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**F. No. 6/13/2018 – DGAD**  
**Government of India**  
**Ministry of Commerce & Industry**  
**Department of Commerce**  
**(Directorate General of Trade & Remedies)**  
**4<sup>th</sup> Floor, Jeevan Tara Building, 5, Parliament Street, New Delhi 110001**

**Dated 29<sup>th</sup> March, 2019**

**NOTIFICATION**

**FINAL FINDINGS**

**Subject: Anti-Dumping Duty investigation concerning imports of “Saccharin” originating in or exported from Indonesia.**

**A. BACKGROUND OF THE CASE**

1. **F. No. 6/13/2018- DGAD**: Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to as the Act), and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time, (hereinafter also referred to as the Rules) thereof: the Designated Authority (hereinafter also referred to as the Authority) had recommended imposition of anti-dumping duty on imports of “Saccharin” (hereinafter also referred to as the subject goods), originating in or exported from Indonesia (hereinafter referred to as the subject country).
2. Whereas, M/s Swati Petro Products Pvt. Ltd. (hereinafter also referred to as the “Petitioner” or “Applicant”) filed a petition before the Designated Authority (hereinafter also referred to as the Authority) seeking imposition of anti-dumping duties in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter also referred to as the Act) and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of injury) Rules, 1995 as amended from time to time (hereinafter also referred to as the Rules) for imposition of Anti-dumping duty on imports of “Saccharin” (hereinafter also referred to as subject goods) originating in or exported from Indonesia (hereinafter also referred to as the subject country).
3. And, whereas, the Authority, on the basis of sufficient evidence submitted by the Petitioner, issued a public notice vide Notification No. 6/13/2018 – DGAD dated 14<sup>th</sup> June, 2018, published in the Gazette of India, initiated the subject investigation in accordance with the Rule 5 of the above Rules to determine existence, degree and effect of the alleged dumping of the subject goods, originating in or exported from the subject country, and to recommend the amount of anti-dumping duty, which, if levied, would be adequate to remove the alleged injury to the domestic industry.

## **B. PROCEDURE**

4. The procedure described herein below was followed by the Authority with regard to the subject investigation:-
- a) The Authority notified the Embassy of the Subject Country in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance under Sub-Rule (5) of Rule 5 supra.
  - b) The Authority issued a public notice dated 14<sup>th</sup> June, 2018 published in the Gazette of India Extraordinary, initiating anti-dumping investigation concerning imports of the subject goods.
  - c) The Authority sent a copy of the initiation notification to the Embassy of the Subject Country in India, known producers/exporters from the subject country, known importers/users and the domestic industry as well as other domestic producers as per the addresses made available by the applicant and requested them to make their views known in writing within 40 days of the initiation notification.
  - d) The Authority provided a copy of the non-confidential version of the application to the known producers/exporters and to the embassy of the subject country in India in accordance with Rule 6(3) of the Rules supra.
  - e) The Embassy of the subject country in India was also requested to advise the exporters/producers from their country to respond to the questionnaire within the prescribed time limit. A copy of the letter and questionnaire sent to the producers/exporters was also sent to Embassy along with the names and addresses of the known producers/exporters from the subject country.
  - f) The Authority sent Exporters questionnaires to elicit relevant information to the following known producers/exporters in the subject country in accordance with Rule 6(4) of the AD Rules:
    - (i) PT. Golden Sari
    - (ii) PT. Batang Alum Industrie
  - g) In response, the following exporters/producers from the subject country filed exporter's questionnaire response in the prescribed format:
    - (i) PT. Golden Sari
    - (ii) PT. Batang Alum Industrie
  - h) The Authority sent Importer's Questionnaires to the following known importers/users of subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules:
    - (i) Eagle Trading Company
    - (ii) Colgate Palmolive India Ltd.
    - (iii) General Import Co. India
    - (iv) Jagmohandas & sons.
    - (v) C J Shah & Co.
    - (vi) Nectar Drugs P Ltd.
    - (vii) Procter & Gamble Hygiene and Health

- (viii) Neeru Marketing P Ltd.
- (ix) Speciality Chemicals
- (x) Nandlal Bankatlal Pvt. Ltd.
- (xi) Sun Shine Cosmetics Ltd.
- (xii) Grauer & Weil India Ltd.

- i) In response, none of the importers/users have responded and filed importer's questionnaire response. However, legal submissions have been filed by M/s Sandeep Organics Ltd.
- j) The Authority made available non-confidential version of the evidence presented by various interested parties in the form of a public file kept open for inspection by the interested parties.
- k) Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) and DG, Systems to provide the transaction-wise details of imports of subject goods for the past three years, and the period of investigation, which was received by the Authority. The Authority relied upon the DGCI&S data for computation of the volume of imports and required analysis after due examination of the transactions.
- l) The Non-Injurious Price (NIP) based on the cost of production and cost to make & sell 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 Anti-Dumping Rules has been worked out so as to ascertain whether Anti-Dumping duty lower than the dumping margin would be sufficient to remove injury to the Domestic Industry.
- m) Physical inspection through on-spot verification of the information provided by the applicant domestic industry, to the extent deemed necessary, was carried out by the Authority. Only such verified information with necessary rectification, wherever applicable, has been relied upon for the purpose of present investigation.
- n) Verification of the information provided by the producers/exporters, to the extent deemed necessary, was carried out by the Authority.
- o) The Period of Investigation for the purpose of the present anti-dumping investigation is from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018 (12 Months). The injury investigation period has, however, been considered as 2014-15, 2015-16, 2016-17 and the POI.
- p) In accordance with Rule 6(6) of the AD Rules, the Authority also provided opportunity to all interested parties to present their views orally in a hearing held on 11<sup>th</sup> September, 2018. All the interested parties who had attended the oral hearing were advised to file written submissions of the views expressed orally. The interested parties were also provided an opportunity to file rejoinder submissions to the written submissions made by the opposing interested parties.
- q) The submissions made by various interested parties during the course of this investigation, wherever found relevant, have been addressed by the Authority.
- r) Information provided by the interested parties on confidential basis was examined with regard to 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 other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.

- s) Wherever an interested party has refused access to, or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the disclosure statement on the basis of the facts available.
- t) The exchange rate adopted by the Authority for the subject investigation is US\$1 = Rs. 65.33

## **C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE**

### **C.1. Submissions made by the Domestic Industry**

- 5. The submissions made by the domestic industry with regard to product under consideration and like article and considered relevant by the Authority are as follows:-
  - a) Saccharin is a non-nutritive sweetener and considered to be a low calorie substitute for cane sugar. It is a white crystalline powder form and is odorless. Saccharin is more than 500 times sweeter than sugar. Saccharin can be divided into two types, i.e., Soluble and insoluble Saccharin.
  - b) Saccharin is produced in two physical forms that is, granular and powder. Sodium Saccharin in granular form is used in situation where Saccharin will be dissolved, powder form which has been grounded and spray dried is used in dry mixes and pharmaceuticals.
  - c) Saccharin can be used for a variety of industries such as food and beverages, personal care products, table top sweeteners, electroplating brighteners, etc. The difference in Saccharin used for industrial purposes and Saccharin for food and beverages is the purity of the Saccharin.
  - d) Saccharin is classified under Chapter 29 of the Customs Tariff Act, 1975 under sub-headings No. 29251100.
  - e) Even when the country concerned was different, the product description provided in the previous investigation remains relevant. Import volume or de-minimis level is seen for the product under consideration and not for specific types. In the present case, both the types, i.e., soluble and insoluble saccharin are part of PUC. Further, imports to India as well as production of the domestic industry, both, includes insoluble saccharin and thus there is no basis to seek exclusion.
  - f) Domestic industry produces saccharin of all mesh size. No evidence has been brought forward that product produced by the domestic industry cannot be used by beverage industry. M/s Blue Circle Organics Pvt. Ltd. has been exporting subject goods to beverage industry in various countries.
  - g) It is not that the production process used by Indonesian producers is shorter but it is a case where Indonesia producers are de-facto not undertaking production of Saccharin and merely importing the product at penultimate stage, undertaking

minor value addition and thereafter exporting it to India. This is evidenced by the value addition carried out by Indonesia producer.

### **C.2. Submissions made by the other interested parties**

6. The submissions made by the exporters, importers, users and other interested parties with regard to product under consideration and like article, and considered relevant by the Authority, are as follows:-
  - a) There is a difference in appearance, quality, usage and price of sodium/soluble saccharin and insoluble saccharin as sodium soluble has 15% water and is cheaper by 15%. Imports of Insoluble saccharin from Indonesia are NIL in the POI. Thus, insoluble Saccharin should be excluded from the scope of the present investigation.
  - b) There is a difference in the Mesh size of PT Golden Sari and it is the mesh size produced by PT Golden Sari which is preferred by beverage industry.
  - c) Production process of Indonesian exporters is shorter since they use semi-finished raw material.

