis made by the Authority hereunder ipso facto addresses the various submissions made by the interested parties.
- 106. With regard to the submission made by other interested parties for consideration of return of 22% for determination of non-injurious price is not appropriate, the Authority notes that

relevant guidelines in this regard are well laid down under Annexure III of the Anti-Dumping Rules. The Authority has consistently allowed 22% return on capital employed and the same has been adopted in the present investigation as well.

107. With regards to the contention raised by other interested parties that the decline in profitability is because of the significant increase in the interest costs and depreciation expenses, the Authority notes that the depreciation cost of the domestic industry has declined over the injury period. While the interest cost has increased in the period of investigation, the profit before interest has declined during the same period, which establishes decline in profitability even if the interest costs are considered at past levels. Therefore, the contention of the other interested parties that the decline in profitability is because of the increase in interest cost and depreciation is not correct. It is also noted that interest and depreciation costs are integral part of the operations of the company as regards product under consideration and therefore increase in these costs do not fall under the category of “other factors”.
108. The applicants have stated that performance in the period of investigation must be compared with 2021-22 and 2022-23 and not with the base year 2020-21. The Authority notes the profit of the domestic industry was significantly low in 2020-21. The year 2020-21 was the period of investigation of previous investigation wherein the Authority recommended imposition of measures. Further, the period was also impacted by dumping and no interested party has disputed the contention of the applicants.
109. As regards the submissions on data of sub-assemblies produced and sold by the participating producers, the Authority notes that these are part of the complete machines sold by the participating producers. These products do not have any other independent use. Including sub-assemblies produced and sold separately in the injury analysis would result in double-counting. Similarly, the cost of these sub-assemblies also forms part of the cost of complete processing machines sold by the participating producers. Therefore, there is no need for inclusion of data of sub-assemblies in the injury data of the participating producers.
110. As regards factors of injury identified in the annual report by Windsor Machines Limited, the Authority notes that the annual report of the company pertains to the company as a whole and not solely for the product under consideration. Therefore, statements made in annual reports cannot be relied upon for the purpose of present investigation.
111. With regards to the contention raised by other interested parties that the injury is due to the internal problems, depressed market conditions globally, fluctuations in the prices of raw materials, impact of covid 19, Russia Ukraine conflict etc., the Authority notes that the other interested parties have made generic statements and have not produced any evidence to

substantiate their claims, nor established existence of these factors impacting the performance of the domestic industry, nor quantified impact thereof. The Authority has considered the data of the domestic industry for domestic operations only and the demand in the domestic market shows an increase in the period of investigation. Therefore, the Authority is unable to accept this contention.

a. Cumulative Assessment

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

- a. The margin of dumping established in relation to the imports from each country is more than two percent expressed as a percentage of export price and the volume of the imports from each country is three percent (or more) of the import of like article or where the export of individual countries is less than three percent, the imports collectively account for more than seven percent of the import of like article, and
- b. Cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported article and the like domestic articles.

113. The Authority notes that:

- a. The subject goods are being dumped into India from the subject countries. The margins of dumping from each of the subject countries are more than the de-minimis limits prescribed under the Rules.
- b. The volume of imports from each of the subject countries is individually more than 3% of the total volume of imports.
- c. Cumulative assessments of the effects of imports are appropriate as the exports from the subject countries not only directly compete with the like articles offered by each of them but also the like articles offered by the domestic industry in the Indian market.

114. In view of the above, the Authority considers that it is appropriate to assess injury to the domestic industry cumulatively from imports of the subject goods from the subject countries.

115. Rule 11 of the Rules read with its Annexure-11 thereto provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, “... *taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles.*” In considering the effect of the dumped imports on

prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared to the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, inventory, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Rules.

116. The submissions made by the domestic industry and the other interested parties during the course of investigations with regard to injury and causal link and considered relevant by the Authority are examined and addressed as under.

b. Assessment of demand/apparent consumption

117. The Authority has determined demand/apparent consumption of the product in India as the sum of the domestic sales of the participating producers, sum of domestic sales of other Indian producers and imports from all sources.

