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ANTI-DUMPING INVESTIGATION CONCERNING PRINTED CIRCUIT BOARDS FROM CHINA AND HONG KONG

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Introduction

The Directorate General of Trade Remedies (“DGTR”) has initiated an anti-dumping investigation concerning imports of Printed Circuit Board (“PCB”) originating in or exported from China and Hong Kong, by a notification dated 30 December 2022 (‘Notification”).

The DGTR will conduct the investigation to determine and recommend anti-dumping duties on the imports into India and has called for all interested parties to participate and make submissions in this regard.

Countries Involved

Exports originating or exported from China and Hong Kong are within the scope of the investigation.

Product Scope

The product scope covers PCB’s, limited up to 6 layers but excluding the following PCBs:

- a. PCBs with more than 6 layers;
- b. PCBs for use in mobile phone applications; and
- c. populated printed circuit boards of all sizes.

Period of Investigation

The period of investigation (“POI”) for the investigation is July 2021 to June 2022. The injury investigation period shall cover the periods of Indian financial years 2018-19, 2019-20, 2020-21 and the POI.

Time-limit to Respond

All interested parties are required to intimate their interest (including the nature of interest) in the investigation, file their questionnaire responses and offer their comments within 30 days from the date of the Notification, i.e. on or before 30 January 2023.

Impact

A PCB is a bare board which is supplied with layout data or artwork and used to mount components. A PCB is manufactured and sold as single side, double side or multiple layers. PCBs are mainly used to provide electrical connection and mechanical support to the electrical components of a circuit. A PCB is assembled with electronic components like transistors, resistors, capacitors etc. In the assembly process which happens at the customer's end, a PCB is populated or 'stuffed' with electronic components to form a functional printed circuit assembly ("PCA") which is also called a printed circuit board assembly ("PCBA"). Populated / stuffed printed circuit boards are used in all kinds of electronic circuits, from simple transistor amplifiers to the biggest super computers. PCBAs are used in cars, telephones, ovens, toys, televisions, computers, lighting solutions etc.

As a result of the investigation, imports of PCBs from the subject countries may be levied with additional anti-dumping duties which will increase the landed cost of the imports into India, applicable for the next 5 years. This will have a long-term impact on user industries such as automation, automobile, electronics manufacturers, etc. as the cost of the primary product for making PCBAs will likely be significantly enhanced.

Opportunity

In the present anti-dumping investigation on PCBs, manufacturers and exporters from China and Hong Kong, will have the opportunity to co-operate with the DGTR by confidentially providing their relevant data in prescribed questionnaires to obtain an individual anti-dumping duty rate for their exports.

The rate of duty applicable to non-participating exporters will be based on the information provided by the domestic industry in India. Non-participation attracts residual margins which are country-wide, non-specific and based on internal calculations of the DGTR and are generally observed to be significantly higher than a manufacturer / exporter specific anti-dumping duty.

Manufacturers, exporters, importers, end-users and user associations are accorded the opportunity to oppose the imposition of anti-dumping duties and/or obtain individual anti-dumping duty rates by filing prescribed questionnaires, legal representations and presenting oral submissions before the DGTR.

Exporters and importers can align themselves to utilize the opportunity to minimize the impact of the imposition of anti-dumping duties on their respective countries and mitigate market access conditions by seeking product exclusions and securing individual duty rates for their export channels.

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