### **C.3. Examination by the Authority**

7. The product under consideration in the present investigation is “Saccharin in all its form” originating in or exported from Indonesia. “Saccharin is a non-nutritive sweetener and considered to be low calorie substitute for cane sugar. Primarily there are two types of Saccharin i.e. soluble and insoluble. In market parlance soluble saccharin is called sodium saccharin whereas insoluble saccharin is called saccharin or saccharin acid. Apart from sodium saccharin, saccharin can have other variants such as calcium and zinc saccharin. Saccharin is produced in two physical forms, viz. granular and powder. Sodium saccharin in granular form is used in situations where saccharin will be dissolved, the powder form which has been grounded and spray dried is used in dry mixes and pharmaceuticals. It is slightly soluble in water. Insoluble form of saccharin is used in many pharmaceutical and medical applications. Saccharin is used in a variety of industry such as food and beverage, personal care products, table top sweeteners, electroplating brighteners, pharmaceuticals, etc. Saccharin is more than 500 times sweeter than sugar. All forms of Saccharin are within the scope of the present investigation.
8. It is noted by the Authority that the imports of the subject goods from China have been subject to anti-dumping duties in the past with the last SSR investigation being concluded in 2017. In the present investigation, the scope of product under consideration is kept as same as was done in the earlier concluded investigations. The Authority vide notification number 15/23/2016-DGAD dated 30th December, 2017 had noted as follows:-

*“The product under consideration (PUC) in the present investigation is Saccharin originating in or exported from China PR. Saccharin is a nonnutritive sweetener and considered to be low calorie substitute for cane sugar. Primarily there are two types of Saccharin i.e. soluble and insoluble. In market parlance soluble saccharin is called*

*sodium saccharin whereas insoluble sodium saccharin is called insoluble saccharin. Apart from sodium saccharin, saccharin can have other variants such as calcium and zinc saccharin. Saccharin is produced in two physical forms, viz. granular and powder. Sodium saccharin in granular form is used in situations where saccharin will be dissolved, the powder form which has been grounded and spray dried is used in dry mixes and pharmaceuticals. It is slightly soluble in water. Insoluble form of saccharin is used in many pharmaceutical and medical applications. Saccharin is used in a variety of industry such as food and beverage, personal care products, table top sweeteners, electroplating brighteners, pharmaceuticals, etc. Saccharin is more than 500 times sweeter than sugar. All forms of Saccharin are within the scope of the present investigation.”*

*Saccharin is classified under Chapter 29 of the Customs Tariff Act, 1975 under sub-headings No. 29251100. The domestic industry claimed imports of subject goods under several other tariff sub-headings as well, which has been examined below. However, the Customs classification is indicative only and not binding on the scope of the investigations.”*

9. With regard to like article, Rule 2(d) of the Anti-Dumping Rules provides as under:-

*"like article" means an article which is identical or alike in all respects to the article under investigation for being dumped in India or in the absence of such article, another article which although not alike in all respects, has characteristics closely resembling those of the articles under investigation;*

10. With regard to the claim on exclusion of insoluble Saccharin from the scope of the PUC, the Authority notes that both products have ultimately the same end usage of being sweeteners. Thus, apart from the minor difference of one being soluble and the other insoluble, there is no other significant difference in both types. Further, the end users of the product concerned also do not differentiate between the two forms of saccharin. Thus, there is no merit in seeking exclusion of insoluble saccharin from the scope of product under consideration.
11. As regards the contention that mesh size produced by Pt. Golden Sari is different and is used by beverage industry, the Authority notes that the domestic industry produces subject goods of all mesh size. Further, the Domestic industry has provided evidence showing exports of subject goods to beverage industries the world over.
12. As regards the claim that the process used by the Indonesian producers is shorter from that of the Indian producers, the Authority verified that the production process followed by the Indonesian producers is shorter because they are importing intermediate products for producing saccharin.
13. After considering the information on record, the Authority holds that there is no known difference in product under consideration exported from the subject country and the subject goods produced by the domestic industry. The subject goods produced by the

domestic industry are comparable to the subject goods exported from subject country in terms of characteristics such as physical & chemical characteristics, functions & uses, product specifications, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. The consumers are using the two interchangeably.

14. The Authority holds that the subject goods produced by the domestic industry are like articles to the product under consideration exported from the subject country, in accordance with the AD Rules.

#### **D. SCOPE OF DOMESTIC INDUSTRY & STANDING**

##### **D.1. Submissions made by the Domestic Industry**

15. The submissions made by the domestic industry during the course of the investigation with regard to scope of domestic industry & standing are as follows:-
  - a) The application was filed by M/s Swati Petro Products Private Limited and supported by M/s Shree Vardayini Chemical Industries Private Limited, M/s Blue Circle Organics Pvt. Ltd. and M/s A.S. Chemopharma Private Limited. Further, vide letter dated 10<sup>th</sup> August, 2018, complete information of M/s Blue Circle Organics Pvt. Ltd. was also filed and thus it should be considered a part of the applicant domestic industry.
  - b) Domestic producers have not imported the product under consideration nor are they related to an importer in India or to any exporter from the subject country. Production of the domestic producers providing information constitutes a major proportion of total Indian production. Thus, they constitute eligible domestic industry and fulfill the requirement of standing within the meaning of the Anti-Dumping Rules. Since the production of the domestic producers constitute as a major proportion of the total Indian production, they are eligible to be domestic industry.
  - c) M/s Shree Vardayini Chemical Industries Private Limited is not a petitioner in the present investigation thus purchase, if any, made by the company are immaterial to the present investigation. No evidence has been put forward to show that M/s Shree Vardayini Chemical Industries Private Limited has purchased subject goods from the other interested parties.
  - d) Petitioners command almost 80% of the total Indian production. M/s Shree Vardayini Chemical Industries Private Limited has supported the petition and has provided its sales and production details which shows that its production has declined. Reduction in production by M/s Shree Vardayini Chemical Industries Private Limited at least establishes injury.
  - e) It is for M/s Vishnu Chemicals Limited to decide whether or not to support the petition. However, the fact that the company has not supported the petition does not imply that the petitioners should suffer injury.

## **D.2. Submission of other interested parties**

16. Other interested parties have made the following submissions:-
- a) M/s Shree Vardayini Chemical Industries Private Limited has bought soluble sodium from one of the interested parties. Out of 4 importers of saccharin from Indonesia, 1 of the importer has stopped importing.
  - b) Exporter/importer/Domestic industry verification has to be done as M/s Shree Vardayini Chemical Industries Private Limited does not produce and M/s Vishnu Chemicals Limited doesn't support the DI.

## **D.3. Examination by Authority**

17. Rule 2(b) provides as follows:-

*“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 construed as referring to the rest of the producers”*

18. The present application was filed by M/s Swati Petro Products Private Limited and supported by M/s Shree Vardayini Chemical Industries Private Limited, M/s Blue Circle Organics Pvt. Ltd. and M/s A.S. Chemopharma Private Limited. During the course of the investigation M/s Blue Circle Organics Pvt. Ltd vide letter dated 10th August, 2018 filed its complete information. The production by M/s Swati Petro Products Private Limited and M/s Blue Circle Organics Pvt. Ltd constitutes 75% of total Indian production and thus constitutes “a major proportion of total India Production. It is further noted that M/s Blue Circle Organics Pvt. Ltd has imported 23.65 MT of the subject goods which is less than 1% of the total Indian demand and that too under Advance Authorization Scheme, therefore, the Authority has decided to condone the same and consider them as part of domestic industry. None of the petitioner companies are related to an importer in India or to any exporter from the subject country. Thus, M/s Swati Petro Products Private Limited and M/s Blue Circle Organics Pvt. Ltd. constitute the domestic industry in terms of Rule 2(b) of the AD Rules.
19. As regards the claim raised on the issue of non-production by M/s Shree Vardayini Chemical Industries Pvt. Ltd., the Authority notes from the support letter filed by M/s Shree Vardayini Chemical Industries Pvt. Ltd., that it is still in production of the product under consideration however, the same has declined. As regards the claim raised on the absence of support of M/s Vishnu Chemicals Limited to the petition, Authority notes that information was called for from all known producers of the

concerned product in the country, however, they have not submitted the information. Furthermore, the participating producers qualify the criteria of standing as per AD Rules.

#### **E. ISSUES RELATING TO CONFIDENTIALITY**

##### **The submissions made by domestic industry are as follows:-**

20. The non-confidential questionnaire responses of PT. Batang Alum Industrie & PT. Golden Sari has no summary of the confidential version in accordance with Rule 7.

##### **The submissions made by other interested parties are as follows:-**

21. The application submitted did not provide any non-confidential data on industry indicators and items used to compute the cost of production to complete the constructed value was kept confidential. There is balance disclosing information which is commercially sensitive and allowing for an interested party to understand the substance of the allegation made.

##### **Examination by the Authority**

22. 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 confidential basis to furnish non-confidential summary thereof and if, in the opinion of a party providing such information, such information is not susceptible of 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.”*

23. Submissions made by the interested parties with regard to confidentiality and considered relevant by the Authority are examined and addressed accordingly. Information provided by the interested parties on confidential basis was examined with regard to the need for treating them as confidential. On being satisfied, the Authority has accepted the confidentiality claims of all the parties and accordingly not disclosed such information to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide non-confidential summary of the information filed on confidential basis. The Authority made available the non-confidential version of the evidence submitted by various interested parties in the form of public file.

