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F. No. 7/34/2020-DGTR

Government of India

Ministry of Commerce & Industry

Department of Commerce

Directorate General of Trade Remedies

4th Floor, Jeevan Tara Building, 5, Parliament Street, New Delhi -110001

Dated: 24th August, 2021

NOTIFICATION

FINAL FINDINGS

(Case No. (SSR) 17/2020)

Subject: Sunset review investigation on imports of “Glass Fibre and Article thereof” originating in or exported from China PR

F. No. 7/34/2020-DGTR: - Having regard to the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred as the “Act”) and the Customs Tariff (Identification, Assessment and Collection of Antidumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 thereof, as amended from time to time (hereinafter referred as the “Anti-Dumping Rules” or “Rules”) thereof.

A. BACKGROUND OF THE CASE

1. The Designated Authority (hereinafter referred to as “Authority”) had initiated the original investigation concerning imports of Glass Fibre and Article thereof originating in or exported from China PR vide Notification dated 8th January 2010. The Authority vide Notification No. 14/28/2009-DGAD dated 2nd June 2010 issued the Preliminary Findings recommending imposition of provisional anti-dumping duty. The same were imposed by the Ministry of Finance vide Notification No. 75/2010–Customs dated 14th July 2010. The Final Findings were issued vide Notification No. 14/28/2009-DGAD dated 6th January 2011, recommending imposition of definitive duty on imports of subject goods, originating in or exported from China PR, which was given effect vide Notification No. 30/2011-Customs dated 4th March 2011.
2. Thereafter, the Authority initiated a mid-term review investigation with regard to change in scope of product under consideration vide Notification dated 19th September 2013. The Authority issued Final Findings No. 14/21/2013-DGAD dated 10th February 2014 recommending exclusion of micro glass fibre with fibre diameter in range of 0.3 – 2.5 microns. The same was adopted by the Ministry of Finance vide Notification No. 19/2014–Customs(ADD) dated 9th May 2014.

3. Before expiry of 5 years, the Authority initiated a sunset review investigation vide initiation notification dated 7th July 2015. The Authority recommended continuation of anti-dumping duty in force vide Final Findings No. 15/10/2015-DGAD dated 6th July 2016. The same were imposed by the Ministry of Finance vide Notification No. 48/2016-Customs(ADD) dated 1st September 2016.
4. An anti-circumvention investigation was initiated by the Authority vide Initiation notification dated 12th February 2018. The Authority recommended extension of anti-dumping duty imposed on Glass Chopped Strands Mats (CSM) originating in or exported from China PR to Thailand vide Final Findings F. No. 7/25/2017-DGAD dated 30th July 2018. The same was extended by the Ministry of Finance vide Notification No. 43/2018-Customs(ADD) dated 6th September 2018.
5. The Authority initiated another mid-term review investigation to examine the need for exclusion of glass fibre roving for production of glass fabrics for wind mill blades vide initiation notification dated 4th October 2019. The Authority issued Final Findings No. 7/17/2019-DGTR dated 3rd October 2020 concluding that the domestic industry manufactures like product to Glass Fibre Roving for production of Glass Fabrics for Wind Mill Blades and the same should not be excluded from the scope of the product under consideration. The recommendations of DGTR have not been contested by any party by way of appeal in CESTAT or before any other judicial forum and also, no issues have been raised during the proceeding of the instant investigation.
6. In terms of Section 9A (5) of the Act, ADD imposed shall unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition and the Authority is required to review, whether the expiry of anti-dumping duty is likely to lead to continuation or recurrence of dumping and injury. Further, Rule 23(1B) of the Rules provides as follows:

" any definitive antidumping duty levied under the Act, shall be effective for a period not exceeding five years from the date of its imposition, unless the designated authority comes to a conclusion, on a review initiated before that period on its own initiative or upon a duly substantiated request made by or on behalf of the domestic industry, within a reasonable period of time prior to the expiry of that period, that the expiry of the said anti-dumping duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry. "
7. In accordance with the above, the Authority is required to review, on the basis of a duly substantiated request made by or on behalf of the domestic industry, as to whether the expiry of the anti-dumping duty is likely to lead to continuation or recurrence of dumping and injury.
8. And whereas, in terms of above provisions, Owens-Corning India Private Limited and Owens-Corning (Industries) India Private Limited (hereinafter also referred to as the "Applicants" or "domestic industry") filed an application before the Authority in accordance

with the Customs Tariff Act, 1975 and the Anti-Dumping Rules for initiation of sunset review investigation concerning imports of Glass Fibre and Article thereof (hereinafter also referred to as the “product under consideration” or the “subject goods”) from China PR (hereinafter also referred to as the “subject country”).

9. And whereas, in view of the duly substantiated application filed by the Applicant, the Authority issued a public notice vide Notification No. 7/34/2020-DGTR dated 25th September 2020, published in the Gazette of India, initiating sunset review investigation on imports of the product under consideration from China PR in accordance with Rule 5 of the Anti-Dumping Rules to determine the existence, degree and effect of any alleged dumping of the subject goods 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

10. The scope of the present review covers all aspects of the Final Findings No. 14/28/2009-DGAD dated 6th January 2011 and Final Findings No. 15/10/2015-DGAD dated 6th July 2016.
11. The following procedure has been followed with regard to this investigation:
 - a. The Authority issued a public notice dated 25th September 2020, published in the Gazette of India, Extraordinary, and initiating sunset review investigation concerning import of subject goods from the subject country.
 - b. The Authority sent a copy of the initiation notification dated 25th September 2020 to the Government of the subject country, through its Embassy in India, known producers and exporters from the subject country, known importers / users and the domestic industry as well as other interested parties, as per the available information. The interested parties were requested to provide relevant information in the form and manner prescribed and make their submissions known in writing within the prescribed time-limit.
 - c. 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 Anti-Dumping Rules.
 - d. The Embassy of the subject country in India was requested to advise the exporters/producers from its country to respond to the questionnaire within the prescribed time limit. A copy of the letter and questionnaire sent to the known producers/exporters was also sent to the Embassy along with the list of the known producers/ exporters from the subject country.
 - e. The Authority sent questionnaire to the following known producers/exporters in the subject country in accordance with Rule 6(4) of the Rules:
 - i. Chongqing International Composites Material Company Limited (CPIC)
 - ii. Jiangsu Changhai Composites Materials Company Limited
 - iii. Jushi Group Company Limited

- iv. Shandong Fiberglass Group
 - v. Sichuan Zhincheng Changyuan Composites Material Company Limited
 - vi. Taishan Fiberglass Zoucheng Company Limited
- f. In response to the initiation notification of the subject investigation, following producers/exporters from the subject country have responded or submitted questionnaire response:
- i. Chongqing International Composites Material Company Limited (CPIC)
 - ii. Jushi Group Company Limited
 - iii. Jushi Group Jiujiang Company Limited
 - iv. Jushi India Fiberglass Private Limited
 - v. Sinoma Jinjing Fibre Glass (Zibo) Company Limited
 - vi. Taishan Fibreglass Inc.
 - vii. Taishan Fibreglass Zoucheng Company Limited
- g. The Authority sent questionnaire to the following known importers / users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules.
- i. A G Fibrotech Private Limited
 - ii. Aakash Universal Limited
 - iii. Advance Cooling Towers Private Limited
 - iv. Aksh Composites Private Limited
 - v. Allied Marketing Company
 - vi. Apar Industries Limited
 - vii. Arc Insulation and Insulators
 - viii. Associated Polytech Industries (P) Limited
 - ix. Autodynamic Technologies and Solutions Private Limited
 - x. Autotech-Sirmax India Private Limited
 - xi. Badve Auto Comps Private Limited
 - xii. Balaji Trading Company
 - xiii. BASF India Limited
 - xiv. Bharat Heavy Electricals Limited
 - xv. Brakes India Private Limited
 - xvi. Brakewel Automotive Components India Private Limited
 - xvii. Calco Poly Technik Private Limited
 - xviii. Calstar Steel Limited
 - xix. Chemical Process Equipments Private Limited
 - xx. Chemical Process Piping Private Limited
 - xxi. Classic AL Metal Industries
 - xxii. Classic Marble Company Private Limited
 - xxiii. Complete Surveying Technologies Private Limited
 - xxiv. Concrete Solutions
 - xxv. Danblock Brakes India Private Limited
 - xxvi. Decimin Control Systems Private Limited

- xxvii. Dhingra Plastic & Plastiscisers Private Limited
- xxviii. Dinsons Self Sticks Private Limited
- xxix. Dr. Plasto Tech Private Limited
- xxx. Ecmas Agencies
- xxxi. Ecmas Resins Private Limited
- xxxii. Emak Glass Fibre & Accessories (P) Limited
- xxxiii. EPP Composites Private Limited
- xxxiv. Ercon Composites
- xxxv. Excellence Organisation Private Limited
- xxxvi. Faurecia Emissions Control Technologies India Pvt Ltd
- xxxvii. Fibre Chem Agencies
- xxxviii. Fibro Plast Corporation
- xxxix. Fibro Plasticochem India (P) Limited
- xl. Finolex Cables Limited
- xli. FMI Automotive Components Private Limited
- xlii. Foremost Marbles
- xliii. Future Chem Pro Private Limited
- xliv. GKD India Limited
- xlv. Graphite India Limited
- xlvi. Grindwell Norton Limited
- xlvii. Grupo Antolin India Private Limited
- xlviii. Gujarat State Fertilizers & Chemicals Limited
- xlix. Harita Fehrer Limited
- l. Heritage Marble Private Limited
- li. Himachal Futuristic Communications Limited
- lii. Himgiri Cooling Towers Pvt Ltd
- liii. Hindustan Composites Limited
- liv. Hirotec Mark Exhaust System Private Limited
- lv. Hitech Fibre Glass Mattings (P) Limited
- lvi. HTL Limited
- lvii. IAC International Automotive India Private Limited
- lviii. Indore Composite Private Limited
- lix. Intec FRP Products
- lx. Ion Exchange India Limited
- lxi. Jam Jen Tecno Engineering
- lxii. Jay K. FRP Private Limited
- lxiii. JK Building Solutions
- lxiv. JRD Fibre Composites Private Limited
- lxv. Kineco Limited
- lxvi. Kingfa Science & Technology India Limited
- lxvii. Kishor Auto Ancillary Private Limited
- lxviii. Krishna Grupo Antolin Private Limited
- lxix. Kush Synthetics Private Limited
- lxx. Leo Sign Composite (SD) Private Limited