SN	Particulars	UOM	2020-21	2021-22	2022-23	Oct 22 to Sep 23
1	Domestic industry	Nos	2,973	3,764	3,768	3,607
2	Other producers	Nos	2,160	2,740	2,715	2,635
3	Imports from subject countries	Nos	177	499	748	1221
4	Imports from other countries	Nos	273	615	890	1367
5	Total Demand	Nos	5,583	7,618	8,121	8,830

118. It is seen that the demand for the product under consideration increased over the injury period.

H.3.1 Volume and price effect of dumped imports on the domestic industry

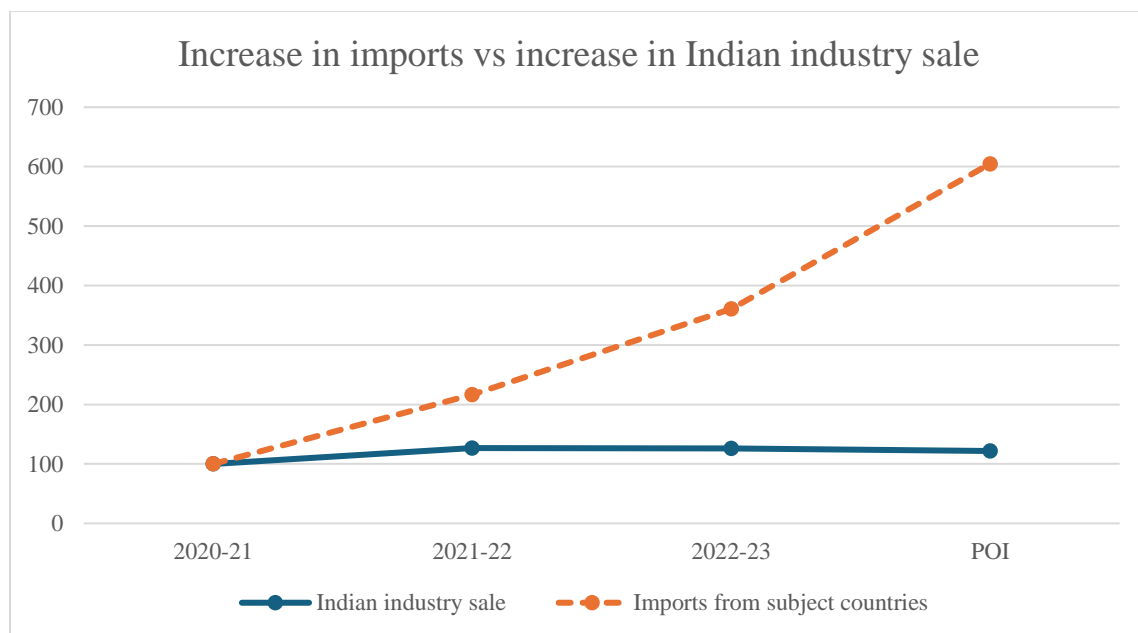
a. Import volume from subject countries

119. With regards to the volume of dumped imports, the Authority is required to consider whether there has been a significant increase in the dumped imports, either in absolute terms or relative to production or consumption in India. For the purpose of the injury analysis, the Authority has relied on the transaction-wise import data. The information is as below:

SN	Particulars	UOM	2020-21	2021-22	2022-23	Oct 22 to Sep 23
1	Imports from subject countries	Nos	177	499	748	1221
2	Imports from subject countries	Rs lacs	6,939	20,343	27,996	37,149
3	Subject countries import in relation to: -					
4	Indian production	%	3.09%	6.77%	10.45%	17.90%
5	Consumption	%	3.17%	6.55%	9.21%	13.83%
6	Total Imports	%	39.33%	44.79%	45.67%	47.18%

120. It is seen that:

- a. The volume of subject imports increased consistently and significantly over the injury period. The volume of imports has increased by more than 5 times over the injury period.
- b. The value of imports has increased from Rs 69 cr. in the base year to Rs 371 cr. in the period of investigation. The value of imports has increased by more than 4 times over the injury period.
- c. The imports from subject countries have increased in absolute terms as well as in relation to Indian production and consumption.
- d. The imports from subject countries hold major share in the total imports in India throughout the injury period.



121. With regard to the effect of the dumped imports on the prices, it is required to be analyzed whether there has been a significant price undercutting by the alleged dumped imports as compared to the price of the like products in India, or whether the effect of such imports is otherwise to depress the prices or prevent the price increase, which otherwise would have occurred in the normal course. The impact on the prices of the domestic industry on account of the dumped imports from the subject countries with reference to the price undercutting and price suppression/ depression, if any. For the purpose of this analysis, the cost of production and the selling price of the domestic industry have been compared with the landed price of the imports of the subject goods from the subject countries.

a. Price undercutting

122. The price undercutting has been determined PCN wise and thereafter for the product under consideration as a whole by taking weighted average using associated import volumes.

123. The landed price of imports for the purpose has been determined clamping force-wise. Further, in order to ensure fair comparison between the import price and selling price of the domestic industry, the selling price of the domestic industry has been considered for the comparable PCN. Weighted average price undercutting has been determined considering price undercutting for machines clamping force-wise and their associated import volumes. The transactions where clamping force was not identifiable, have not been considered. It is also seen that there is difference in the profile of product exported from China and Taiwan. While the imports from Taiwan are primarily of lower clamping force machines, the imports from China have been of wide range of clamping force.