## **F. DETERMINATION OF NORMAL VALUE, EXPORT PRICE & DUMPING MARGIN**

24. Under Section 9A(1)(c), normal value in relation to an article means:-

*(i) the comparable price, in the ordinary course of trade, for the like article when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6); or*

*(ii) When there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either*

*(a) Comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or*

*(b) the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6):*

*Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transhipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.*

### **F.1. Submissions by the Domestic Industry**

25. The following submissions have been made by the domestic industry:-

- a) The domestic industry has not been able to get any information or evidence of price of subject goods in the subject country and has determined the normal value in the subject country on the basis of best estimates of cost of production in subject country, consumption norms and raw material prices of the domestic industry. The power cost is based on the power rates in the subject country.

- b) Questionnaire responses filed by producers/exporters are grossly deficient and the responding exporters have misrepresented various facts and have claimed excessive confidentiality.
- c) CBS is the major raw material for the production of saccharin, however China being a non-market economy, imports made from China by the producers needs to be adequately examined by the Authority. The prices are not fair market prices. In a situation where the key raw material is not at fair price, the Authority rejects such prices for the determination of normal value.
- d) Cost of Indonesian producers should be modified as the raw material is available from China at unreasonably low prices. The Authority is also requested to examine if the producer has procured CBS from China as this would evidence that this is a proxy production facility of Chinese exporters.
- e) Petitioners have relied upon import data provided by DGCI&S for determining export price. Petitioners have adjusted export price for ocean freight, marine insurance, commission, inland freight expenses, port expenses and bank charges to arrive at ex-factory export price.

**F.2. Submissions by the other interested parties**

- 26. No submissions have been made by other interested parties.

**F3. Examination by Authority**

- 27. Under section 9A (1) (c) normal value in relation to an article means:-
  - a) The comparable price, in the ordinary course of trade, for the like article, when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6), or
  - b) When there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either:
    - (i) *comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or*
    - (ii) *the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6);*

- c) The Authority sent questionnaires to the known exporters from the subject country, advising them to provide information in the form and manner prescribed. However, barring the following producers and exporters, none of the other producers/ exporters from subject country cooperated in this investigation by filing the prescribed questionnaire responses:-
- (i) PT. Golden Sari
  - (ii) PT. Batang Alum Industrie
28. PT. Batang Alum Industrie has not provided Audited Accounts for any of the Financial Year. The revised Appendices 7 & 8 submitted at the time of verification were not certified by the Practicing Accountant as required in terms of Trade Notice No. 05/2018 dated 28<sup>th</sup> February, 2018, therefore, the Exporters Questionnaire Response submitted by PT. Batang Alum Industrie has been rejected for the calculation of Normal Value and Export Price.
29. PT. Golden Sari gave the Revised Appendices at the time of verification with the major changes in the allocation of expenses between PUC & Non PUC. Even after verification they made some changes in the allocation of expenses between PUC & Non PUC. The revised Appendices were signed by Head of Accounting Department who is an employee of the company but not certified by the Practicing Accountant as required in terms of Trade Notice No. 05/2018 dated 28<sup>th</sup> February, 2018.
30. Further, PT. Golden Sari has only provided the summary of Profit & Loss Account for the POI at the time of verification. English translated version of Audited Accounts were not provided by PT. Golden Sari at the time of verification stating that this could not be translated due to lack of human resources. Now after verification they have submitted the English translated Audited Accounts for the calendar year 2017 and from January to March 2018. However, the complete data for the POI duly reconciled with the Audited Accounts of the company has not been provided by the company and hence the data given in Appendices could not be authenticated/verified. Further, such Appendices have also not been certified by a practicing Accountant.
31. Moreover, the PT. Golden Sari has admitted that they are only using MS Excel for Accounting and to work out the product wise cost, no other Accounting Software/System is being used by them.
32. PT. Golden Sari is using Ammonia, which is a by-product of Sodium Cyclamate (Non-PUC) to produce Saccharin, though the company has shown Ammonia quantity as RM consumption but not considered its value for raw material consumption. Further, the Appendix – 11 related to related party transaction for production and sales of PUC or any of its inputs has to be certified by the practicing Accountant in terms of Trade Notice No. 05/2018 dated 28<sup>th</sup> February, 2018, however in this case Appendix-11 has also not been certified by a practicing Accountant.

33. During the verification the PT. Golden Sari has given a capacity certificate issued by the government of Indonesia showing installed capacity as under-
  - 1) Sodium Cyclamate - 4000 MT
  - 2) Sodium Saccharin - 800 MT,
34. While the production capacity of saccharin has been shown has 620 MT in the Exporters Questionnaire Response.
35. During verification PT. Golden Sari stated that the capacity reported in the business license and current capacity can change over time. The Government does not sanction any reduction or increase in the capacity. The capacity provided in the questionnaire is accurate. Therefore, even the capacity given in the Exporter Questionnaire Response cannot be relied upon. Therefore, the Exporters Questionnaire Response submitted by the PT. Golden Sari has been rejected for the calculation of Normal Value and Export Price.

**G. Determination of Dumping Margin**

**Normal Value and Export Price for all non-cooperating producers/exporters**

36. In the absence of any information or evidence of price of subject goods in the subject country the Authority has determined the normal value in the subject country on the basis of best available information i.e. international raw material prices of major items, raw material consumption norms and conversion cost of the efficient domestic producer. For all the non-cooperative producers/exporters in Indonesia, the Authority has constructed the Normal Value as \*\*\* US\$/MT
37. The Authority has determined the export price for producers/exporters of Indonesia on the basis of the DGCI&S transaction wise data. The said price is the CIF import price. Accordingly, the weighted average net export price at ex-factory level, in respect of all exporters from Indonesia has been determined after making due adjustments for Ocean Freight, Marine Insurance, Port Expenses, Bank charges, Commission and Inland freight on the basis of best available information. The Authority has determined the Net Export Price as \*\*\* US\$/MT

**G.1. Dumping Margin Table**

38. The dumping margin during the POI for all exporters/producers from the respective subject country have been determined as provided in the table below:

S. No	Producer Country	Producer	Normal Value US\$/MT	Export Price US\$/MT	Dumping Margin US\$/MT	Dumping Margin %	Dumping Margin Range %
1.	Indonesia	Any	***	***	***	***	20-30

## **H. INJURY ASSESSMENT AND CAUSAL LINK**

### **H.1. Submission made by the Domestic Industry**

39. The submissions made by domestic industry are as follows:-

- i. Demand for the PUC has increased over the injury period.
- ii. Imports from the subject country have increased in absolute terms. Imports in relation to production and consumption have increased significantly in the POI. While there was a decline in imports from subject country during 2015-2016 as compared to base year; the imports increased thereafter, with a sharp surge in the POI.
- iii. Import price from subject country declined significantly in the POI without corresponding decline in the raw material costs. This has been the primary reason for the injury caused to the domestic industry. The lowering in import price has also been admitted by M/s Sandeep Organics Private Limited
- iv. It is immaterial whether the supplier from Indonesia reduced the price because of decline in price by China or otherwise. The fact that the import price from China and Indonesia both steeply declined itself clearly shows that the producer in Indonesia has resorted to steep decline in import price.
- v. The imports have been undercutting the prices of the domestic industry which has increased significantly in the POI.
- vi. The declining prices of the imports have resulted in depression of the prices of the domestic industry.
- vii. The capacity, production and sales of the domestic industry have increased over the injury period. However, such improvements have come at the cost of lowered selling prices to the extent that such lowered selling prices were much below the cost of the sales of the domestic industry.
- viii. Despite the rising demand a proportionate increase in production and sales was not witnessed by the domestic industry leading to higher inventories.
- ix. The market share of the subject imports increased declined till 2015-16 but increased significantly in the POI. The market share of the domestic industry increased till 2015-16 but declined significantly in the POI.
- x. Profits improved marginally in 2016-17 but turned negative in the POI. Cash profits and the ROCE also show the same trend as the profits.
- xi. Inventory levels have increased significantly in the POI showing the inability of the domestic industry to sell their produce despite sufficient demand.
- xii. Employment levels and wages paid have increased over the injury period; however, such parameters are not reflective of the impact of dumping on the domestic industry.
- xiii. The existing capacity with the petitioner is largely unutilized. With current capacity being unutilized and losses being incurred by the domestic industry, the ability of the petitioner to raise capital has weakened.
- xiv. Impact of dumped goods on the domestic industry has been adverse.
- xv. There are no self-inflicting factors responsible for the injury. There is no change in pattern of consumption, in fact there has been an increase in demand. The competition in the market, if at all affected, is due to the low priced imports from Indonesia.
- xvi. There was ADD in place on imports from China till January 2018. The landed price of import from China after adding ADD was materially higher than the import price from Indonesia. Thus, till December 2017, import price from Indonesia declined despite being the lowest.