- lxxi. Link Composites Private Limited
- lxxii. Macedon Vinimay Private Limited
- lxxiii. Madura Coats Private Limited
- lxxiv. Mahan Polymers
- lxxv. Mahindra CIE Automotive Limited
- lxxvi. Makson Enterprises
- lxxvii. Mangalchand Tubes Private Limited
- lxxviii. Mecolam Engineering Private Limited
- lxxix. Megha Fibre Glass Industries Limited
- lxxx. Montex Glass Fibre Industries Private
- lxxxi. MRG Composites India
- lxxxii. Murugan Arul Metals
- lxxxiii. Muskan Enterprises
- lxxxiv. Mysore Light & Interiors Private Limited
- lxxxv. National Cooling Towers
- lxxxvi. Nelson Global Products India Private Limited
- lxxxvii. Newkem products Corporation
- lxxxviii. Next Polymers Limited
- lxxxix. Noble Agencies
- xc. OFR Telecom Private Limited
- xci. Olectra Greentech Limited
- xcii. Om Optel Industries Private Limited
- xciii. Panik Enterprises
- xciv. Pentair Water India Private Limited
- xcv. Polycab India Limited
- xcvi. Premium Polyalloys Private Limited
- xcvii. Pyrotek India Private Limited
- xcviii. R.K. Marble Private Limited
- xcix. Radha Industries
- c. Rainbow Petrochem Industries Private Limited
- ci. Rajsriya Automotive Industries (P) Limited
- cii. Rane Brake Lining Limited
- ciii. Reliance Industries Limited
- civ. Revex Plasticisers (Private) Limited
- cv. Riddhi Enterprises
- cvi. Riviera Overseas Private Limited
- cvii. RMC Switch Gears Limited
- cviii. Rukmini Fibre Glass
- cix. Saertex India Private Limited
- cx. Samudyam Projects Private Limited
- cxi. Sankei Giken India (Private) Limited
- cxii. Sanskriti Composites Private Limited
- cxiii. SCM Noble Agencies
- cxiv. Sharda Motor Industries Limited

- cxv. Shree Building Solutions Private Limited
 - cxvi. Shree Jee Fibreglass Private Limited
 - cxvii. Shubhada Polymers Products Private Limited
 - cxviii. Sika India Private Limited
 - cxix. Sintex-Bapl Limited
 - cxx. SM Exhaust Technology Private Limited
 - cxxi. Sobha limited
 - cxxii. Specialty Composites
 - cxxiii. Sri Venkateshwara Polythyne
 - cxxiv. Starke International Exim Private Limited
 - cxxv. Sterlite Technologies Limited
 - cxxvi. Strongbonds Polyseal Private Limited
 - cxxvii. Sudarsshan Plastiblends Private Limited
 - cxxviii. Sundaram Brake Linings Limited
 - cxxix. Sunpure Technologies Limited
 - cxix. Sunrise Industries (India) Limited
 - cxix. Supreme Nonwovens Industries Private Limited
 - cxix. Supreme Treon Private Limited
 - cxix. Synergy Optic Private Limited
 - cxix. Synergy Polymers (India) Private Limited
 - cxix. Tata Autocomp Systems Limited
 - cxix. Techfab India (Industries) Limited
 - cxix. Technomac Engineering Works
 - cxix. Tenneco Clean Air India Private Limited
 - cxix. Teracom (FRP) Private Limited
 - cxl. Teracom Limited
 - cxli. The Supreme Industries Limited
 - cxlii. Time Technoplast Limited
 - cxliii. Ultratech Cement Limited
 - cxliv. Unekar Polymer Agency
 - cxlv. V3 Design Build
 - cxlvi. Valeo Friction Materials India Private Limited
 - cxlvii. Vindhya Telelinks Limited
 - cxlviii. West Coast Optilinks (A Division of West Coast Paper Mills)
 - cxlix. Willett Communications
 - cl. Yutaka Autoparts India Private Limited
- h. The following importers/users from have responded by filing questionnaire response:
- i. Arvind PD Composites Limited
 - ii. Aeron Composites Limited
 - iii. EPP Composites Limited

- i. The Authority sent Questionnaire to the following known Associations of subject goods in India for circulation & calling necessary information in accordance with Rule 6(4) of the Rules:
 - i. Associated Chambers of Commerce and Industry of India
 - ii. Confederation of Indian Industry
 - iii. Federation of Indian Chamber of Commerce and Industry
 - iv. Indian Chemical Council (ICC)
- j. Legal submissions have been filed on behalf of the user industry as well as Telangana and Andhra Composites Manufacturing Association and Composites Association.
- k. A list of all interested parties was uploaded on DGTR's website along with the request therein to email the NCV of their submissions to all other interested parties since the public file was not accessible physically due to ongoing global pandemic.
- l. Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to provide the transaction-wise details of imports of subject goods for the past three years and the period of investigation, which has been received by the Authority. The analysis of the DGCI&S data has been done and it has been observed that there is no significant difference in the analysis done by the Authority and the analysis done by the domestic industry.
- m. The non-injurious price (NIP) has been determined based on the optimum cost of production and cost to make & sell the subject goods in India as per information furnished by the domestic industry and in accordance with Generally Accepted Accounting Principles (GAAP) and Annexure III to the Rules. Such non-injurious price has been considered to ascertain whether anti-dumping duty lower than the dumping margin would be sufficient to remove injury to the domestic industry.
- n. In accordance with Rule 6(6), the Authority provided opportunity to all interested parties to present their views orally in a hearing held through video conference on 19th January 2021, which was attended by all interested parties.
- o. Due to change in the Designated Authority, a second oral hearing was conducted through video conference on 12th February 2021, which was attended by all interested parties. The interested parties who presented their views in the oral hearing were requested to file written submissions of their views expressed orally. The parties were also advised to collect written submissions made by the opposing parties and were provided an opportunity to submit their rejoinders thereafter.
- p. Disclosure statement (NCV) served to all interested parties with confidential version to concern on 24/6/2021 through email along with reasonable time given for filing the comments, if any. Comments received from interested parties and the same taken on record by the Authority.
- q. Verification of the information provided by the domestic industry was carried out by the Authority, to the extent necessary. Only such verified information with necessary rectification, wherever applicable, has been relied upon for the purpose of the subject investigation.
- r. The period of investigation (POI) for the purpose of present investigation is 1st April 2019 to 31st March 2020 (12 months). The injury analysis period includes 1st April

2016 – 31st March 2017, 1st April 2017 – 31st March 2018, 1st April 2018 – 31st March 2019 and the period of investigation.

- s. The submissions made by the interested parties during the course of this investigation, wherever found relevant, have been addressed by the Authority, in this final findings.
- t. 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.
- u. 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 views/observations on the basis of the facts available.
- v. The Authority has considered all the arguments raised and information provided by all the interested parties including post disclosure comments, to the extent the same are supported with evidence and considered relevant to the present investigation.
- w. ‘***’ in this document represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- x. The exchange rate adopted by the Authority for the subject investigation is 1 US\$ = Rs. 71.65.

C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

C.1. Submissions by the domestic industry

- 12. Following submissions have been made by the domestic industry with regard to the product under consideration and like article:
 - i. The product under consideration is glass fibre including glass roving (assembled rovings (AR), direct rovings (DR), glass chopped strands (CS), and glass chopped strands mats (CSM).
 - ii. Since there are various product types involved, a PCN wise analysis is important for fair comparison. PCN should be based on type of the product namely, direct glass rovings, assembled glass rovings, glass chopped strands and glass chopped strand mats.
 - iii. The PCN methodology proposed by the domestic industry is consistent with the previous sunset review investigation.
 - iv. Submissions filed by interested parties regarding PCN should be rejected as they were filed post the time allowed by the Authority.

- v. There are no imports of H-glass fibre roving in the period of investigation and even the domestic industry sold a very small volume domestically, hence attributing it a different PCN would not make a difference.
- vi. There is only a minor difference in cost of production of high modulus rovings and other rovings, and thus, they need not be categorized as separate PCNs.
- vii. The scope of the product under consideration is the same as that in the previous investigation.
- viii. The subject goods produced by the domestic industry are like article to the imported goods.
- ix. Responding to the contention that H-glass has been only consumed captively, it was submitted that the domestic industry has sold H-glass in the market. Volume of imports and sales of H-glass are low as the demand thereof is low.
- x. There are no significant differences between H-glass and ECR glass. They are produced using same machines, with difference in raw material and minor modifications in production process, and can be used interchangeably.
- xi. The contention of interested parties that there are separate furnaces for H-Glass and ECR Glass is not correct. The type of glass produced depends upon the raw material and additives added and the final processing of the product and not the type of furnace used.