124. The table below shows price undercutting for China PR.

SN	Clamping Force	Imports No.	Selling price ₹ Lacs/No	Landed price ₹ Lacs/No	Price undercutting- ₹ Lacs/No	Price undercutting- %
1	***	***	***	***	***	***
2	***	***	***	***	***	***
3	***	***	***	***	***	***
4	***	***	***	***	***	***
5	***	***	***	***	***	***
6	***	***	***	***	***	***
7	***	***	***	***	***	***
8	***	***	***	***	***	***
9	***	***	***	***	***	***
10	***	***	***	***	***	***

11	***	***	***	***	***	***
12	***	***	***	***	***	***
13	***	***	***	***	***	***
14	***	***	***	***	***	***
15	***	***	***	***	***	***
16	***	***	***	***	***	***
17	***	***	***	***	***	***
18	***	***	***	***	***	***
19	***	***	***	***	***	***
20	***	***	***	***	***	***
21	***	***	***	***	***	***
22	***	***	***	***	***	***
23	***	***	***	***	***	***
24	***	***	***	***	***	***
25	***	***	***	***	***	***
26	***	***	***	***	***	***
27	***	***	***	***	***	***
28	***	***	***	***	***	***
29	***	***	***	***	***	***
30	***	***	***	***	***	***
31	***	***	***	***	***	***
32	***	***	***	***	***	***
33	***	***	***	***	***	***
34	***	***	***	***	***	***
35	***	***	***	***	***	***
36	***	***	***	***	***	***
37	***	***	***	***	***	***
38	***	***	***	***	***	***
39	***	***	***	***	***	***
40	***	***	***	***	***	***
41	***	***	***	***	***	***
42	***	***	***	***	***	***
43	***	***	***	***	***	***
44	***	***	***	***	***	***
45	***	***	***	***	***	***
46	***	***	***	***	***	***
47	***	***	***	***	***	***
48	***	***	***	***	***	***
49	***	***	***	***	***	***

50	***	***	***	***	***	***
51	***	***	***	***	***	***
52	***	***	***	***	***	***
53	***	***	***	***	***	***
54	***	***	***	***	***	***
55	***	***	***	***	***	***
56	***	***	***	***	***	***
57	***	***	***	***	***	***
58	***	***	***	***	***	***
59	***	***	***	***	***	***
60	***	***	***	***	***	***
	Total	1,114			9.86	30-40%

125. The table below shows price undercutting for Taiwan.

SN	Clamping Force	Imports No.	Selling price ₹ Lacs/No	Landed price ₹ Lacs/No	Price undercutting- ₹ Lacs/No	Price undercutting- %
1	***	***	***	***	***	***
2	***	***	***	***	***	***
3	***	***	***	***	***	***
4	***	***	***	***	***	***
5	***	***	***	***	***	***
6	***	***	***	***	***	***
7	***	***	***	***	***	***
8	***	***	***	***	***	***
9	***	***	***	***	***	***
10	***	***	***	***	***	***
11	***	***	***	***	***	***
12	***	***	***	***	***	***
13	***	***	***	***	***	***
14	***	***	***	***	***	***
	Total	68			***	0-10%

126. The table below shows price undercutting for subject countries as a whole.

SN	Clamping force	Imports in no.		Price undercutting		
		China	Taiwan	China	Taiwan	Total
1	***	***	***	***	***	***

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59	***	***	***	***	***	***
60	***	***	***	***	***	***
	Total	1114	68	30-40%	0-10%	30-40%

127. It is seen that the PCN wise landed price of subject imports in the period of investigation is significantly below the selling price of domestic industry resulting in positive price undercutting.

b. Price suppression/depression

128. In order to determine whether the dumped imports are suppressing or depressing the domestic prices and whether the effect of such imports is to depress such prices to a significant degree or prevent price increase which otherwise would have occurred in normal course, the changes in the costs and prices of the all types of product under consideration sold by the domestic industry over the injury period are examined as below:

SN	Particulars	UOM	2020-21	2021-22	2022-23	Oct 22 to Sep 23
1	Cost of sales	₹ Lacs/No	***	***	***	***
2	Trend	Index	100	106	116	121
3	Year on year change	₹ Lacs/No		***	***	***