- xvii. Allegations made in context to the waste management of the domestic industry relates to Green Acid. Green acid is being sold too by the domestic industry.
- xviii. Import price from subject country declined significantly and sharply in the POI without corresponding decline in the raw material costs. The effect of no custom duty is not significant as compared to the effect of actual export price. This has been the primary reason for the injury caused to the domestic industry.
- xix. The fact that PT. Golden Sari exports to other countries and has various certifications is irrelevant. However, its majority exports are to India.
- xx. The fact that petitioners had complained before DRI in fact had a merit get established by their own statements now before the Authority that the exporter is producing the product from CBS (raw material). Indonesian production is nothing but a proxy production of Chinese producers. The value addition from the stage of CBS is grossly low as compared to the full production process undertaken by M/s Blue Circle Organics Pvt. Ltd.
- xxi. Imports from country other than the subject counties are either negligible or the import prices are higher, and are hence not causing injury to the domestic industry.
- xxii. The performance of the domestic industry and injury thereto has been examined with respect to the domestic sales operations to the extent possible. Possible deterioration in the export performance of the domestic industry is, therefore, not a possible cause of injury to the domestic industry.
- xxiii. The technology and production process for producing product under consideration has not undergone any significant development. Possible development in technology is not a cause of injury to the domestic industry.
- xxiv. Performance of other products being produced and sold by the Petitioner is not a possible cause of injury to the domestic industry. In any event, the Petitioner consider that information relating to the product under consideration is the only relevant information for the present purpose and the Petitioner has provided this information as the domestic industry.
- xxv. There is no trade restrictive practice, which could have contributed to the injury to the domestic industry.
- xxvi. There has been no material change in the pattern of consumption of the product under consideration.
- xxvii. The producers from the subject country offered low prices in the Indian market. Resultantly, the volume of imports which was decreasing till 2016-17 increased significantly in the POI.
- xxviii. Faced with significant reduction in import prices, the domestic industry was also forced to reduce the prices. The reduction in the prices by the domestic industry is due to low price offered by the exporters from subject country.
- xxix. The price undercutting has thus led to price depression and resultantly underselling in the market.
- xxx. The imports are priced below the level of cost of production of the domestic industry.
- xxxi. As a result of price reduction, the performance of the domestic industry has deteriorated in terms of profits, cash profits (cash flows) and return on investments. Thus, the deterioration in performance of the domestic industry is due to dumping of the subject goods in the country.
- xxxii. Inventories with the domestic industry have increased very significantly and at all-time high levels.

## **H.2. Submission by other interested parties**

40. The submissions made by other interested parties are as follows:-
- i. The Petitioner's performance has improved in terms of quantity, sales value, market share, production and productivity. Domestic Industry is perfectly healthy and DGTR has failed to examine the overall economic parameters.
  - ii. The price effect mentioned in the petition is mainly due to China's export price. Even at global level, lower export prices are due to China's market expansion.
  - iii. Imports of PUC did not impact the performance of Petitioner but other self-inflicting factors are responsible for injury. China's import of Saccharin is the major factor attributable to injury claimed. DGTR should also examine factors like production facility of petitioner, state of competition in market and change in pattern of consumption etc.
  - iv. Effects of removal of ADD on China also have to be considered.
  - v. Indonesia does not have the capacity to dump goods.
  - vi. Domestic industry faces problem of pollution and waste management, the expenses of which should also be factored in.
  - vii. There is no import duty in the POI, which was earlier to be paid by the importers. This helped in the reduction of the prices. Other taxes were also abolished in the POI.
  - viii. PT. Golden Sari exports to other third countries too and has various certifications.
  - ix. DI earlier made false complaints to Directorate of Revenue Intelligence regarding imports of saccharin from Indonesia. Global/China prices of saccharin and raw material prices also need to be factored in.
  - x. Indonesian CIF prices have been higher than that of Chinese CIF prices when there is no duty on imports from China. So logically there should be no duty on Indonesian imports too. Indonesian CIF prices remained normal in the POI when in fact they had increased much above the normal prices before the POI.

## **H.3. Examination of Authority**

41. The Authority has taken note of the submissions made by the interested parties and has examined the various parameters in accordance with the Anti-Dumping Rules after duly considering the submissions made by the interested parties.
42. Rule 11 of Antidumping Rules read with Annexure II 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 with 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, stock, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Anti-Dumping Rules.

43. The submissions made by the domestic industry and 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 below.

#### **H.4. Volume Effect of Dumped Imports on the Domestic Industry**

##### **(a) Assessment of Demand/Apparent Consumption**

44. The Authority has taken into consideration, for the purpose of the present investigation, demand or apparent consumption of the product in India as the sum of domestic sales of the Indian Producers and imports from all sources. The demand so assessed shows that demand has increased during the injury investigation period. Demand showed a marginal decline in the year 2016-17 as compared to 2015-16 but increased in the POI.

<b>Particulars</b>	<b>Units</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>POI</b>
Sales of Domestic Industry	MT	***	***	***	***
Sales of Other Indian Producers	MT	***	***	***	***
Imports from Subject Country	MT	421	213	262	543
Imports from Other Countries	MT	501	675	323	610
<b>Total Demand/Consumption</b>	<b>MT</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>

##### **(b) Import Volumes from subject country & other countries**

45. With regard to the volume of the imports, the Authority is required to consider whether there has been a significant increase in imports from subject country, either in absolute terms or relative to production or consumption in India.

<b>Particulars</b>	<b>Units</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>POI</b>
Subject Country	MT	421	213	262	543
Other Countries	MT	501	675	323	610
Total imports	MT	922	888	585	1153

46. It is seen that imports of the subject goods from the subject country declined in the year 2015-16. Thereafter, they showed a slight increase in the year 2016-17. However, in the POI, the imports from the subject country have increased significantly in absolute terms.

(c) **Subject Country Imports in relative terms**

Import in relation to	Unit	2014-15	2015-16	2016-17	POI
Indian Production	%	***	***	***	***
Indian Demand	%	***	***	***	***

47. It is seen that the subject imports in relation to Indian production declined till 2015-16 but have more than doubled from then till the POI. Imports in relation to the prevailing demand declined in the year 2015-16 but have shown a significant increase thereafter. Imports in relative terms have, thus, shown significant increase in the POI.

**H.5. Price Effect of Dumped Imports on the Domestic Industry**

48. With regard to the effect of the dumped imports on 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 prices or prevent price increases, 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 subject country has been examined with reference to the price undercutting, price underselling, price suppression and price depression, if any. For the purpose of this analysis, the cost of production, net sales realization (NSR) and the non-injurious price (NIP) of the domestic industry have been compared with weighted average landed price of imports of the subject goods from the subject country.

**a) Price Undercutting**

49. For the purpose of price undercutting analysis, the net selling price of the domestic industry has been compared with the landed value of imports from the subject country. While computing the net selling price of the domestic industry all taxes, rebates, discounts and commissions have been deducted and sales realization at ex works level is determined for comparison with the landed value of the dumped imports. Accordingly, the undercutting effects of the dumped imports from the subject country works out as follows:-

Particulars	Unit	2014-15	2015-16	2016-17	POI
Landed price of imports	Rs/MT	4,90,936	5,78,365	6,53,472	4,75,374
Net Selling Price	Rs/MT	***	***	***	***
Price Undercutting	Rs/MT	***	***	***	***
<b>Price Undercutting</b>	<b>%</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>
<b>Range (Price Undercutting)</b>	<b>%</b>	<b>10-20</b>	<b>5-15</b>	<b>Negative</b>	<b>15-25</b>

50. From the aforesaid table, it is noted that imports from subject country are undercutting the prices of the domestic industry and the level of price undercutting is significant. The landed price of imports have shown significant decline in the POI.

## b) Price Suppression and Depression

51. In order to determine whether the dumped imports are depressing the domestic prices and whether the effect of such imports is to suppress prices to a significant degree or prevent price increases which otherwise would have occurred in normal course, the changes in the costs and prices over the injury period, were compared as below:-

Particulars	Unit	2014-15	2015-16	2016-17	POI
Landed price of imports	Rs/MT	4,90,936	5,78,365	6,53,472	4,75,374
Index		100	118	133	97
Cost of Sales	Rs/MT	***	***	***	***
Index		100	112	108	111
Selling Price	Rs/MT	***	***	***	***
Index		100	113	116	104

52. From the above table, it is seen that cost of sales has increased in 2015-16, decreased in 2016-17 and then increased in POI. The selling price of the domestic industry has increased up to 2016-17 but reduced significantly during POI however, the increase in selling price up to 2016-17 is below the level of cost of sales. Further, whereas cost of sales increased in the POI, the selling price has declined in the POI. Landed price of imports have remained below the level of cost and selling price of the domestic industry barring 2016-17. Thus imports have had depressing effect on the domestic industry prices.

## c) Price Underselling

53. The non-injurious price (NIP) of the domestic industry has been determined and compared with the landed value of the subject goods to arrive at the extent of price underselling. The NIP 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 on the basis of principles mentioned in Annexure III of the Rules. The analysis shows that during the period of investigation, the landed value of subject imports was below the non-injurious price of the domestic industry, as can be seen from the table below, demonstrating positive price underselling effect:-

Particulars	Rs/MT	USD/MT
Non injurious price	***	***
Landed value	4,75,374	7,276.44
Price Underselling	***	***
Price Underselling %	***	***
Range %	20-30	20-30

## H.6. Economic Parameters of the Domestic Industry

54. Annexure II to the Anti-Dumping Rules requires that the determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of such products. With regard to consequent impact of these

imports on domestic producers of such products, the Anti-dumping Rules further provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments.

55. The Authority has examined the injury parameters objectively taking into account various facts and arguments made by the interested parties in their submissions.