C.2. Submissions by other interested parties

13. The following submissions have been made by other interested parties with regard to product under consideration and like article:
- i. Since H-glass is being produced by the petitioner entirely for captive consumption, it cannot be covered under the scope of product under consideration.
 - ii. H-Glass is a distinct product type, not comparable to other product types produced and sold by OCIPL domestically, and are thus not like article. H-glass has different properties, technology and production process, end use and market perception.
 - iii. There is no bar on the Authority to review the scope of product under consideration in a sunset review, to narrow down the scope. This has been done in past investigations as well and is also provided for in the Manual.
 - iv. While proposing PCNs the domestic industry has combined ECR glass referred to standard ASTM D578 with high modulus glass which has superior mechanical properties, different chemical properties, higher selling price and 15-20% more cost than ECR glass. H-glass fibre and ECR glass are made in separate furnaces which have different construction and output.
 - v. The petitioner omitted disclosing to the Authority that the new plant is only for production of H-Glass. Simply having capacity to produce for captive consumption and not supplying to the domestic market should not make the applicant eligible to seek protection.

- vi. OCIPL has acknowledged the difference between furnaces in its annual report by mentioning that it built a new furnace to manufacture H-glass. The capacity for both is reported separately considering the difference in both the product types.
- vii. To capture the difference in cost of production, the PCNs should be as below
 - a. Direct glass rovings based on E Glass Fibre or ECR or Adventex or equivalent ASTM D 578 standard grade
 - b. Direct glass rovings based on High Modulus Glass Fibre or equivalent grade
 - c. Assembled glass rovings
 - d. Glass chopped strands
 - e. Glass chopped strand mats

C.3. Examination by the Authority

- 14. The product under consideration as stated in the initiation notification is glass fibre including glass roving (assembles rovings (AR), direct rovings (DR)), glass chopped strands (CS), glass chopped strands mats (CSM) but excluding glass wool, fibre glass wool, fibre glass insulation in wool form, glass yarn, glass woven fabrics, glass fibre fabric, glass woven rovings, chopped strands meant for thermoplastic applications, micro glass fibre with fibre diameter in the range of 0.3 to 2.5 microns, surface mat/surface veil/tissue, wet chopped strands and Cemfil (alkali resistant glass fibre for concrete reinforcement)
- 15. The subject goods are classifiable under Chapter 70 of the Customs Tariff Act, 1975 under the subheading no. 7019. The Customs classification is indicative only and not binding on the scope of the product under consideration.
- 16. The Authority notified the PCN methodology as proposed by the Applicants and invited comments of other interested parties. However, no comments were received within the time limit as prescribed in the notice for PCN methodology. Further, the domestic industry has supplied only 1,289 MT of H-glass in the market. Therefore, even if the two were considered as separate PCN, it would not have a material impact on the PCN-wise analysis. Therefore, the Authority has considered the following PCN for the purpose of the present investigation:
 - i. Direct glass rovings
 - ii. Assembled glass rovings
 - iii. Glass chopped strands
 - iv. Glass chopped strand mats
- 17. The interested parties have contended that High Modulus Glass Fibre (H-glass) should be excluded from the scope of product under consideration. However, the domestic industry has pointed out that there are no imports of H-glass from the subject country. It is the settled position of the Authority that only those product types which have been imported during the period of investigation and the domestic industry has not supplied like article thereof, can be excluded from the scope of product under consideration. The data on record does not show any import of H-glass from the subject country during the period of investigation. Further, the evidence supplied by the domestic industry shows that it has supplied H-glass during the

period of investigation. Therefore, such H-glass cannot be excluded from the scope of product under consideration.

18. Further, the Authority has also taken note of the manufacturing process provided by the domestic industry, which shows that H-glass and ECR glass are similar in terms of manufacturing process. While the other interested parties have claimed that production of H-glass requires a different plant, the domestic industry has emphasized that both can be produced at the same plant. The two can be produced using the same machines, with difference in raw materials used, and minor modifications to the processing thereof. Further, the domestic industry has claimed that ECR glass and H-glass can be used interchangeably, as is evident from the fact that H-glass is being supplied to the same customers, which were earlier using ECR glass. Since H-glass has not been imported into India at all, the Authority does not find any merit in the requests for exclusion thereof.
19. The Authority notes that the domestic industry has claimed that it has produced like article to the imported goods and the interested parties have also not claimed any difference in the goods produced by the domestic industry and the imported product. The Authority notes that the subject goods produced by the domestic industry and that imported from subject country are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. The consumers are using the two interchangeably. In view of the same, Authority finds that the subject goods produced by the domestic industry are like article to the product under consideration imported from subject country.

D. SCOPE OF THE DOMESTIC INDUSTRY & STANDING

D.1. Submissions by the domestic industry

20. Following submissions have been made by the Applicants with regard to the domestic industry and standing:
 - i. The Applicants account for a major proportion of the domestic production in India. Apart from the Applicant there is one more producer of subject goods in India, namely, Goa Glass Fibre Limited.
 - ii. While Owens Corning Composites (China) Company Limited, a related party exported the subject goods to OCIPL in the injury period, no exports have been made during the period of investigation. Even during the earlier years, the volume of exports was negligible.
 - iii. The Applicants are related to exporters in the subject country, but such exporters have not exported the subject goods to any other importer in India.
 - iv. While OCIPL has imported the goods during the period of investigation, such imports are not from the subject country and are insignificant.

- v. The domestic industry has not imported from the subject country in the period of investigation and the imports from other countries are irrelevant. The domestic industry has imported during the preceding periods to fulfil the needs of its customers as there was a demand-supply gap in India till 2018-19, which was aggravated by closure of OCIPL and temporary shutdown of OCIPL.
- vi. Only the imports made in the period of investigation from the subject country can lead to the applicant becoming ineligible to constitute domestic industry, as held in Anwar Jute Spinning Mills Limited and Ors. V. Union of India.
- vii. OCIPL has purchased other products, not forming part of product under consideration, from the related parties during the period of investigation, and has not imported the product under consideration from China PR during the period of investigation.
- viii. The Applicants are not related to any importer of subject goods in India.
- ix. OCIPL should not be treated ineligible as it has not shielded itself from dumping or contributed to it, the focus of OCIPL has not shifted from production to importation and its exclusion will result in distortion of injury analysis.
- x. Regarding the submission that the Designated Authority is required to issue a specific reference regarding eligibility in initiation notification, it was submitted that the Authority has duly examined eligibility of OCIPL in the initiation notification.
- xi. OCIPL is included as petitioner even though it ceased production as it is a related party to OCIPL, and related parties have been considered as a common unit. A single dumping margin and injury margin is determined for a whole producer/exporter group for this reason. The same principles apply to the domestic producers. OCIPL's data is relevant for injury assessment, as it was producing the subject goods in the injury period.
- xii. Since Rule 11 pertains to the entire injury period, the term domestic industry also relates to the injury period. As OCIPL formed part of domestic industry in the preceding periods, it is included in the domestic industry.
- xiii. Segregated injury data for both the companies have been filed. Data for OCIPL alone shows injury to the domestic industry due to dumped imports. Exclusion of OCIPL does not impact the dumping margin, injury margin or standing.
- xiv. Segregated data for OCIPL shows the same trends except for sales and market share.
- xv. Goa Glass Fibre Limited, another producer of subject goods, has also filed submissions alleging dumping and injury due to dumped imports.

D.2. Submissions by other interested parties

21. The following submissions have been made by the other interested parties with regards to the domestic industry and standing:
- i. The investigation should be terminated as the OCIPL cannot be considered as part of domestic industry, having ceased operations, which has rendered the initiation void-ab-initio.
 - ii. OCIPL has been included in the scope of domestic industry to inflate injury trends.
 - iii. The other domestic producer, Goa Glass Fibre, has not participated in the investigation.
 - iv. The industry which approached the Authority for original imposition of duty is not in continuous production and the production in India is unstable. This is evident from the statement of the petitioner during the hearing that “two years production data is of A” and “other years is of B, which is currently in operation”.
 - v. The petitioner has been importing regularly, including in the period of investigation.
 - vi. The petitioner is a part of the global conglomerate, which determines as to what grade has to be produced in which country. Thus, it is constrained to import goods to meet the demand, supplement its product lines and for captive production, which it is not able to produce due to global policies. Thus, OCIPL cannot be considered eligible to file the application.
 - vii. As per the annual reports of OCIPL, it has entered into transactions regarding purchase of goods from OCV Composites (China) Company Limited, OCV Fabrics (Changzhou) Company Limited, Owens Corning Hong Kong Limited and Owens Corning (China) Investment Company Limited. This raises questions on the standing of the domestic industry.
 - viii. The imports made by the petitioner are not as per the guidelines of the Authority, hence it should be treated as ineligible producer. OCIPL is not a new industry undertaking imports, there were no exceptional circumstances whereby imports have taken place and imports are regular and not under any duty-free scheme.
 - ix. In case of an importer being treated as domestic industry, the Director General is required to issue a specific reference with regards to eligibility of the producer in the initiation notification, however, no such reference was made.
 - x. In case the Authority finds that the imports made by the applicant are on regular basis, it should be held that the applicant is causing self-injury.
 - xi. Since one of the furnaces is used to produce H-glass for captive consumption, only the production and capacity of the second furnace should be considered to determine the standing and for injury determination.