4	Selling price	₹ Lacs/No	***	***	***	***
5	Trend	Index	100	111	119	121
6	Year on year change	₹ Lacs/No		***	***	***

129. It is seen that:

- a. The year 2020-21 was part of the period of investigation of previous investigation wherein the Authority recommended imposition of measures. The profitability of the domestic industry was low due to the effect of dumping. The cost of sales and selling price of the domestic industry increased in 2021-22. The increase in the selling price was higher than the cost of sales. The domestic industry recovered from the past effects of dumping.
- b. The cost of sales and selling price further increased in 2022-23. While the selling price did not increase at the same rate, the domestic industry was still able to record profits.
- c. In the period of investigation, while the cost of sales and selling price of the domestic industry increased, the selling price did not increase in tandem with the increase in the cost of sales. The period also saw significant increase in the import volume.
- d. The domestic industry was unable to align their selling price with the changes in the cost of sales.
- e. While the cost of sales has increased over the injury period, the selling price has not increased at the same rate. Therefore, the prices of the domestic have been suppressed in the period of investigation.

H.3.2 Economic parameters of the domestic industry

130. Annexure II to the Anti-Dumping Rules provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all the relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in the sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of the dumping; actual and potential negative effects on the cash flow, inventories, employment, wages, growth and the ability to raise the capital investments. The various injury parameters relating to the domestic industry are discussed below. The Authority has examined the injury parameters objectively considering various facts and arguments made by the interested parties in their submissions:

a. Capacity, production, capacity utilization and domestic sales

131. The Authority has considered capacity, production, capacity utilization and domestic sales of the domestic industry over the injury period.

SN	Particulars	UOM	2020-21	2021-22	2022-23	Oct 22 to Sep 23
1	Capacity installed	Nos	5,100	5,100	5,100	5,100
2	Production – Total	Nos	3,386	4,361	4,250	4,067
3	Capacity utilization	%	66%	86%	83%	80%
4	Production – PUC	Nos	3,280	4,228	4,115	3,895
5	Domestic sales	Nos	2,973	3,764	3,768	3,607
6	Export sales	Nos	331	453	316	271

132. It is seen that:

- a. The capacity of the domestic industry has remained constant throughout the injury period.
- b. Production, sales and capacity utilization increased in 2021-22. Production and capacity utilization declined in 2022-23, but sales increased marginally. Production and domestic sales have declined in the period of investigation.
- c. While the production and domestic sales has increased as compared to the base year (2020-21), the operations of the industry in that year were impacted by Covid and dumping from China PR.
- d. Despite the increase in demand, the domestic sales of the domestic industry have declined in the period of investigation.

b. Market share

133. The Authority has examined the effect of the dumped imports on the market share of the domestic industry and the subject countries as under.

SN	Market share of	UOM	2020-21	2021-22	2022-23	Oct 22 to Sep 23
1	Domestic industry	%	53%	49%	46%	41%
2	Other producers	%	39%	36%	33%	30%
3	Indian industry as a whole	%	92%	85%	80%	71%
4	Subject countries	%	3%	7%	9%	14%
5	Other countries	%	5%	8%	11%	15%

134. It is seen that the market share of the subject imports has consistently increased throughout the injury period and with a significant increase in the period of investigation. The market share of domestic industry has consistently declined. The market share of the domestic industry has declined as compared to base year as well as previous year. The market share of the Indian industry as a whole has also declined.

c. Inventories

135. The inventory position with the domestic industry over the injury period is given in the table below:

SN	Particulars	UOM	2020-21	2021-22	2022-23	Oct 22 to Sep 23
1	Opening Inventory	Nos	***	***	***	***
2	Closing Inventory	Nos	***	***	***	***
3	Average Inventory	Nos	22	16	37	43

136. It is seen that despite the product being a capital good, primarily sold on the basis of confirmed purchase orders, the domestic industry average inventories significantly increased in 2022-23 and further increased in the period of investigation. The domestic industry recorded the highest average level of inventory in the period of investigation.

d. Profitability, cash profit and return on capital employed

137. The performance of the domestic industry has been examined in respect of profitability, profits, cash profits, PBIT, and return on investment.

SN	Particulars	UOM	2020-21	2021-22	2022-23	Oct 22 to Sep 23
1	Profit/(Loss)	₹/Nos	***	***	***	***
	<i>Trend</i>	<i>Index</i>	<i>100</i>	<i>286</i>	<i>218</i>	<i>127</i>
2	Profit/(Loss)	₹ Lacs	***	***	***	***
	<i>Trend</i>	<i>Index</i>	<i>100</i>	<i>362</i>	<i>276</i>	<i>154</i>
3	PBIT	₹ Lacs	***	***	***	***
	<i>Trend</i>	<i>Index</i>	<i>100</i>	<i>358</i>	<i>283</i>	<i>177</i>
4	Cash Profit	₹ Lacs	***	***	***	***
	<i>Trend</i>	<i>Index</i>	<i>100</i>	<i>197</i>	<i>142</i>	<i>96</i>
5	ROCE	%	***	***	***	***
	<i>Trend</i>	<i>Index</i>	<i>100</i>	<i>368</i>	<i>259</i>	<i>175</i>

138. It is seen that:

- The year 2020-21 was part of the period of investigation of previous investigation wherein the Authority recommended imposition of measures. The profitability of the domestic industry was low due to the effect of dumping.
- Profitability of the domestic industry improved in 2021-22.