**(a) Production, Capacity, Capacity Utilization and Sales**

56. Capacity, production, capacity utilization and sales of the domestic industry over the injury period is given in the following table: -

Particulars	Unit	2014-15	2015-16	2016-17	POI
Installed Capacity	MT	1920	1920	1920	2820
Indexed		100	100	100	147
Production	MT	***	***	***	***
Indexed		100	173	230	241
Capacity Utilisation	%	***	***	***	***
Indexed		100	173	230	165
Domestic Sales	MT	***	***	***	***
Indexed		100	156	160	196

57. From the above table, it is noted that:
- Domestic industry has enhanced its capacity keeping in view the growing demand of subject goods.
  - Production of the domestic industry increased over the injury period. However, the same is much below the levels of capacity established and the demand in the domestic market. The capacity utilization of the domestic industry has declined and is much below the optimum level.
  - Domestic sales have increased over the injury period. However, in view of the prevailing demand and the capacity with the domestic industry, it is observed that the existing sales figures are still low.

**(b) Profitability, return on investment and cash profits**

58. Profitability, return on investment and cash profits of the domestic industry over the injury period is given in the table below: -

Particulars	Unit	2014-15	2015-16	2016-17	POI
Total PBIT	Rs. Lacs.	***	***	***	***
Indexed		(100)	(160)	121	(443)
Cash Profits	Rs. Lacs.	***	***	***	***
Indexed		(100)	(170)	201	(208)
PBIT as % of Avg. Capital Employed	%	***	***	***	***
Indexed		(100)	(107)	114	(121)

59. From the above table, it is noted that:-

- a) The domestic industry was incurring losses in the base year and in 2015-16 and thereafter earned profit in 2016-17. However, the domestic industry again incurred significant losses in the POI. It has been noted earlier that the subject imports were undercutting the selling prices of the domestic industry except in 2016-17. It is only during the same period that the domestic industry was marginally profitable.
- b) ROCE and cash profit shows the same trend as that of profits. ROI is significantly negative in the POI,

**(c) Employment, productivity and wages**

60. Employment, productivity and wages over the injury period is given in the table below.

Particulars	Unit	2014-15	2015-16	2016-17	POI
No. of Employees	Nos.	***	***	***	***
Indexed		100	113	133	164
Productivity Per Day	MT/Day	***	***	***	***
Indexed		100	172	229	241

61. It is noted that the Productivity per day and employees have increased over the injury period in consonance with the increase in production.

**(d) Inventories**

62. Inventory position with the domestic industry over the injury period is given in the table below:-

Particulars	Unit	2014-15	2015-16	2016-17	POI
Opening	MT	***	***	***	***
Closing	MT	***	***	***	***
Average	MT	***	***	***	***
Indexed		100	141	220	325

63. It is noted that the inventories with the domestic industry have increased significantly despite increase in production.

**(e) Growth**

64. Growth of the domestic industry with regard to production and domestic sales has been positive. However, it is seen that growth in terms of cost of sales, selling price, Profit/loss, cash profit and ROI turned positive only in 2016-17 but turned significantly negative in the POI. It is seen that the unfairly priced imports have caused an adverse impact on the domestic industry in the POI.

<b>Particulars</b>	<b>UOM</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>POI</b>
Growth (year to year)					
Production	%	-	73	33	5
Domestic Sales	%	-	56	2	23
Cost of Sales	%	-	12	(4)	3
Selling Price	%	-	13	3	(11)
Return on investment	%	-	(8)	112	(1013)

**(f) Ability to Raise Capital Investments**

65. The Authority notes that in view of the largely unutilized capacities available with the domestic industry and the losses being suffered by the domestic industry, their ability to raise any further capital for investments has been compromised.

**(g) Factors affecting domestic prices**

66. The examination of the import prices from the subject country, change in the cost structure, competition in the domestic market, factors other than dumped imports that might be affecting the prices of the domestic industry in the domestic market has been undertaken. The data shows that the landed value of imported subject goods from the subject country is below the selling price and the non-injurious price of the domestic industry, causing price undercutting and price underselling in the Indian market. The Authority notes that the prices of the product under consideration in general should move in tandem with the prices of key raw materials. Domestic industry has claimed that they are forced to align its prices to the market prices, which are dictated by the prices offered by the foreign producers/exporters from the subject country. Thus, the landed value of subject goods from the subject country is an important factor for determination of domestic prices. The Authority notes that the Domestic Industry is getting affected by the import of subject goods at dumped prices.

**I. Threat of Material Injury**

**I.1. Submissions made by Domestic Industry**

67. Following submissions were made by the domestic industry in this regard -

- i. There is threat of material injury to the domestic industry due to significant increase in imports from the subject country.
- ii. The producers in subject countries have huge freely disposable capacities. Indonesian producers should be considered as de-facto extensions of Chinese producers. Furthermore, Indonesia is also importing significant quantities of the PUC from China too which clearly evidences that the capacities have only been set up for export markets.
- iii. Exporters have significant capacity as has been established by their responses and in the hearing. The total demand in India is around 2000 MT. Further exports from Indonesia to world shows that exporters in Indonesia are export oriented.
- iv. The price undercutting from subject countries is significant and the Indian market is attractive which is likely to further increase in imports and cause suppressing/depressing effects.
- v. Inventories could not be ascertained but in view of the significant capacities available with the subject country it can be assumed that the producers can scale up production in a short span of time.

## **I.2. Submissions of other interested parties**

68. The other interested parties made the following submission in this regard :-

- i. Indonesia does not have the capacity to dump goods.

## **I.3. Examination by the Authority**

69. The provisions relating to threat of material injury are as under:-

(vi) *A determination of a threat of material injury shall be based on facts and not merely on allegation, conjecture or remote possibility. The change in circumstances which would create a situation in which the dumping would cause injury must be clearly foreseen and imminent. In making a determination regarding the existence of a threat of material injury, the designated Authority shall consider, inter alia, such factors as:*

- (a) *a significant rate of increase of dumped imports into India indicating the likelihood of substantially increased importation;*
- (b) *sufficient freely disposable, or an imminent, substantial increase in, capacity of the exporter indicating the likelihood of substantially increased dumped exports to Indian markets, taking into account the availability of other export markets to absorb any additional exports;*
- (c) *whether imports are entering at prices that will have a significant depressing or suppressing effect on domestic prices, and would likely increase demand for further imports; and*
- (d) *Inventories of the article being investigated.*

70. A threat of material injury is a situation where the domestic industry has not suffered over the injury period but injury to the domestic industry is imminent if the present

circumstances continue. A ‘threat of material injury’ means clear and imminent danger of injury. The determination of threat of material injury should be based on facts, and not merely on allegation, conjectures, imagination, or remote possibilities.

71. With respect to Threat of Material injury, the Authority notes as under:-

- a) There is substantial increase in imports of subject goods from subject country in absolute terms as well as in relation to production & consumption in India in the POI.
- b) Responses filed by the producers shows significant capacity with these producers. It is further seen that the capacity is being largely utilized for exports. Thus the producers have high export orientation.
- c) The landed price of imports from subject country is significantly lower than the cost and selling price of the domestic industry and is thus likely to cause further price suppression/depression in the domestic market.

**J. Magnitude of Injury and Injury Margin**

72. The Authority has determined Non-Injurious Price for the domestic industry on the basis of principles laid down in anti-dumping Rules read with Annexure III, as amended. The NIP 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. The NIP of the domestic industry has been worked out and it has been considered for comparing the landed price from each of the subject countries for calculating injury margin. For determining NIP, the best utilization of the raw materials by the domestic industry over the injury period has been considered. The same treatment has been done with the utilities. The best utilization of production capacity over the injury period has been considered. The production in POI has been calculated considering the best capacity utilization and the same production has been considered for arriving per unit fixed cost. It is ensured that no extraordinary or non-recurring expenses were charged 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 NIP as prescribed in Annexure-III and being followed. The non-injurious price so determined has been compared with the landed prices of imports from the subject countries to determine the injury margin as follows;

S. No	Producer Country	Producer	Landed Value (USD/MT)	NIP (USD/MT)	Injury Margin (USD/MT)	Injury Margin %	Range
1.	Indonesia	Any	***	***	***	***	20-30

**K. Examination by the Authority**

73. As per the AD Rules, the Authority, inter alia, is required to examine any known factors other than the dumped imports which at the same time are injuring 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 domestic producers, developments in technology and the export performance and the productivity of the domestic industry. It was examined whether these listed known other factors other than parameters listed under the AD Rules could have contributed to injury to the domestic industry.

**a) Volume and price of imports from third countries**

74. The Authority notes that imports from other countries, except China, is negligible. Further, the Authority is undertaking a parallel investigation on imports of subject goods from China.

**b) Export Performance**

75. The injury analysis has been done by the Authority taking into consideration their domestic operations only. Therefore, performance in the export market has not affected the present injury analysis.

**c) Development of Technology**

76. None of the interested party has raised any issue with regard to developments in technology as being the cause of injury to the domestic industry.

**d) Performance of other products of the company**

77. The Authority notes that the performance of other products being produced and sold by the Petitioners does not appear to be a possible cause of injury to the domestic industry.