D.3. Examination by the Authority

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

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

23. The Application has been filed by two related producers of product under consideration, that is, Owens-Corning India Private Limited (OCIPL) and Owens-Corning (Industries) India Private Limited (OCI IPL). The Authority notes that OCI IPL has ceased operations in the injury period. The Authority notes that OCI IPL was operating in the injury period. Since it is a related entity of OCIPL, its data is relevant for the present investigation. This is because related producers are treated as a single entity for the purpose of the investigation.

24. In this regard, the Authority refers to the findings in the case of the original investigation in Final Findings F. No. 14/28/2009-DGAD dated 6th January 2011 relating to the product under consideration, wherein the Authority determined a single dumping margin for related producers or exporters, considering them as belonging to the same group as one single entity.

*“53. It is noted that in the subject investigations many cooperating producers and exporters are related to each other and form a group of related companies. It has been a consistent practice of the Authority to consider **related exporting producers or exporting producers belonging to the same group as one single entity for the determination of a dumping margin and thus to establish one single dumping margin for them.** This is in particular because calculating individual dumping margins might encourage circumvention of antidumping measures, thus rendering them ineffective, by enabling related exporting producers to channel their exports to India through the company with the lowest individual dumping margin.”*

Similar view has been taken by the Authority in anti-dumping duty investigations concerning imports of Elastomeric Filament Yarn from China PR, South Korea, Taiwan and Vietnam, Aluminium and Zinc coated flat products” originating in or exported from China PR, Vietnam and Korea RP and Polystyrene from Iran, Malaysia, Singapore, Chinese Taipei, UAE and USA.

25. The Authority finds that the same principles would be applicable in the present case as well. Related parties would be considered as a single economic entity and therefore, OCI IPL cannot be excluded from the scope of product under consideration. However, since the normal value and non-injurious price is determined only for the period of investigation, the inclusion of OCI IPL would not have any impact on the dumping margin or injury margin.

26. It is further noted that Owens-Corning India Private Limited (OCIPL) has imported the subject goods from the subject country during the injury period from its related exporters in China PR. However, no imports have been made during the period of investigation. Further, such exporters have not exported the subject goods to any importer in India during the period of investigation.
27. The Authority notes that the OCIPL has imported the subject goods from the subject country during the preceding years of the injury period. However, such imports are insignificant as compared to the demand in India, production and sales by the domestic industry. The product under consideration imported from the subject country have been imported from only one related producer namely, Owens Corning Composites (China) Company Limited.

| Particulars | 2016-17 | Ratio of imports | 2018-19 | Ratio of imports |
|---------------------------------|---------|------------------|---------|------------------|
| Imports by OCIPL from China PR | *** | - | *** | - |
| Subject imports | 29,735 | <1% | 42,500 | <1% |
| Demand in India | *** | <1% | *** | <1% |
| Production of domestic industry | *** | <1% | *** | <1% |
| Sales of the domestic industry | *** | <1% | *** | <1% |

28. During the period of investigation, OCIPL has imported the subject goods from non-subject countries. However, only imports from subject country can disentitle a producer from being considered within the scope of domestic industry. This is because Rule 2(b) specifically refers to eligibility of such producers who “*are related to the exporters or importers of the **alleged dumped article** or are themselves importers thereof*”. Since the imports from other countries are not dumped imports, there is no exclusion for such imports. This is also consistent with the view taken by the Tribunal in the case of Birla Ericsson Limited v. Designated Authority, wherein it was held as under.

“4. The above argument of Counsel representing the appellants is solely based on the exclusion contained in Rule (b) of the Rules, which defines domestic industry. After stating that domestic industry means domestic producers whose collective output of the article constitutes a major portion of the total domestic production, certain categories are excluded therefrom. The categories excluded are those domestic producers who are related to exporters of the alleged dumped article, those who are related to importers of the alleged dumped article or those who themselves are importers thereof. What is the scope of the words “importers thereof?” This group of domestic producers who are importers thereof are to be grouped along with domestic producers related to exporters of the alleged dumped article and domestic producers related to importers of the alleged dumped article. So taken, the domestic producers who are themselves importers should mean domestic producers who are themselves

importers of alleged dumped article. In other words, domestic producers who are not importers of alleged dumped article from the subject country are not to be excluded from the definition of “domestic industry.”

5. What is meant by “alleged dumped article?” Alleged dumped article in the instant case can only be Optical Fibre imported from Korea Republic. Korea Republic is the subject country. The article with which investigation was initiated is Optical Fibre. So, the Optical Fibre originating in or exported from Korea Republic alone can be treated “alleged dumped article.” Optical Fibre imported to India from other country cannot be taken as “alleged dumped article.” Optical Fibre imported to India from other countries are not articles dumped into India. Therefore, domestic producers, who and related to exporters or importers of Optical Fibre from Korea as also those domestic producers who import Optical Fibre from South Korea alone should be excluded from the category of domestic industry. If the argument of learned Counsel representing the appellants is to be accepted, we will have to rewrite the definition by reading the words “are themselves importers of like article.”

6. Domestic producers, who are related to exporters or importers of like article from other countries are not taken out of the scope of the definition of domestic industry. A domestic producer may be related to exporter or importer of like article manufactured in another country. Likewise, a domestic producer can be an importer of like article from a third country. Like articles manufactured in third countries are not dumped articles. M/s. Sterlite Industries Ltd. got Optical Fibre imported from Malaysia. Goods imported from Malaysia are not dumped articles. Therefore, M/s. Sterlite Industries Ltd. is not debarred from being a domestic industry. In this view of the matter, we overrule the contention raised by the Counsel representing the appellants before us. The result, therefore, is that M/s. Sterlite Industries Ltd. represented the domestic industry and their output of Optical Fibre constituted major portion of the total domestic product. As a consequence, their application to the Designated Authority was proper and we do not find any illegality in the action of the Designated Authority in initiating the proceedings.”

Therefore, in view of the decision of the Tribunal and the settled position of the Authority in this regard, the imports from other countries do not prevent OCIPL from being considered within the scope of domestic industry.

29. In any case, the volume of imports by OCIPL from other countries is negligible, in relation to its production and sales, as well as subject imports and consumption.

| Particulars | Volume (MT) | Imports as a % |
|---|-------------|----------------|
| Imports by OCIPL during Period of Investigation | *** | |
| Subject imports | 35,378 | <5% |

| | | |
|----------------------|--------|-----|
| Total imports | 72,226 | <5% |
| Consumption in India | *** | <5% |
| Production of OCIPL | *** | <5% |
| Sales of OCIPL | *** | <5% |

In view of the foregoing, the Authority finds that the Applicants are eligible to constitute domestic industry in terms of Rule 2(b) of the Anti-Dumping Rules.

30. M/s. Goa Glass Fibre Limited, the other domestic producer of subject goods in the country, through their submissions post initiation, has also alleged dumping and injury due to imports from the subject country. In their submissions, they have filed information in the format as filed by the applicant without explicitly requesting to be either a supporter or to be considered as part of domestic industry. The information provided by M/s. Goa Glass Fibre Limited is not complete. Also, they have not filed complete information as per Trade Notice no.4/22/2018-DGAD dated 01.10.2018 in the capacity of a supporter. Therefore, the Authority has not considered M/s. Goa Glass Fibre Limited within the scope of domestic industry.
31. The other interested parties have also contended that the production of furnace used for producing goods for captive consumption should not be considered for determination of share of Applicants in total production. However, the Authority does not find any basis for such an exclusion. The provisions of Rule 2(b) refer to production in India, which implies total production, and not production excluding that meant for captive consumption. Further, the interested parties have not adduced any evidence to show that exceptional circumstances as envisaged under proviso to Rule 2(b) exist in the present case, which would allow plant for captive production and plant for merchant sales to be considered as operating in two separate competitive markets. Therefore, the total production of OCIPL has been considered in examining whether it constitutes major proportion.
32. The Applicants account for a major proportion of the domestic production during period of investigation, as can be seen from below.

| Producer | Production (MT) | Share in production (%) | Share in production (range) |
|--|-----------------|-------------------------|-----------------------------|
| Owens-Corning India Private Limited | *** | *** | 80-90 |
| Owens-Corning (Industries) India Private Limited | - | - | - |
| Applicants | *** | *** | 80-90 |
| Goa Glass Fibre Limited | *** | *** | 10-20 |
| Total Indian production | *** | 100% | 100% |

Thus, the Authority finds that Owens-Corning India Private Limited and Owens-Corning (Industries) India Private Limited constitute domestic industry under Rule 2(b).

E. CONFIDENTIALITY

E.1. Submissions by the domestic industry

33. The following submissions have been made by the domestic industry with regard to confidentiality:
- i. The producers/exporters have claimed excessive confidentiality as they have claimed the data of total sales and exports of other producers which is not even their own business proprietary information confidential. Appropriate non-confidential summary of the data has not been provided especially for data pertaining to likelihood information. The confidentiality claims are made to prevent domestic industry from relying on the information provided as due to such claims the applicant cannot reasonably understand the information provided.
 - ii. The exporters have claimed information in the public domain as confidential, which shows that the claims are without merit.
 - iii. The information in Section VI is business proprietary information and the same cannot be disclosed. The exporters themselves have claimed their information related to policies and sales process confidential.
 - iv. Contrary to claims of interested parties, justification for confidentiality claimed has been provided as per the requirements of Trade Notice.