- c. As low-priced imports increased in 2022-23, the domestic industry's profits, cash profit and return on capital employed declined.
- d. The financial profits, cash profits and profit before interest and tax have steeply declined by almost 50% in the period of investigation.
- e. The return on investment improved in 2021-22 and has declined thereafter declined significantly till the period of investigation.

e. Employment, wages and productivity

139. Employment, wages and productivity of the domestic industry over the injury period is given in the table below:

SN	Particulars	UOM	2020-21	2021-22	2022-23	Oct 22 to Sep 23
1	No of employees	Nos.	1,898	2,003	2,049	2,093
2	Productivity per day	Nos.	9	12	12	11
3	Productivity per employee	Nos.	2	2	2	2
4	Wages	Rs. Lacs	***	***	***	***
5	Wages	Trend	100	98	107	107

140. It is seen that:

- a. The level of employment and salary & wages of the domestic industry improved in the period of investigation.
- b. Productivity per day and productivity per employee of the domestic industry has marginally declined in the period of investigation.

f. Growth

141. The growth of the domestic industry in terms of capacity, production, domestic sales volume, PBT, PBIT, cash profits and the return on capital employed is as per given table below:

SN	Particulars	UoM	2021-22	2022-23	Oct 22 to Sep 23
1	Capacity	%	0%	0%	0%
2	Production	%	29%	-3%	-4%
3	Domestic sales	%	29%	-3%	-5%
4	PBT in ₹ Lacs	%	27%	0%	-4%
5	PBIT in ₹ Lacs	%	262%	-24%	-44%
6	Cash Profit in ₹ Lacs	%	258%	-21%	-38%
7	ROI	%	97%	-28%	-32%

142. The growth of the domestic industry during the period of investigation and preceding year has been negative on various volume and price parameters as compared to previous year.

g. Magnitude of dumping

143. The magnitude of dumping is an indicator of the extent to which the imports are being dumped into India. The investigation has shown that the dumping margin is positive and significant during the period of investigation.

h. Ability to raise capital investment

144. The Authority notes that due to the significant decline in profitability and decline in the return on capital employed, the ability of the domestic industry to raise capital investment has been impaired.

i. Factors affecting domestic prices.

145. Examination of the clamping force wise import price shows that the import price from the subject countries is materially below the cost of sales of the domestic industry. As imports from the subject countries increased, the domestic industry has been unable to align its prices in line with the increase in the cost of sales. The fact that the imports are entering Indian market below the selling price of the domestic industry and the domestic industry has suffered from significant decline in the profitability itself establishes the adverse impact of the dumped imports. Therefore, the imports from the subject countries have affected the prices of the domestic industry.

H. CAUSAL LINK AND NON-ATTRIBUTION ANALYSIS

146. As per the Rules, the Authority, inter alia, is required to examine any known factors other than the dumped imports which are injuring or are likely to cause injury to the domestic industry, so that the injury caused by these other factors may not be attributed to the dumped imports. Factors which may be relevant in this respect include, inter alia, the volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practices of and competition between the foreign and the domestic producers, developments in technology and the export performance and the productivity of the domestic industry. It has been examined below whether the factors listed under the Rules could have contributed to the injury suffered by the domestic industry.

a. Volume and price of imports from third countries

147. Imports from the subject countries constitute significant share in the total imports into India. The imports of the subject goods from other countries are at higher prices and hence not causing injury to the domestic industry.

b. Contraction in demand

148. It is seen that the demand for the subject goods has increased in the period of investigation compared to the base year as well as the previous year. Therefore, the domestic industry has not suffered injury due to contraction in demand.

c. Changes in the patten of consumption

149. There has been no known material change in the pattern of consumption of the product under consideration.

d. Trade restrictive practices

150. No interested parties have produced any evidence relating to any possible trade restrictive practice, which could have caused injury to the domestic industry. Therefore, the Authority concludes that trade restrictive practice has not caused injury to the domestic industry.

e. Development of technology

151. The Authority notes that there is no evidence that technology for the production of the subject goods has undergone change over the injury period. Hence, development in technology has not caused injury to the domestic industry.

f. Export performance

152. The Authority has considered the injury data for the domestic operations separately for the injury analysis. Therefore, export performance is not the cause of injury to the domestic industry.

g. Performance of other products

153. The Authority has considered data relating to the performance of the subject goods only. Therefore, the performance of the other products produced and sold by the domestic industry is not a possible cause of injury to the domestic industry.