**e) Trade Restrictive Practices and Competition between the Foreign and Domestic producers**

78. The import of the subject goods is not restricted in any manner and the same are freely importable in the country. The domestic producers compete with the landed prices of the subject goods. The price of the domestic industry is influenced substantially by the landed price of subject goods. Moreover, no evidence has been submitted by any interested party to suggest that the conditions of competition between the foreign and the domestic producers have undergone any change.

**f) Contraction in Demand and Changes in pattern of consumption**

79. It is noted that the demand of the subject goods has increased significantly in the period of investigation as compared to the base year. Further there is no change in the pattern of consumption.

### **K.1. Factors relevant for causal link:**

80. The Authority notes as under:-

- a) There is substantial increase in imports of subject goods from subject country in absolute terms as well as in relation to production & consumption in India.
- b) Landed price of imports have declined significantly in the POI. The price undercutting and underselling from the subject country in POI is positive.
- c) The dumped imports are depressing the prices of the domestic industry.
- d) Capacity utilization of domestic industry increased till 2016-17 but showed a decline in the POI and is below optimum level during the entire injury period.
- e) Profitability of domestic industry has declined significantly during the POI. Similarly, PBIT, cash profits and ROCE has also declined during the POI.

### **K.2. Indian Industry's interest & other issues**

81. The Authority notes that the purpose of anti-dumping duties, 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, which is in the general interest of the Country.
82. The essential facts of the investigation gathered by the Designated Authority during the course of the investigations and analyzed by the Authority in the present disclosure statement are being disclosed to the interested parties in order to enable the interested parties to offer their comments on these facts.
83. The Authority would conclude on the matter after receiving the comments of the interested parties on this disclosure statement.

### **L. POST-DISCLOSURE COMMENTS BY INTERESTED PARTIES**

84. The post disclosure submissions have been received from the interested parties. The issues raised therein have already been raised earlier during the course of the investigation and also addressed appropriately. However, for the sake of clarity, the submissions by the interested parties to the extent deemed relevant are being examined as below:-

## **L.1. Submissions by Domestic Industry**

85. Following were the views expressed by the domestic industry in the post disclosure comments-
- i. The product under consideration is saccharin “Saccharin in all its form” originating in or exported from Indonesia. It is a non-nutritive sweetener and considered to be low calorie substitute for cane sugar. It is classified under Chapter 29 of the Customs Tariff Act, 1975 under sub-headings No. 29251100 and the same is indicative only and not binding on the scope of this investigation.
  - ii. There is no known difference between the subject goods exported from the subject country and the goods produced in India. Mere forms or the mesh size of the subject goods does not imply that they be excluded from the scope of the investigation as the ultimate end usage of the different forms of the product under consideration is the same. The Indian product as like article to the subject goods exported by the subject country.
  - iii. The process employed by the Indonesian producers is shorter because they are importing intermediate products for producing saccharin. While PT. Golden Sari produces the product from Chinese CBS, PT. Batang Alum Industrie produces the product from Chinese OTS. Thus, both Indonesian producers are nothing but a proxy production of Chinese producers. The value addition from the stage of CBS or OTS is grossly low as compared to the full production process required to be undertaken.
  - iv. The petition was filed by M/s Swati Petro Products Private Limited and supported by M/s Shree Vardayini Chemical Industries Private Limited, M/s Blue Circle Organics Pvt. Ltd. and M/s A.S. Chemopharma Private Limited. During the course of the investigation complete information by M/s Blue Circle Organics Pvt. Ltd. was filed and thus the same has been considered a part of the domestic industry by the Authority. The applicants have not imported the subject goods from the subject country and are not related any exporter from the subject country or to any importer of the subject goods in India. The applicants constitute domestic industry within the AD Rules.
  - v. On account of discrepancies and the non-disclosure of information the two responding exporters have been held non-cooperative by the Authority and hence the Authority has proceeded with construction of the normal value in the subject country. Reference has also been laid down instances wherein the Authority has in the past rejected responses on account of non-disclosure of true information.
  - vi. The imports have had an adverse impact on the domestic industry in the country.
  - vii. The demand has increased over the injury period in the country. There was marginal decline in 2016-17 as compared to 2015-16 but increased in the POI.

- viii. Imports declined in 2015-16 but since then they have only increased and have recorded the maximum growth in the POI. Imports in relative terms have, thus, shown significant increase in the POI.
- ix. Landed price of the subject goods declined significantly in the POI. This led to significant undercutting margins. Cost of sales increased in 2015-16, decreased in 2016-17 and then increased back again in the POI. The selling price of the domestic industry increased up to 2016-17 but reduced significantly during POI to counter the low priced imports. Landed price of imports remained below the level of cost of sales and the selling price of the domestic industry barring 2016-17. Thus the imports have had a depressing effect on the domestic industry's prices.
- x. The landed prices of the subject imports was much below the non-injurious price of the domestic industry and thereby have led to significant underselling margins.
- xi. In view of the increasing demand the capacity with the domestic industry increased in the POI which resulted in increased production. Further, the sales of the domestic industry increased but the utilization declined and is much below optimum levels.
- xii. Market share of the domestic industry increased till 2016-17 and remained the same in the POI while the market share of the subject imports declined till 2015-16 but increased thereafter and occupied a significant share of the total Indian demand in the POI.
- xiii. Despite increased sales, the inventories with the domestic industry have also increased over the injury period.
- xiv. The domestic industry has been suffering losses. Cash flow and ROI have been showing negative growth. The domestic industry remained profitable only in 2016-17 when the undercutting margins were negative.
- xv. Employment has increased as a result of the enhancement of capacity and the increased production by the domestic industry. This resulted in increased productivity. However, the growth of the domestic industry as a whole has been negative affecting the domestic industry's ability to raise any further capital for fresh investments.
- xvi. Dumping margins and injury margins have been significant and positive.
- xvii. The threat of material injury also exists as – imports have increased significantly both in terms of absolute figures and in relative figures; responses filed show significant capacities available with the subject producers/exporters; the capacity available is being largely utilized for exports and they have a high export orientation; landed price of imports is significantly lower than the cost and selling price and is likely to cause further price suppression/depression.
- xviii. It is only the prices of the subject goods that is negatively affecting the prices of the domestic industry and no other factors, apart from the dumped imports, have affected the domestic industry and caused any injury to the domestic industry.

## **L.2 Views of the other interested parties**

86. Following views were expressed by the other interested parties in the post disclosure comments-

- i. Indian domestic industry experienced positive growth on its most parameters and that the DGTR failed to examine the overall performance of the industries. There was a sharp improvement on production by 141% on POI compared to the base year. The petitioner was also able to expand its installed capacity.
- ii. Economic parameters of the domestic industry have shown growth. Production improved by 141% in the POI as compared to the base year. Parameters like capacity, productivity, domestic sales and employment have increased while capacity utilization declined.
- iii. The DGTR's finding failed to comply with Article 3.1 of the ADA and the objective examination shows that the petitioner did well.
- iv. Injury to the domestic industry is caused by other factors. The reduction in utilization was because of the increase in capacity which clearly shows that the increase in capacity was ineffective; further, it also raised costs for the domestic industry.
- v. Other factors such as absence of pollution and waste facility be also examined. Such unmanageable waste has incurred high transportation cost on the domestic industry negatively impacting its industrial performance.
- vi. Indian consumer preference should also be considered which resulted in end users importing the goods.
- vii. Import price from Indonesia in the POI declined because of decreasing global price of saccharin. The lower export price of saccharin is due to China's producers' market expansion abroad.
- viii. Import price of Indonesia was higher than the import price from China.
- ix. Domestic Industry is spending unreasonable amount on Legal.
- x. PT. Batang Alum Industrie is manufacture of Sodium Saccharin in Indonesia with a production capacity 480 MT per annum or 40 MT per month. It does not have the capacity to dump as the primary focus is on our domestic market in Indonesia.
- xi. Main customer is Unilever Indonesia. Almost half of the production capacity is absorbed by them. The other half is focussed in Indonesian domestic market.

- xii. The production facility uses OTS (Ortho Toluene Sulfonamide) as Raw Material, and not CBS as is mentioned in the report. In view of the several ways of producing Saccharin, calculation of the Normal Values have to take into consideration of those differences
- xiii. The company exported to India only when there were any available stocks or cancelled order from Indonesian customers.
- xiv. The Sales export data shown in POI, the total quantity of export to India is only 69 MT in a year.
- xv. Major difference in appearance, quality, end usage, form & price of sodium/soluble & insoluble which can be distinguished from certificate of analysis.
- xvi. PT. Batang Alum Industrie doesn't produce/manufacture insoluble saccharin.
- xvii. Difference in mesh size of domestic industry & PT. Golden sari sodium/soluble saccharin. Evidence of the same was submitted in terms of COA & sample of Blue Circle & COA of PT. Golden Sari during the oral meeting.
- xviii. Indonesian sodium/soluble is sold to M/s Shree Vardayini Chemical Industries Private Limited.
- xix. The domestic industry faces competition among themselves rather than from imports.
- xx. In POI, CIF was in line with international/global trends. Currency fluctuation should also be factored. Further, fluctuation of other rates and crude oil prices should also be factored in.
- xxi. Domestic industry is producing IP grade while Indonesian producers produce technical, BP & USP grade.
- xxii. Fluctuation of crude oil to be considered. Landing cost/CIF & selling price fluctuated accordingly.
- xxiii. Indonesian CIF came back to earlier normal CIF in POI.
- xxiv. Domestic industry agreed that usage is different for industrial & food/beverage purpose.
- xxv. Proof of production of different mesh size should be given by the domestic industry.
- xxvi. Lower import price has not been admitted by Indonesian producers.