E.2. Submissions by other interested parties

34. The following submissions have been made by the other interested parties with regard to confidentiality:
- i. Domestic industry has not furnished any information at all in Section VI (costing information) and nothing has been disclosed in formats A to L.
 - ii. The right to defense of the interested parties cannot be exercised as significant data provided in the petition is not indexed. Table indicating reasons for confidentiality is not as per requirement of Trade Notice.

E.3. Examination by the Authority

35. With regard to confidentiality of information, Rule 7 of Anti-Dumping Rules provide 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 authorise its disclosure in a generalized or summary form, it may disregard such information."

36. Non-confidential version of the information provided by various interested parties were made available to all interested parties as per Rule 6(7) and Trade Notice No. 10/2018 dated 7th September 2018 read with Trade Notice 01/2020 (as extended by the Authority till further notice).
37. With regard to confidentiality of information, the Authority notes that the information provided by the domestic industry and the other interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claims in accordance with Rule 7 of the Rules. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted and such information has been considered confidential.

F. MISCELLANEOUS

F.1. Submissions by the domestic industry

38. The following miscellaneous submissions have been made by the domestic industry:
 - i. Contrary to claims of the interested parties, only prima facie evidence is required at the stage of initiation as was held by High Court in Rajasthan Textile Mills Association vs. Dir. General of Anti-Dumping and by Tribunal in Huawei Technologies Co. Ltd. Vs. Designated Authority and Automotive Tyre Manufacturer's Association Vs. Designated Authority.
 - ii. Contrary to claims in this regard, the petition was complete in all aspects at the stage of initiation.
 - iii. Contrary to claims of interested parties, OCIPL has not maintained any monopoly position by importing the goods itself. To the contrary, the users were free to import

- the subject goods which is evident from the fact that imports increased in 2018-19 when the plant of OCIPL was closed.
- iv. The concerns regarding domestic industry gaining monopoly if duties are continued are unfounded as there are two producers in India, anti-dumping duty does not restrict imports and importers are free to import from other countries as well.
 - v. The domestic industry sold goods throughout 2018-19 even when its plant was shutdown, which is evident from the month wise sales submitted.
 - vi. Any association claiming to represent users must demonstrate necessary credentials. An association is required to provide its documents including registration certificate, by-laws and Memorandum of Association, list of members, executive committee, resolution to participate, as well as list of members who have supported, opposed or remained neutral for participating in the investigation. In the present case, the association has participated in the present case on behest of a select few members. Reliance is placed on Automotive Tyre Importers Association V. Designated Authority, wherein the user association on failing to discharge its obligation to provide the documents, was not considered an interested party.
 - vii. A harmonious interpretation of Rule 2(c) and 6(5) shows that a consumer association can participate only when the product is sold at retail level, in other cases, industrial users may participate. Since Rule 6(5) is a specific provision governing participation by users and user associations, it prevails over the general provisions of Rule 2(c). If user associations are considered as interested parties under the provisions of Rule 2(c), it would render the provisions of Rule 6(5) redundant.
 - viii. Responding to the claim that the domestic industry should have requested the Authority for suspension of duties on H-glass and during its shutdown, it was submitted that Rule 23 allows only withdrawal of duty, and not suspension. Further, the importers were free to approach the Authority for such withdrawal. In any case, the interested parties have failed to show if there were any imports of H-glass from subject country into India, when the plant was not set up by the domestic industry.
 - ix. The prices of the domestic industry remained stable even after the period of investigation. The price increase announced was necessary due to increase in cost of production and mounting losses.
 - x. As regards the claim that landed price was lower than selling price due to anti-dumping duty in force, it was submitted that this indicates that the exporters have absorbed duties. However, there is nothing to show that exporters will increase the prices if duties are removed.

F.2. Submissions by other interested parties

39. The following miscellaneous submissions have been made by the other interested parties:
 - i. The initiation is bad in law as the standard of review applied by the Authority before initiation does not meet the standard laid down in the law. Authority must determine that there is likelihood based on positive evidence.

- ii. Para 17 of the initiation notification states that the Authority had prima facie evidence of dumping and injury. However, the evidence submitted must be of adequate quality to constitute “sufficient evidence”. The Panel in Mexico – Pipes and Tubes noted that determination of sufficiency must be based on an assessment of accuracy and adequacy. The Panel rejected the argument that the mere fact that an investigating authority initiated investigation indicates that it has examined the evidence.
- iii. Contrary to the claim of the petitioner in the hearing, whether the application is complete or not has to be examined before the investigation is initiated and not at the stage of finding.
- iv. The petitioner has claimed likelihood of continuation or recurrence of injury based on assumptions and not facts, however, as per Article VI of GATT, initiation should be based on positive evidence.
- v. The petitioner is attempting to create a monopolistic position in the market.
- vi. The counsel for the petitioners made a statement in the hearing that they are not aware of the existence of associations, and no representations have been filed. However, the association was incorporated in 2003, and represents a large number of MSMEs. It has also filed detailed submissions and some of its members have filed questionnaire response in this investigation.
- vii. Post closure of OCIPL, there was no production of H-glass in India, till OCIPL set up a plant, but duties continued unabated, in violation of Rule 23.
- viii. During the period when the plant of OCIPL was shut down for refurbishing, there was no production for almost 6 months, and yet the duties continued unabated, in violation of Rule 23.
- ix. The petitioner must prove that they were able to provide domestically produced goods to Indian users, even when they were not producing.
- x. The petitioner increased its prices by 30% post period of investigation, taking advantage of the trade chilling effect anti-dumping investigations cause.
- xi. In the absence of duties, the import prices are likely to increase upwards to the prices set by the petitioner.
- xii. The difference between selling price and landed value is about Rs. 18,000 per tons, due to anti-dumping duty. Once the duty is revoked, the prices are likely to be adjusted upwards.
- xiii. In view of the findings of the Supreme Court in Eveready Industries India Ltd. V. Union of India, and the WTO Appellate Body in US – Corrosion-Resistant Steel Sunset Review, US – Oil Country Tubular Goods Sunset Reviews and Japan Sunset,

a more circumspect approach is needed, particularly when duties are extended for more than 10 years.

F.3. Examination by the Authority

40. The Authority notes that the Applicants have provided a duly substantiated application based on which the present investigation was initiated. The present investigation was initiated based on the data/information provided by the domestic industry and by prima facie satisfying itself that there is sufficient evidence of dumping, injury, causal link and likelihood of continuation or recurrence of dumping and consequent injury to the domestic industry. The application contained all information relevant for the purpose of initiation of investigation.
41. The interested parties have argued that imposition of duties would result in a monopoly situation in the market. However, the Authority does not find any merit in the same as the anti-dumping duty does not prevent imports, but merely ensures that the imports enter the market at undumped prices. Further, there is one more producer of the subject goods in India, which would ensure inter-se competition between the domestic producers, as well as competition with imports from other countries. Nevertheless, the Authority finds that if the domestic industry enjoys or abuses a monopolistic position in the market, the issue can be raised before the competent authority. However, the Designated Authority is not the appropriate authority in this regard.
42. The Authority notes the submissions with regard to locus of certain parties as interested parties. However, all interested parties have been given an opportunity to present their views orally in the oral hearings dated 19th January 2021 and 12th February 2021 and all submissions filed by the interested parties have been taken into consideration for the purpose in this document.
43. The Authority notes that the data of the domestic industry, including transactions with the related parties, has been duly verified for the purpose of this document.
44. With regard to the contention that the domestic industry should have approached the Authority for suspension of duties, the Authority notes that there was no provision for the same under the law during the concerned period. However, any interested party could have approached the Authority and file an application for termination of duties in view of change in circumstances. No such application was filed by any interested parties even when the plant of the domestic industry was shutdown. In any case, the data provided by the domestic industry shows that they have provided the subject goods throughout the injury period, including in each month of 2018-19.
45. Insofar as submissions regarding period of duty are concerned, the Authority notes that the purpose of anti-dumping duty is only to create a level playing field and to provide relief to domestic industry against injurious dumping. The present investigation has been initiated to

examine the likelihood of continuation or recurrence of dumping or injury, in the event of expiry of duty. Should the Authority find that dumping and injury are likely to continue or recur, in the absence of duties, the anti-dumping duties shall be extended, notwithstanding the period of imposition of duties or the number of investigations.

ASSESSMENT OF DUMPING – METHODOLOGY AND PARAMETERS

G. MARKET ECONOMY TREATMENT, NORMAL VALUE, EXPORT PRICE AND DETERMINATION OF DUMPING MARGIN

G.1. Submissions by the domestic industry

46. The submissions made by the domestic industry with regard to the normal value, export price and dumping margin are as follows:
- i. China PR should be treated as a non-market economy in accordance with Article 15(a)(i) of China's Accession Protocol and the normal value should be determined in terms of Annexure I, Rule 7 of the Rules.
 - ii. On 11th December 2016, only provisions of Article 15(a)(ii) of China's Accession Protocol expired but that of Article 15(a)(i) continue to remain in force, which require producers to show that they are operating under market economy conditions. The Authority has considered China PR as a non-market economy in all recent investigations unless the exporter / producer demonstrate that they are operating under market economy conditions.
 - iii. In EC-Fasteners, the issue before the Appellate Body was not specifically whether the entire provisions of Article 15(a) or only Article 15(a)(ii) shall lapse on expiry of 15 years and thus, reliance thereupon is not appropriate.
 - iv. No exporter has claimed market economy status, hence, they should be treated as operating in non-market economy.
 - v. The product under consideration is produced in a number of countries, however, the Applicants were not able to identify an appropriate third country.
 - vi. The normal value has been determined based on price payable in India which is based on the cost of production of the domestic industry along with selling, general and administrative cost and reasonable additions of profits.
 - vii. It is not appropriate to assume that the producers in the subject country are operating their plants at most efficient cost of production and normal value should be determined based on actual cost of the domestic industry.