I. MAGINTUDE OF INJURY MARGIN

154. The Authority has determined the NIP for the domestic industry on the basis of principles laid down in the Rules read with Annexure III, as amended. The NIP of the product under consideration has been determined by adopting verified information/data relating to the cost of production for the period of investigation. Separate NIP has been determined for the various product types based on clamping force. The NIP, thus calculated, has been considered for comparing the clamping force-wise landed price from the subject countries for calculating the weighted average injury margin. The best utilization of production capacity over the injury period has been considered. It is ensured that no extraordinary or non-recurring expenses were added to the cost of production. A reasonable return (pre-tax @ 22%) on average capital employed (i.e. average net fixed assets plus average working capital) for the product under consideration was allowed as pre-tax profit to arrive at the non-injurious price as prescribed in Annexure III of the Rules and being followed.
155. The landed price and non-injurious price determined as above have been compared for the Plastic Processing Machine (PPM) or Injection Moulding Machine clamping force-wise. The weighted average of the injury margins determined clamping force-wise for producers/exporters by the Authority is provided in the table below:

Injury Margin Table

SN	Producer	NIP	Landed	Injury margin		
		USD per machine		%	(Range)	
A	China					
1	Dongguan Fu Chun Shin Plastic Machinery Manufacture Co., Ltd. and Fu Chun Shin (Ningbo) Machinery Manufacture Co., Ltd	***	***	***	***	40-50%
2	Chen Hsong Machinery Co Ltd, Chen Hsong Sales & Marketing (Shenzhen) Co., Ltd, Chen Hsong Machinery (Ningbo) Co., Ltd., Chen Hsong Machinery (Shenzhen) Co., Ltd, Foshan Shunde Chen De Precision	***	***	***	***	25-35%

	Machinery Co., Ltd., Foshan Shunde Chen De Plastics Machinery Co., Ltd					
3	Yizumi Precision Molding Technology Co., Ltd., Yizumi High Speed Packaging Technology Co., Ltd, Yizumi Precision Machinery (HK) Co., Limited, Yizumi Precision Machinery (Suzhou) Co.,Ltd	***	***	***	***	30-40%
4	Any other producer	***	***	***	***	60-70%
B	Taiwan					
1	Chen Hsong Machinery Taiwan Co., Ltd.	***	***	***	***	35-45%
2	Any other producer	***	***	***	***	50-60%

J. INDIAN INDUSTRY INTEREST AND OTHER ISSUES

K.1 Submissions made by other interested parties

156. The other interested parties have made the following submissions with regard to the Indian industry's interest:

- a. The imposition of anti-dumping measures will have an adverse impact on the downstream industry which comprises of small MSME producers.
- b. For over 40 years, machines have been imported from China and Taiwan due to a lack of local alternatives, as Indian manufacturers struggle to provide high-tonnage machines (above 1000 tonnes) in a timely manner.
- c. Chinese suppliers can dispatch machines within three months, while Indian suppliers often take seven to eight months, disrupting business operations.
- d. The purpose or objective of the anti-dumping investigation is to create level playing field and not protect any industry, if they do not meet the criteria mentioned in the Act or Rules.
- e. There is a demand and supply gap in the country and the imports are taking place to cater the gap.

L.2 Submissions made by the applicants.

157. The applicants have made the following submissions with regard to the Indian industry's interest:

- a. Apart from the participating producers, other manufacturers belong to the MSME sector, with a production capacity of less than 100 machines per annum and depend solely on the operation of the product under consideration.
- b. Survival for MSME producers is more difficult because while larger producers may endure injury for a short period, MSME producers cannot.
- c. As per the annual report of consumers, it can be seen that the depreciation of plant and machinery constitutes only about 2% of the total cost of the downstream industry. The table below shows the impact.