- xxvii. Export from Indonesia is very low.
- xxviii. Usage of excel for accounting purposes should not prejudice the producer/exporter. Attention is drawn on article 6. 8 Annex-II, recital 2 of Article VI, GATT.
- xxix. Recital 26 of the EF as well as draft investigation report indicates that DGTR was unwilling to verify the information because of usage of Excel. Further, they expressed doubts on the authenticity of the information provided on excel.
- xxx. With reference recital 24 of the EF, revision regarding the allocation of PUC and Non-PUC was provided at the outset of the on-site-verification with the difference being explained. An error was made in the original questionnaire response which was only found out in preparation for verification. On receipt of this revised information, the DGTR team mentioned that one of the purposes of the verification was to reconcile these differences and the revised appendices were used for the investigation.
- xxxi. It is incorrect that profit and loss statement was not provided. Profit and loss statement covering the POI was provided prior to the investigation. All supporting documents (as in the verification email) were prepared to include individual ledgers for sampling and inspection for verification. Authority undertook sampling of ledgers with supporting documents being provided for freight, trucking, export sales and domestic sales.
- xxxii. With reference to Trade Notice No. 05/2018 dated 28<sup>th</sup> February 2018, the Agreement does not require a Practicing Accountant to certify a questionnaire response. The questionnaire was prepared by the Head of accounting team who is a certified practicing accountant.
- xxxiii. With reference to recital 28 of the EF, and as laid out in letter dated 26<sup>th</sup> February, it was explained that the capacity of 620 MT is accurate. The certificate by Government of Indonesia mentions 800 MT which can no longer be achieved by the machines installed.
- xxxiv. Company is using ammonia as by product from the sodium cyclamate process and according to Indonesian accounting it is of is zero value.
- xxxv. Essential facts disclosed have not covered any issue that we have raised in our submission dated 11<sup>th</sup> September on the occasion of the hearing held.
- xxxvi. Scope of the domestic industry should be verified during the course of the investigation as there remains a doubt on the domestic industry filing an application and that which is the subject of an investigation. The injury

investigation should not be limited to producers best placed for demonstrating injury.

- xxxvii. As regards normal value there has been a failure to show efforts made for obtaining a normal value. (Reference laid on the prices available on alibaba.com). Domestic prices claimed by the producer corroborate with those available on the website mentioned and on the basis of such prices dumping does not exist.
- xxxviii. Applicant failed to adjust CNV to ensure a fair comparison in accordance to Article 2.4 of the Agreement as direct selling expense in CNV were not netted out to compare with ex-factory export prices.
- xxxix. Primary market is the own domestic market in Indonesia.
  - xl. There have been discrepancies in the SSR findings, application filed and the statement filed. Applicant has used finding to reconcile the anomalies in the application. It is requested that the Authority terminate the investigation.
  - xli. Differences between the consumption figures in the finding and the application have not been answered.
  - xlii. Excessive confidentiality has been claimed by the applicant. Further the CNV is in excess of 30% of the actual costs and that is the reason the claimed dumping margin is 40-50%
  - xliii. The domestic industry should also indicate where the information is not specific as has been claimed in recital 53 of the application.

### **L.3 Examination by the Authority**

- 87. As regards the submission of Government of Indonesia that the performance of domestic industry has not been objectively analyzed by the Authority, the Authority holds that the material injury has been assessed after objectively examining all the parameters as specified in the AD Rules and AD Agreement. In this regard, the Authority notes that while the performance of the domestic industry has improved in some of the volume parameters in POI, the performance of domestic industry has steeply declined in other parameters like profits, cash profits, return on investment and inventory. Further, the domestic industry was not in a position to utilize its enhanced capacity despite increase in demand due to presence of dumped imports from Indonesia. The Authority further notes that the domestic industry has suffered material injury on overall basis on account of dumped imports from the subject country.
- 88. The Authority notes that the domestic industry had enhanced its capacity keeping in view the increase in demand for the subject goods. However, it could not utilize its capacity due to dumped imports from subject country. The Authority notes that price remains the most important factor for deciding the source of supply of subject goods by

the consumers and the material on record do not show other factors being the cause of the material injury suffered by the domestic industry.

89. The Authority holds that decrease in global price cannot be the valid reason for the exporters from the subject country to resort to dumping of subject goods. It is immaterial whether the import price of subject goods from Indonesia is higher as compared to the import price of subject goods from China. What is relevant in AD investigations is whether the subject goods have been dumped by the exporters from the subject country and whether the same has caused injury to the domestic industry.
90. As regards the submission of PT. Batang Alum Industrie that they have supplied only a small volume of subject goods to India as they do not have enough surplus goods to export to India, the Authority holds that what is relevant in AD investigation is whether the exporter has exported the subject goods at dumped price and not whether it has exported a huge volume or small volume. The volume of imports is required to be considered in respect of gross imports from Indonesia, which clearly shows an increase over the present injury period. The submission of the exporter in this regard is therefore devoid of merit.
91. As regards the submission that the Indonesian price was in line with the international price the Authority holds that in antidumping investigation what is relevant is whether the subject goods have been exported at dumped price. The examination of the price of the subject goods exported from Indonesia shows that they have been exported to India at dumped prices.
92. As regards the contention of PT. Golden Sari that they have fully cooperated with this investigation the Authority notes that it gave all possible opportunities to the said responding exporter so as to facilitate the submission which is required in the investigation as per the Rules. The said exporter has changed the data submitted multiple times for the same time period without giving a reasonable justification during the verification. The modification in the data was also resorted even after onsite verification and therefore PT. Golden Sari has failed to satisfy the Authority as to accuracy of information provided under Rule 8 of ADD Rules.
93. The Authority notes that the domestic industry was suffering from huge price undercutting which shows that the imported subject goods were the main cause of the deterioration in performance of the domestic industry in respect of profits, cash profits and return on investment. It is not established that material injury suffered by domestic industry is due to competition among domestic producers, as alleged by PT. Golden Sari.
94. The Authority notes that the volume of subject goods imported from Indonesia was more than de minimis level and the dumping margin established was also significant. Therefore, the contention of the exporter that the volume of subject goods imported from Indonesia is low has no merit.

95. The reasons for rejection of the questionnaire response have already been mentioned in this finding under the normal value section. The requirement for providing certified statements duly signed by practicing accountants (other than employees) is essential for accepting the data submitted in the statement and to establish reliability of the information provided by the exporters. This requirement has been made amply clear through the Trade Notice 05/2018 dated 28.2.2018. In this connection the Authority holds that the requirement for submission of important cost and financial statements by the practicing accountants cannot be substituted by the statements certified by the employee of the company, even though he may be a certified accountant.
96. The company has not produced any duly certified documents by technical experts to show that the capacity of the plant and machinery as specified in the business license has declined from 800 Mt to 620 Mt over a period of time. Therefore, the submission of PT. Golden Sari in this regard is devoid of any merit.
97. As regards the contention of PT. Golden Sari that the main input i.e. Ammonia coming as a by-product has no value, the Authority holds that any major input used in PUC needs to be evaluated and valued in order to determine correct cost of production. If inputs are not correctly, and adequately valued, then the resultant cost of production will be understated and to that extent the cost of production of non-PUC will be overstated, which is not only incorrect, but also not admissible under AD Rues.
98. As regards the allegation that essential facts disclosed have not covered any issue that PT. Golden Sari have raised in submission dated 11<sup>th</sup> September, 2018 on the occasion of the hearing held, it is noted that the disclosure statement and final findings deal with all the issues raised by interested parties in their submission. Further, it is expressly understood that no contentions raised at the time of oral hearing are taken into account unless the same are reproduced subsequently in writing. If a party has raised certain concerns at the time of hearing but has failed to appropriately reproduce the same in writing and substantiate the same, the same cannot be considered for the reason that the parties do drop their arguments after the hearing and after hearing views of opposing parties and appreciating the strengths & weaknesses of their own arguments. In any case, the issues raised by the parties at the time of hearing have been adequately addressed in these findings.
99. As regards the contention that the scope of the domestic industry should be verified during the course of the investigation, the Authority notes that the investigation has not shown that injury determination is in any way biased and impacted due to non-participation of other domestic producers. No information/evidence has been provided by any interested party demonstrating that the fixation of the scope of domestic industry has adversely impacted the injury analysis. In fact, information on record clearly demonstrates that the performance of other domestic producers not forming part of domestic industry does not show materially different position as that of the domestic industry considered in the present findings.
100. As regards the contention that there has been a failure to show efforts made for obtaining a normal value, Authority notes that the normal value is required to be

determined on the basis of questionnaire response filed by the exporters unless the Authority comes to a conclusion that the same cannot be adopted. Further, mere reference to prices available on a website does not imply that the same can be adopted for the purpose of determination of normal value at the stage of final findings. Under the rules, the DA is required to determine normal value on the basis of consumption price in the ordinary course of trade and for the like article when meant for consumption in the exporting country. Mere displaying of a price on a website is insufficient to determine normal value of a product. If information on website were sufficient enough for determination of normal value, there would have been no necessity for undertaking elaborate investigations and calling information in prescribed formats.