- viii. Export price has been derived on the basis of import data collected from DGCI&S and adjustments have been made for ocean freight, marine insurance, port expenses, bank charges, inland freight and commission to derive net export price.
- ix. The domestic industry has claimed adjustments to export price as per consistent practice of the Authority, and they are not excessive.

G.2. Submissions by other interested parties

47. The submissions made by the other interested parties with regard to the normal value, export price and dumping margin are as follows:
- i. The practice of treating China as a non-market economy was bound to expire on 11th December 2016. However, the Authority has issued separate questionnaire to the exporters in China PR seeking voluminous information with regard to market economy status.
 - ii. Appellate Body report in Fastener case against EU has provided strong justification that China PR should automatically obtain market-economy status.
 - iii. Indian authority should not use surrogate country methodology in calculating normal value for this case, regardless of whether treating China as a market economy country.
 - iv. The claim for dumping margin based on estimates of export price is exaggerated. Dumping margin should be based on response filed by the respondents.

G.3. Examination by the Authority

48. Under Section 9A(1)(c) of the Act, “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);

49. The Authority sent questionnaires to the known producers/exporters from the subject country, advising them to provide information in the form and manner prescribed by the Authority. The following producers/exporters have co-operated in the investigation by filing the prescribed questionnaire responses:
- i. Chongqing International Composites Material Company Limited (CPIC)
 - ii. Jushi Group Company Limited
 - iii. Jushi Group Jiujiang Company Limited
 - iv. Jushi India Fiberglass Private Limited
 - v. Sinoma Jinjing Fibre Glass (Zibo) Company Limited
 - vi. Taishan Fibreglass Inc.
 - vii. Taishan Fibreglass Zoucheng Company Limited

50. The Authority notes the following relevant provisions related to normal value computation under the Anti-Dumping Rules. Provisions under Para 7 and Para 8 of Annexure I to the Anti-Dumping Rules are as under:

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

8. (1) *The term “non-market economy country” means any country which the designated authority determines as not operating on market principles of cost or pricing structures, so that sales of merchandise in such country do not reflect the fair value of the merchandise, in accordance with the criteria specified in subparagraph (3).*

(2) *There shall be a presumption that any country that has been determined to be, or has been treated as, a non-market economy country for purposes of an antidumping investigation by the designated authority or by the competent authority of any WTO member country during the three year period preceding the investigation is a non-*

market economy country. Provided, however, that the non-market economy country or the concerned firms from such country may rebut such a presumption by providing information and evidence to the designated authority that establishes that such country is not a non-market economy country on the basis of the criteria specified in sub-paragraph (3).

- (3) *The designated authority shall consider in each case the following criteria as to whether: (a) the decisions of the concerned firms in such country regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment, are made in response to market signals reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs substantially reflect market values; (b) the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets, other write-offs, barter trade and payment via compensation of debts; (c) such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms, and (d) the exchange rate conversions are carried out at the market rate. Provided, however, that where it is shown by sufficient evidence in writing on the basis of the criteria specified in this paragraph that market conditions prevail for one or more such firms subject to anti-dumping investigations, the designated authority may apply the principles set out in paragraphs 1 to 6 instead of the principles set out in paragraph 7 and in this paragraph.*
- (4) *Notwithstanding, anything contained in sub-paragraph (2), the designated authority may treat such country as market economy country which, on the basis of the latest detailed evaluation of relevant criteria, which includes the criteria specified in sub paragraph (3), has been, by publication of such evaluation in a public document, treated or determined to be treated as a market economy country for the purposes of anti-dumping investigations, by a country which is a Member of the World Trade Organization."*

51. At the stage of initiation, the Authority proceeded with the presumption by treating China PR as a non-market economy country. Upon initiation, the Authority advised the producers/exporters in China PR to respond to the notice of initiation and provide information relevant to determination of whether their data/information could be adopted for the purpose of normal value determination. The Authority sent copies of market economy treatment/supplementary questionnaire to all the known producers/ exporters for providing relevant information in this regard.

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

"Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 ('Anti-Dumping Agreement') and the

SCM Agreement shall apply in proceedings involving imports of Chinese origin into a WTO Member consistent with the following:

- (a) *In determining price comparability under Article VI of the GATT 1994 and the Anti-Dumping Agreement, the importing WTO Member shall use either Chinese prices or costs for the industry under investigation or a methodology that is not based on a strict comparison with domestic prices or costs in China based on the following rules:*
 - (i) *If the producers under investigation can clearly show that market economy conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product, the importing WTO Member shall use Chinese prices or costs for the industry under investigation in determining price comparability;*
 - (ii) *The importing WTO Member may use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product.*
- (b) *In proceedings under Parts II, III and V of the SCM Agreement, when addressing subsidies described in Articles 14(a), 14(b), 14(c) and 14(d), relevant provisions of the SCM Agreement shall apply; however, if there are special difficulties in that application, the importing WTO Member may then use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. In applying such methodologies, where practicable, the importing WTO Member should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.*
- (c) *The importing WTO Member shall notify methodologies used in accordance with subparagraph (a) to the Committee on Anti-Dumping Practices and shall notify methodologies used in accordance with subparagraph (b) to the Committee on Subsidies and Countervailing Measures.*
- (d) *Once China has established, under the national law of the importing WTO Member, that it is a market economy, the provisions of subparagraph (a) shall be terminated provided that the importing Member's national law contains market economy criteria as of the date of accession. In any event, the provisions of subparagraph (a)(ii) shall expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO Member, that market economy conditions prevail in a particular industry or sector, the nonmarket economy provisions of subparagraph (a) shall no longer apply to that industry or sector."*

53. The Authority notes that while the provision of Article 15(a)(ii) of China's Accession Protocol have expired with effect from 11th December 2016, the provision under Article 2.2.1.1 of Anti-Dumping Agreement read with obligation under 15(a)(i) of the Accession

Protocol require the criterion stipulated in Para 8 of the Annexure I of the Anti-Dumping Rules to be satisfied through information/data to be provided in the supplementary questionnaire for claiming the market economy status. The Authority notes that since the responding producers/ exporters from China PR have not submitted information substantiating that they are operating under market economy conditions, the normal value is required to be determined as per provisions of para 7 of Annexure I of the Rules.

Determination of normal value

54. The Authority notes that none of the producers/ exporters from China PR have filed the supplementary questionnaire response to rebut the presumptions as mentioned in para 8 of Annexure 1 of the Rules. Under these circumstances, the Authority has to proceed in accordance with Para 7 of Annexure I to the Rules in this regard.
55. None of the interested parties have provided any information with regard to selection of appropriate surrogate country. The Authority notes that since, PCN methodology has been adopted for fair comparison, therefore, PCN-wise price information of market economy third country could not be obtained. In the absence of any evidence in this regard, the Authority has determined normal value for producers/exporters from China PR on the basis of price paid or payable in India for like products as per Para 7 of Annexure I.
56. In view of the above, the normal value for the product under consideration imported from China PR into India is determined based on cost of production, as optimized for the domestic industry, with reasonable additions for selling, general & administrative expenses and profit margin. Accordingly, the normal value has been constructed for the producers and exporters in China PR for the product under consideration during the period of investigation as given in the dumping margin table.

Determination of export price for cooperating producers and exporters

A. Chongqing Polycomp International Corporation (CPIC)

57. During the period of investigation, CPIC has directly exported subject goods to India. The producer/exporter has claimed adjustments on account of ocean freight, insurance, inland transportation, port and other related expenses, credit cost and bank charges. Accordingly, the net export price at ex-factory level for Chongqing Polycomp International Corporation, China PR has been determined and same is shown in Dumping Margin table below.

B. Jushi Group

58. During the period of investigation, Jushi Group Company Limited and Jushi Group Jiujiang Company Limited have exported subject goods to India. The producers/exporters have claimed adjustments on account of ocean freight, Insurance cost, inland transportation, credit cost, bank charges, commission. The subject goods have been exported to both unrelated

importers/users and related importer in India namely Jushi India Fiberglass Private Limited. Accordingly, the net export price at ex-factory level for Jushi Group Company Limited and Jushi Group Jiujiang Company Limited has been determined and same is shown in Dumping Margin table below.

C. Taishan Group

59. During the period of investigation, Taishan Fiberglass Inc., China PR, has directly exported subject goods produced by itself and part of it sourced from two different related producers/suppliers namely Sinoma Jinjing Fiber Glass (Zibo) Co., Ltd. and Taishan Fiberglass Zoucheng Co., Ltd. China PR. Taishan Fiberglass Inc. China PR, has claimed adjustments on account of ocean freight, insurance, inland transportation, port and other related expenses and credit cost. Accordingly, the net export price at ex-factory level for Taishan Fiberglass Inc. has been determined and same is shown in Dumping Margin table below.

Determination of export price for non-cooperating producers and exporters

60. The normal value and export price for other non-cooperating exporters from China PR has been determined as per facts available taking into account the data examined for the cooperating exporters and the same is mentioned in the dumping margin table.