SN	Producer	Particulars	Depreciation on P&M as a whole (units?)	Total Expenses	Share in P&M as a whole
1	Samvardhana Motherson International Limited	2023-24	20,320	8,47,700	2%
		2022-23	17,300	7,46,680	2%
2	Supreme Industries Limited	2023-24	16,689	8,90,015	2%
		2022-23	14,802	8,27,292	2%
3	Astral Limited	2023-24	10,470	4,40,730	2%
		2022-23	10,330	4,03,120	3%
4	Finolex Industries Limited	2023-24	9,580	3,88,505	2%
		2022-23	7,657	4,22,094	2%
5	Nilkamal Limited	2023-24	6,878	3,00,669	2%
		2022-23	6,336	2,92,787	2%
6	Minda Corporation Limited	2023-24	8,450	3,59,840	2%
		2022-23	6,820	3,28,430	2%
7	Fiem Industries Limited	2023-24	4,278	1,82,090	2%
		2022-23	4,574	1,67,053	3%
8	Lumax Industries Limited	2023-24	6,887	2,54,814	3%
		2022-23	6,312	2,22,133	3%

- d. Depreciation of plastic processing equipment will likely account for just 0.2-0.4% of the total expenses of the downstream industry. When share of plastic processing equipment in itself is low, the impact of anti-dumping duty will be lower.
- e. The plants for the product under consideration are labor-intensive and generate large number of jobs. The product provides large scale employment to upstream industry which is also suffering from low priced imports.
- f. Since the product under consideration is a capital good, the impact of the anti-dumping duty would be spread across the useful life of the asset. Even if the price increases by 20%, impact on the consumers will be negligible.

- g. India is self-reliant i.e., Aatma Nirbhar. The Indian industry has sufficient capacity to cater to entire Indian demand for the product. Users are not required to depend upon imports.
- h. The imports value from the subject countries during the POI alone is Rs 625 cr. The exports made by the Indian industry is around Rs 375 Cr. Thus, imports from subject countries have added to trade deficit.
- i. The users' lack of opposition shows that they do not expect adverse impact of ADD. Even the participating users have not raised any concerns regarding it and the associations have not provided verifiable evidence of proposed measures being against public interest.
- j. There is nothing on record to suggest that the ADD previously in force had any adverse impact on the user industry in India.
- k. Even if imports from subject countries are restricted due to ADD, domestic industry would not monopolize the Indian market as there are imports of the product from other countries and over 20 producers of like product in India.
- l. A vibrant domestic industry producing capital goods is essential to achieve the goal of AatmaNirbhar Bharat. The 13 key sectors promoted under the Production Linked Incentive (PLI) Scheme of the Government of India are all key consumers of PUC. Addressing injury suffered by producers of product under consideration is vital to ensure growth of key sectors of PLI scheme.
- m. Average production of an MSME unit is around 50-100 machines a year. The volume of imports in the POI means livelihood of around 15-20 MSME producers.

L.3 Examination by the Authority

158. The Authority considered whether imposition of the proposed anti-dumping duty will be against public interest. This determination is based on consideration of information on record and interests of various parties, including domestic industry, importers, and consumers of the product.
159. The Authority issued gazette notification inviting views from all the interested parties, including importers, consumers and other interested parties. The Authority also prescribed a questionnaire for the users to provide the relevant information with regard to the present investigation, including possible effect of the anti-dumping duty on their operation. The Authority sought information on, inter-alia, interchangeability of the product supplied by the various suppliers from different countries, ability to switch sources, the effect of the anti-dumping duty on the consumers, the factors that are likely to accelerate or delay the adjustment to the new situation caused by the imposition of the anti-dumping duty.

160. The Authority notes that the purpose of anti-dumping duty, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market.
161. The Authority further notes that imposition of anti-dumping duty does not restrict imports. Imports will continue to happen at fair prices. Anti-dumping duty ensures that the imports are entering the Indian market at fair prices and a level playing field is maintained between the foreign exporters and the applicants.
162. None of the users/ importers have filed a user questionnaire response. Though the importer associations, namely AIPMA and OPPI have filed submissions, none of its members have filed a questionnaire response showing impact of anti-dumping duty imposed in the past or that may now be imposed. The associations have not provided any quantified and verifiable information to demonstrate the possible adverse impact of the proposed anti-dumping duty on the consumers and public at large. Since the product was earlier subjected to anti-dumping duty, the Authority considers that it was possible for the interested parties to demonstrate the effect of anti-dumping duty on the downstream industry. It is, thus, noted that the interested parties have not established any adverse impact of anti-dumping duty on the user industry with verifiable information.
163. The domestic industry has provided the following information in relation to possible impact of duty in its written submissions. The same has not been disputed by any interested party

SN	Producer	Particulars	Depreciation of plant and machinery(units)	Total Expenses	Share of depreciation of plant and machinery in total expense
1	Samvardhana Motherson International Limited	2023-24	20,320	8,47,700	2%
		2022-23	17,300	7,46,680	2%
2	Supreme Industries Limited	2023-24	16,689	8,90,015	2%
		2022-23	14,802	8,27,292	2%
3	Astral Limited	2023-24	10,470	4,40,730	2%
		2022-23	10,330	4,03,120	3%
4	Finolex Industries Limited	2023-24	9,580	3,88,505	2%
		2022-23	7,657	4,22,094	2%
5	Nilkamal Limited	2023-24	6,878	3,00,669	2%
		2022-23	6,336	2,92,787	2%