101. It is clarified that the normal value determined has been adjusted for direct selling expenses. Direct selling expenses are not included either in normal value or export price calculations.
102. As regards the argument that primary market of exporters is their own domestic market in Indonesia, the Authority notes that 543 MT was imported from Indonesia, which is not insignificant having regard to production of the product by the two known manufacturers. In any case, the mere fact that domestic market is the primary market does not imply that the goods have not been exported at dumped prices. For examination of dumping, the relevant consideration/criteria is normal value and export price of the product and not the volume of production sold in domestic market.
103. As regards apparent discrepancies with the SSR findings, the Authority notes that the period of investigation in case of the said Sunset Review Investigation against China is different from POI in the present investigation. Hence, any comparison between the two would tantamount to an exercise in futility. Further, the Authority is undertaking a parallel investigation on imports of subject goods from China. The Authority under Rules is obligated to conduct every investigation under the facts and merits of that case. In any case, the Authority has adopted its own verified data instead of solely relying on the information provided by the interested parties.
104. As regards differences in consumption figures in the previous finding and the application, it is clarified that the present final findings are based on investigation conducted by Authority and verified information adopted for the present findings. As far as difference between consumption reported in application and previous findings are concerned, the same were duly examined by the Authority.
105. As regards the contention that domestic industry should also indicate where the information is not specific, it is clarified that the Authority has recorded the present findings after due satisfaction on the basis of information adopted. All injury information contained in the present findings pertain only to the PUC.
106. As regards the contention that injury to the domestic industry is due to other factors such as increase in capacity, it is clarified that the Non-Injurious Price (NIP) for the

domestic industry has been determined considering the optimum capacity utilization in the past before enhancement of capacities. Further, comparison of NIP with NSR shows that the NIP determined is significantly higher than NSR, thus, showing that the domestic industry is unable to achieve a price which it could have expected even under a condition where plant was optimally utilized. In fact, even the normated cost of production is above the selling price thus showing that the domestic industry has not been able to get a price which would have enabled it to recover at least normated cost. It is thus evident that the injury to the domestic industry is not due to increase in capacities but the dumped imports.

107. On the spot investigations were conducted at the premises of both the foreign producers. It is noted that whereas PT. Batang Alum Industrie imports OTS from China and thereafter produces Saccharin; PT. Golden Sari imports CBS from China and produces Saccharin. It is noted that even the domestic industry produces Saccharin using both the routes. The normal value in fact has been determined on the basis of the production process leading to lowest cost between the two processes i.e. OTS and CBS.
108. As regards difference in product, the Authority notes that these are merely different forms of Saccharin. Both the forms are produced in India by the domestic industry and have been imported from subject countries. The mere fact that one of the foreign producers does not produce all the forms of a product does not imply that form of the product cannot be included within the scope of the PUC. Both the forms of the products have been imported from Indonesia during relevant period and have been supplied by the domestic industry.
109. As regards difference in mesh size, the Authority notes that the exporter has not established a consistent difference in the price and cost of Saccharin based on difference in mesh size. The mere fact that mesh size of the product produced by the domestic industry and foreign producers differs in itself is insufficient. The interested parties are required to identify the difference and quantify its impact before the Authority can take into account the same. The exporter has however identified the difference but has not quantified impact nor demonstrated the existence of the same on a consistent basis in pricing of the product.
110. As regards the contention that one of the companies has sold one of the products to M/s Shree Vardayini Chemical Industries Private Limited, Authority notes that the same is entirely irrelevant to the aspect of dumping and injury to the defined domestic industry. Dumping is required to be established in respect of total exports made by the company and impact of imports of Saccharin from subject country to India. The mere fact that some sales have been made to one of the domestic producers is entirely irrelevant, particularly when such company is not a part of domestic industry. Further, if M/s Shree Vardayini Chemical Industries Private Limited, is treated as ineligible because of its imports, standing of the petitioner further increases.
111. As regards the contention that Domestic industry is IP grade while Indonesian produce is technical, BP & USP grade, the Authority notes that by their own claim, these are mere different grades. The exporter is however required to identify its exports, and

quantify its impact on normal value, export price, dumping margin, landed price and injury margin. However, the exporter has merely identified possible existence of different grades. It is also noted that the import data does not refer to the grade of a product on a consistent basis. Further, it is also noted that the domestic industry has also produced different grades of the product.

112. As regards proof of production of different mesh size, Authority notes that relevant evidence in this regard was seen at the time of verification visit and it is seen that the domestic industry in fact produces and sells in different mesh size.
113. As regards the contention that lower import price has not been admitted by Indonesian producers, as would be seen from the table hereinabove, there is significant decline in import price in the present POI as compared to preceding year. The Indonesian producers have not explained this decline in the import price.
114. As regards the contention that usage of excel for accounting purposes should not prejudice the producer/exporter, it is clarified that use of excel statement per-se has not been the reason for non-acceptance of questionnaire response. As elaborately clarified in the verification report, disclosure statement and hereinabove, the exporter has not been able to satisfy the Authority on reliability of the information provided by the exporter. The exporter has failed to establish that the information provided through excel statements in fact corroborates with books of accounts maintained by the company. Unless the exporter demonstrates that the information provided reconciles fully to books of accounts of the company, the Authority cannot accept the questionnaire response, as, reliability and admissibility of income & expense, assets & liabilities is highly doubtful in such a situation. It is also clarified that the investigating team never refused to verify the information merely because the same was presented in excel formats. In fact, the investigating team clearly informed the exporter that the purpose of verification included ascertaining correctness of information from the records maintained by the company. As stated in the verification report in detail, the exporter has not disputed and has in fact admitted having filed revised set of data at the time of verification visit, which clearly raised significant concerns about reliability of the information.
115. The exporter in fact has admitted that revised allocation of the expenses between PUC and non-PUC was provided at the time of verification visit. Further, perusal of the previous and revised information showed significant variations made in the data. Above all, the exporter modified the data even after verification was completed and filed further revised data after verification visit was completed.
116. As regards Profit and Loss statement, the exporter has admitted having provided significant information at the time of spot verification and they were unable to translate the Profit and Loss statement until after the verification. The mere fact that investigating team collected further information and evidence does not imply that the Authority is bound to use such information thereafter. Once the investigating team has commenced verification at the premises of the exporter, it is quite natural that the Authority has also taken into account the information provided by the exporter at the

time of verification. Its acceptance or otherwise however is not guaranteed by the mere fact that such information was taken by the investigating team on record. Further, as stated in verification report, disclosure statement and hereinabove, the exporter made changes in the data even after the physical verification was over.

## **M. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES**

117. The Authority notes that the purpose of anti-dumping duties, in general, is to eliminate injury caused to the DI by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the Country.

## **N. CONCLUSION**

118. After examining the submissions made by the interested parties and issues raised therein; and considering the facts available on record, the Authority concludes that the product under consideration has been exported to India from subject country below their normal values and consequently, the DI has suffered material injury. Material injury has been caused by the dumped imports of subject goods from the subject country during the POI.

## **O. RECOMMENDATION**

119. The investigation was initiated and notified to all interested parties and adequate opportunity was given to the domestic industry, exporters, importers and other interested parties to provide positive information on the aspects of dumping, injury and the causal link.

120. After examining the submissions made by the interested parties and issues raised therein; and considering the facts available on record and having initiated and conducted investigation into dumping, injury and the causal link thereof in terms of the AD Rules and having established positive dumping margin as well as material injury to the domestic industry caused by such dumped imports, the Authority is of the view that imposition of definitive antidumping duty is required to offset dumping and consequent injury. Therefore, the Authority considers it necessary to recommend imposition of definitive anti-dumping duty on imports of the subject goods from subject country in the form and manner described hereunder.

121. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of definitive anti-dumping duty equal to the lesser of the margin of dumping and the margin of injury, so as to remove the injury to the domestic industry. Accordingly, definitive antidumping duty as per amount specified in the table below is recommended to be imposed from the date of the Notification to be issued by the Central Government, on all imports of the subject goods originating in or exported from subject country.

## Duty Table

<b>S. No.</b>	<b>Heading/ Subheading</b>	<b>Description of goods</b>	<b>Country of Origin/Export</b>	<b>Producer</b>	<b>Exporter</b>	<b>Amount (USD/MT)</b>
1	29251100	Saccharin in all its forms	Indonesia	Any	Any	1633.17

*\* Custom classification is only indicative and the determination of the duty shall be made as per the description of PUC. The PUC mentioned above should be subject to above ADD even when it is imported under any other HS code.*

122. Landed value of imports for the purpose of this Notification shall be the assessable value as determined by the Customs under the Customs Act, 1962 (52 of 1962) and includes all duties of customs except duties under sections 3, 3A, 8B, 9 and 9A of the said Act.
123. An appeal against the order of the Central Government arising out of this finding shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act.

**(Sunil Kumar)**  
**Additional Secretary & Director General**