Determination of dumping margin

61. Considering the normal value and export price, the dumping margin for the subject goods from the subject country has been determined as follows: -

| SN | Name of Producer | Normal Value | Export Price | Dumping Margin | Dumping Margin | Dumping Margin |
|----|---|--------------|--------------|----------------|----------------|----------------|
| | | (USD/MT) | (USD/MT) | (USD/MT) | (%) | (Range) |
| 1 | Chongqing Polycomp International Corporation (CPIC) | *** | *** | *** | *** | 10-20 |
| 2 | Jushi Group Company Limited and Jushi Group Jiujiang Company Limited | *** | *** | *** | *** | 15-25 |
| 3 | Taishan Fiberglass Inc., China PR; Sinoma Jinjing Fiber Glass (Zibo) Co., | *** | *** | *** | *** | 15-25 |

| | | | | | | |
|---|---|-----|-----|-----|-----|-------|
| | Ltd. and Taishan Fiberglass Zoucheng Co., Ltd. China PR | | | | | |
| 4 | Non-cooperative/ residual exporters | *** | *** | *** | *** | 45-55 |

H. DETERMINATION OF INJURY AND CAUSAL LINK

H.1. Submissions by the domestic industry

62. Following submissions have been made by the domestic industry with regard to the Injury and causal link are as follows:

- i. The volume of imports has increased in absolute term and in relation to production and consumption.
- ii. Contrary to claims of the interested parties, volume of imports remained high and did not decline to its original level after the domestic industry commenced production with expanded capacity.
- iii. Contrary to the claims, the imports are not limited to demand-supply gap as the domestic industry had under-utilised capacities, which could cater to demand in India. The domestic producers have capacity to cater to entire demand, if the demand met by undumped imports is excluded.
- iv. The share of subject imports in total imports has increased over the injury period.
- v. The landed price of imports with anti-dumping duty was below the cost of sales of the domestic industry.
- vi. The price undercutting is positive and significant even though the domestic industry is selling at unremunerative prices and incurring losses.
- vii. The imports are suppressing and depressing the prices of the domestic industry.
- viii. The capacity of the domestic industry has increased over the injury period resulting in increase in production. The increase in production is much lower than the increase in capacity.
- ix. Despite ample demand in the country, the capacity utilisation and domestic sales have declined. The capacity utilisation achieved by the domestic industry is only on account of the plant being a continuous one.
- x. In order to dispose of production, the domestic industry has been forced to export at losses. The exports have increased over the injury period.
- xi. The domestic industry has lost its potential market share to the subject imports. The Indian industry as a whole had the capacity to cater to approximately entire Indian demand, however, the market share held by it is much lower.
- xii. The domestic industry is facing accumulation of inventories. The inventory holding period of the domestic industry is significant.
- xiii. Inventory has increased even in relation to production and sale.

- xiv. Number of employees depend upon a number of factors and was bound to increase with increase in capacity.
- xv. The domestic industry incurred losses in the period of investigation.
- xvi. The cash profits of the domestic industry declined over the injury period and the domestic industry has recorded a negative return on capital employed in the period of investigation.
- xvii. The dumping margin is positive and above the de minimis level.
- xviii. The plant of the domestic industry was shut down as the Applicant upgraded its furnace and enhanced its capacity. Such shutdown was abnormal in nature and the effect of the same has been adjusted in the data provided. Even if the effect of such shutdown is segregated, the domestic industry has suffered injury.
- xix. The applicant is required to refurbish its furnace every 10-15 years, and thus, capacity expansion does not show lack of injury. Further, OCIPL was not suffering injury at the time of capacity expansion but suffered injury in the period of investigation.
- xx. Higher depreciation and interest cost due to rebuilding is normal and is not a factor of injury. However, since the domestic industry is allowing depreciation on its new furnace on straight line basis, the depreciation cost will be the same in all years. Even if higher depreciation and interest cost is segregated, EBIDTA shows decline.
- xxi. Domestic industry increased its capacity to meet the demand in India, and such expansion cannot be considered unjustified. Had there been no dumping, the plant of the domestic industry would have been feasible, as is evident from comparison of an un-dumped price to cost of sales of the domestic industry.
- xxii. The closure of OCIPL has not impacted the performance of the domestic industry.
- xxiii. The applicants consume substantial portion of their production captively and the injury should be analysed with information including and excluding captive consumption.
- xxiv. While the overall demand has increased over the injury period, the merchant demand showed fluctuations in the injury period.
- xxv. No other factor has caused injury to the domestic industry, and the injury to the domestic industry is caused due to dumping.
- xxvi. As against the claims of interested parties, it takes only a month to stabilize production in a furnace and hence, it was stabilized before the period of investigation.
- xxvii. Responding to the claims that the domestic industry suffered injury as it expanded capacity for downstream products, while the demand in wind sector showed slow growth, it was submitted that the captive consumption increased by 399%, implying that there was no injury on this account.
- xxviii. Injury analysis pertains to product under consideration and any injury suffered in downstream products is not relevant.
- xxix. Contrary to the claims of the interested parties, the Tribunal has, in a plethora of decisions, consistently taken the view that unless the interested parties demonstrate the need for considering a different return, a return of 22% shall be allowed. Reference to Bridge Stone Tyre Manufacturing Vs. Designated Authority is not appropriate as in that case, the interested parties brought evidence to demonstrate that the global returns for the product were less than 22%.

- xxx. Cost of capacity expansion is not included in the cost of production but capitalized.
- xxxi. Domestic industry has submitted data after segregating the effect of loss of production, which shows that the injury to the domestic industry is not on account of shutdown for expanding capacity.
- xxxii. The reference to LIBOR by interested parties is not appropriate as banks in India charge a mark-up over LIBOR for borrowings in foreign currency. In any case, the domestic industry borrowed in foreign currency only because its related parties were willing to lend money. Thus, interest rate paid by the domestic industry should be compared to the Indian interest rates.
- xxxiii. All transactions with related parties are at arms' length basis which is evident from the fact that the price in the Transfer Pricing Audit Report submitted to the Income Tax Authority every year has not been adjusted by the tax authority. Imports and exports by OCIPL do not have any impact on the injury analysis as they do not form part of the cost and analysis is done for only domestic operations.
- xxxiv. The reference to the investigation into imports of Viscose Rayon Filament Yarn from China PR by interested parties is not appropriate as in that case the financial growth and overall health of the domestic industry was sound whereas in the present case the domestic industry is in losses and suffering negative return on investment.

H.2. Submissions by other domestic producer

- 63. Following submissions have been made by Goa Glass Fibre Limited with regard to the injury are as follows:
 - i. The sales have decreased by approximately 12% in year 19-20 as compared to year 2018-19. The domestic producers are unable to utilise their capacity to optimum level due to the imports of low price products specifically CSM and DR from China and Thailand.
 - ii. The capacity utilization of Goa Glass Fibre Limited has drastically decreased during period of investigation as compared to previous year which has resulted in increased cost of capital employed along with other cost.

H.3. Submissions by other interested parties

- 64. Following submissions have been made by the other interested parties with regard to the injury and causal link are as follows:
 - i. The domestic industry has suffered due to shut down in June-August 2018, due to which it had to resort to importation and stocking up of inventories.
 - ii. The petitioner has suffered as the new furnaces have not stabilized yet.
 - iii. The Authority must assess the impact of closure of units on the performance of the domestic industry.
 - iv. There is no continued dumping or injury, as evident from the fact that OCIPL has gone for capital expansion and refurbishing of its furnaces.

- v. The imports increased in 2018 only because the plant of the petitioner was shutdown for a period of 6 months. The imports have declined to their original level in the period of investigation.
- vi. The petitioner suffered in captive consumption as it expanded its capacity in downstream products, in anticipation of surge in wind demand. However, due to slow growth in wind sector, the petitioner has suffered.
- vii. The domestic industry has suffered injury due to unjustified expansion.
- viii. The loss of production and cost over-run on account of capital cost are being attributed to the imports.
- ix. The petitioner has itself admitted that the imports have declined in relation to production.
- x. The production, capacity and market share of the domestic industry has increased.
- xi. Sales of domestic industry have increased over the injury period.
- xii. Authority must critically examine the fact that the number of employees increased, productivity per day increased but the capacity utilisation and production declined.
- xiii. Increase in stock cannot be taken in isolation for the purpose of determining injury. It must be examined in light of production and sales.
- xiv. Being the largest player in the market, the petitioner is a price giver and not a price taker.
- xv. Even if there is positive price undercutting, the domestic industry has been able to maintain its prices and volume of sales.
- xvi. As per publicly available annual reports, the petitioner has consistent profitability over the last 10 years.
- xvii. Out of the estimated production in China, approximately 85% is consumed by domestic customers. The exports are only due to inability of the Indian producers to cater to the customers.
- xviii. The Authority should adopt return on capital employed earned by the industry when there was no allegation of dumping as reasonable profit margin. 22% return on capital employed is incorrect as:
 - a. Debt portion of capital employed that attracts about 10-12% interest is provided as 22%.
 - b. During global recession allowing such high return is incorrect and is never heard of in any sector.
 - c. Reasonable return means which can be substantiated with reason. The practice of 22% return being granted for many years cannot be a ground for claiming reasonability.
 - d. The 22% return on capital employed was designed in 1987 when all parameters like interest rate, corporate tax etc were different.
 - e. CESTAT in Bridge Stone Tyres Manufacturing V. DA, held that 22% return inflated the price underselling and injury margin which cannot be a true indicator of injury.
 - f. In view of order issued by CESTAT in Hyosung Corporation V. DA, it is mandatory for DGTR to look into issue of inflated return on capital employed and give a reasonable finding as to whether 22% is reasonable.