6	Minda Corporation Limited	2023-24	8,450	3,59,840	2%
		2022-23	6,820	3,28,430	2%
7	Fiem Industries Limited	2023-24	4,278	1,82,090	2%
		2022-23	4,574	1,67,053	3%
8	Lumax Industries Limited	2023-24	6,887	2,54,814	3%
		2022-23	6,312	2,22,133	3%

164. It is noted from the above that share of depreciation on account of plant & machinery in the total operations as a whole is 2-3%. The product under consideration is however only a part of plant and machinery. The investment in plant & machinery is expected to include significant amounts in other plant & machinery as well. Therefore, the share of depreciation of plastic processing machinery in the total expenses is not expected to be significant. Consequently, the impact of anti-dumping duty on the consumers is not expected to be high.
165. The imposition of anti-dumping measures does not restrict imports from the subject countries in any way. Further, apart from the domestic industry, there are other producers of the subject goods in the country as well as non-subject countries. Hence, even if the duties were to have an unintended consequence of reducing import volumes from the subject countries, the downstream industry in India will not run out of supplies.
166. The essential facts gathered by the Authority during the course of the investigation, and as established by the Authority on the basis of information received from various sources are hereby disclosed in the present disclosure statement, in order to enable the various interested parties to offer their comments on these facts gathered by the Designated Authority. The Authority will however make the final determination on various aspects of the investigation on the basis of the comments received thereof from the interested parties to this disclosure statement to the extent they are relevant.

METHODOLOGY FOR ARRIVING AT NON-INJURIOUS PRICE (CONFIDENTIAL COPY FOR DOMESTIC INDUSTRY ONLY)

167. The non-injurious price of the product under consideration has been determined by adopting the verified information / data relating to the cost of production for the period of investigation (October 1, 2022, to September 30, 2023) in respect of the domestic industry. Detailed analysis / examination and reconciliation of the financial and cost records maintained by the company, wherever applicable, were carried out for this purpose. The non-injurious price for the domestic industry has been determined in terms of the principles outlined in Annexure – III to the Anti-Dumping Rules as briefly described below:
- i. **Raw material cost:** The actual raw material cost per machine has been considered. No normation for raw material has been done.
 - ii. **Cost of utilities:** The best utilization of utilities by the domestic producer, over the period of investigation and preceding three years' period, at the rates prevailing in the period of investigation was considered.
 - iii. **Production:** The best utilization of production capacity over the period of investigation and preceding three years' period was considered.
 - iv. **Salary & wages:** Propriety of the expenses grouped under this head and charged to the cost of production was examined. It is ensured that no extraordinary or non- recurring expenses were charged to the cost of production.
 - v. **Depreciation:** The reasonableness of the amount of depreciation charged to the cost of production was examined to ensure that no charge has been made for facilities not deployed on the production of the subject goods.
 - vi. **Identification and allocation/apportionment of expenses:** The expenses to the extent identified to the PUC were directly allocated and common expenses or overheads classified under factory, administrative and selling overheads were apportioned on reasonable basis. It is ensured that no extraordinary or non- recurring expenses were charged to the cost of production.
 - vii. **Reasonable return on capital employed:** A reasonable return (pre-tax) at 22% on average capital employed (that is Average Net Fixed Assets and Average Working Capital) for the product under consideration was allowed for recovery of interest, corporate tax and profit. Interest is allowed as an item of cost of sales and after deducting the interest, the balance amount of return has been allowed as pre-tax profit to arrive at the Non- injurious Price.
 - viii. **Non-injurious price for the domestic industry:** The NIP for the product under consideration is proposed as Lacs per machine.

SN	Clamping Force	NIP Allowed	SN	Clamping Force	NIP Allowed
		₹ Lacs/No			₹ Lacs/No
1	***	***	22	***	***
2	***	***	23	***	***
3	***	***	24	***	***
4	***	***	25	***	***
5	***	***	26	***	***
6	***	***	27	***	***
7	***	***	28	***	***
8	***	***	29	***	***
9	***	***	30	***	***
10	***	***	31	***	***
11	***	***	32	***	***
12	***	***	33	***	***
13	***	***	34	***	***
14	***	***	35	***	***
15	***	***	36	***	***
16	***	***	37	***	***
17	***	***	38	***	***
18	***	***	39	***	***
19	***	***	40	***	***
20	***	***	41	***	***
21	***	***			