- g. In European Fertilizers Manufacturer's Association V. Council, the court established that profit margin for arriving at reasonable return should be based on analysis of profit when there was no dumping.
- xix. OCIPL was out of operations from June to August, 2018, and expense cost incurred on capacity expansion has not been segregated by the Authority.
- xx. OCIPL borrowed heavily from its parent company, at significantly higher rates compared to the LIBOR rates, which has led to injury.
- xxi. The transactions of imports and exports between the affiliates are not likely to be at arm's length prices, which can have a bearing on injury analysis.
- xxii. The fact of the present investigation is exactly similar to sunset review investigation into imports of Viscose Rayon Filament Yarn from China PR wherein the Authority held that although subject goods are being imported under their normal value, but the financial growth and overall health of the domestic industry is sound and the duty has served its purpose.

H.4. Examination by the Authority

- 65. The Authority has taken note of various submissions of the domestic industry and the interested parties and has analyzed the same considering the facts available on record and applicable laws. The injury analysis made by the Authority hereunder ipso facto addresses the various submissions made by the interested parties.
- 66. Rule 11 of Anti-Dumping 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, inventory, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Anti-Dumping Rules.
- 67. The interested parties have argued that the domestic industry has suffered injury on account of transactions with related parties not being at arm's length prices. However, the Authority has duly verified the data provided by the domestic industry. The same has been considered for the purpose of present findings.

a) Shutdown of the plant of the Applicant

68. It is noted that the plant of the Applicant was closed from 15th June 2018 to 5th September 2018. The Applicant has submitted that the plant shutdown was of abnormal nature as the same was done for upgradation its furnace and enhancing its capacities. To segregate the injury caused to the domestic industry due to such closure, the Authority has considered the adjusted information as submitted by the Applicants after due verification. Accordingly, the Authority has analysed both the actual and adjusted figures in order to evaluate the effect of subject imports on the performance of the domestic industry.

b) Assessment of demand / apparent consumption

69. The Authority has taken into consideration, for the purpose of the present investigation, demand or apparent consumption of the product under consideration in India as the sum of domestic sales of the domestic industry and other Indian producer and imports from all sources. Further, as the Applicants have consumed substantial portion of their production captively, the demand has been assessed including and excluding captive consumption. The demand so assessed is given in the table below.

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj. | POI |
|----------------------------|---------|---------|---------|---------|-----------------|--------|
| <i>Excluding captive</i> | | | | | | |
| Sales of domestic industry | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 92 | 78 | 106 | 77 |
| Sales of other producer | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 126 | 144 | 144 | 127 |
| Subject imports | MT | 29,735 | 30,735 | 42,500 | 34,853 | 35,378 |
| Other imports | MT | 52,358 | 42,683 | 50,956 | 41,788 | 36,848 |
| Total Demand | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 93 | 102 | 102 | 87 |
| <i>Including captive</i> | | | | | | |
| Sales of domestic industry | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 89 | 84 | 114 | 119 |
| Sales of other producer | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 126 | 144 | 144 | 127 |
| Subject imports | MT | 29,735 | 30,735 | 42,500 | 33,427 | 35,378 |
| Other imports | MT | 52,358 | 42,683 | 50,956 | 40,078 | 36,848 |
| Total demand | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 92 | 104 | 104 | 104 |

70. It is seen that the demand for the subject goods decreased in 2017-18 and thereafter increased in 2018-19. Demand including captive consumption increased in the period of investigation. However, the merchant demand has declined over the injury period.

H.4.1 Volume effect of the dumped imports on domestic industry

a) Import volumes from the subject country

71. With regard to the volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports, either in absolute terms or relative to production or consumption in India. For the purpose of injury analysis, the Authority has relied on the transaction wise import data procured from DGCI&S. The import volumes of the subject goods from the subject country and share of the dumped import during the injury investigation period are as follows:

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj. | POI |
|------------------------|------|---------|---------|---------|--------------|--------|
| Subject imports | MT | 29,735 | 30,735 | 42,500 | 33,427 | 35,378 |
| Other imports | MT | 52,358 | 42,683 | 50,956 | 40,078 | 36,848 |
| Total | MT | 82,093 | 73,418 | 93,455 | 73,505 | 72,226 |
| Imports in relation to | | | | | | |
| Domestic production | % | *** | *** | *** | *** | *** |
| Trend | | 100 | 106 | 149 | 97 | 91 |
| Consumption | % | *** | *** | *** | *** | *** |
| Trend | | 100 | 112 | 138 | 109 | 115 |
| Total Imports | % | 36% | 42% | 45% | 45% | 49% |

72. It is seen that:
- The volume of imports has increased over the injury period. While the volume of imports was higher in 2018-19, the same was on account of shutdown of the plant of the domestic industry. However, as compared to the base year, the volume of imports has increased, despite the duties in force.
 - Similarly, the subject imports in relation to consumption have increased over the injury period. In spite of the duties, the imports continue to command one-fifth of the market.
 - However, the imports have reduced in relation to production, as the domestic industry increased capacity and production.
 - The share of subject imports in total imports has increased throughout the injury period.

H.4.2 Price effect of the dumped imports on the domestic industry

73. With regard to the effect of the dumped imports on prices, it is required to consider whether there has been a significant price undercutting by the alleged dumped imports as compared

with the price of the like product 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 dumped imports from the subject country has been examined with reference to price undercutting, 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 landed price of imports of subject goods from the subject country.

a) Price undercutting

74. 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 has been determined for comparison with the landed value of the dumped imports. In order to ensure a fair comparison, the Authority has calculated the PCN-wise price undercutting.

| Particulars | Unit | Amount |
|-----------------------|--------|--------|
| Net sales realization | Rs./MT | *** |
| Landed price | Rs./MT | 60,536 |
| Price undercutting | Rs./MT | *** |
| Price undercutting | % | *** |
| Price undercutting | Range | 35-45% |

75. It is noted that the subject goods are entering the market at price significantly below the selling price of the domestic industry. The imports are undercutting the prices of the domestic industry in the market.

b) Price suppression/depression

76. 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 | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj. | POI |
|---------------|---------|---------|---------|---------|-----------------|-----|
| Cost of sales | Rs./MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 111 | 134 | 139 | 145 |
| Selling price | Rs./MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 100 | 97 | 97 | 92 |
| Landed price | Rs./MT | *** | *** | *** | *** | *** |

| | | | | | | |
|-------|---------|-----|----|-----|-----|----|
| Trend | Indexed | 100 | 96 | 107 | 107 | 94 |
|-------|---------|-----|----|-----|-----|----|

77. It is seen that cost has increased throughout the injury period, whereas the selling price and landed price has declined over the injury period. Despite the duties in force, the landed price forced the domestic industry to reduce its prices despite an increase in cost of sales. Therefore, the imports have suppressed and depressed the prices of the domestic industry.

H.4.3 Economic parameters of the domestic industry

78. Annexure II to the Anti-Dumping Rules requires that the determination of injury shall involve an objective examination of the consequent impact of dumped imports on the domestic producers of such products. With regard to consequent impact of dumped imports on the 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 capital employed 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.
79. 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

80. Capacity, production, sales and capacity utilization of the domestic industry over the injury period were as below:

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj. | POI |
|----------------------|---------|---------|---------|---------|-----------------|-----|
| Capacity | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 94 | 91 | 121 | 153 |
| Production | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 93 | 88 | 117 | 131 |
| Capacity utilization | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 100 | 96 | 96 | 85 |
| Domestic sales | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 92 | 78 | 106 | 77 |
| Export sales | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 39 | 69 | 94 | 340 |

81. The Authority notes that:
- i. The capacity of the domestic industry has increased over the injury period.
 - ii. The production declined in 2017-18 but increased thereafter in 2018-19 and the period of investigation.
 - iii. The capacity utilization of the domestic industry declined during the period of investigation.
 - iv. The domestic sales have also declined over the injury period.

b) Market share

82. Market share of the domestic industry including and excluding captive consumption and that of imports was as shown in table below:

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj. | POI |
|--------------------------|---------|---------|---------|---------|-----------------|------|
| <i>Including Captive</i> | | | | | | |
| Subject imports | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 112 | 138 | 109 | 115 |
| Other imports | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 89 | 94 | 74 | 68 |
| Domestic industry | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 97 | 81 | 110 | 115 |
| Other producers | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 137 | 139 | 139 | 122 |
| Total | % | 100% | 100% | 100% | 100% | 100% |
| <i>Excluding Captive</i> | | | | | | |
| Subject imports | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 111 | 140 | 115 | 137 |
| Other imports | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 88 | 95 | 78 | 81 |
| Domestic industry | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 99 | 76 | 104 | 89 |
| Other producers | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 135 | 141 | 141 | 146 |
| Total | % | 100% | 100% | 100% | 100% | 100% |

83. It is seen that the market share of the domestic industry in total demand has increased over the injury period, but the market share in merchant demand has declined. This indicates that the domestic industry has been able to increase its market share in total demand only because of higher captive consumption. By comparison, the market share of imports has increased over the period.

c) Inventories

84. Inventory position of the domestic industry over the injury period is given in the table below:

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj. | POI |
|-------------------|---------|---------|---------|---------|-----------------|-----|
| Opening inventory | MT | *** | *** | *** | *** | *** |
| Closing inventory | MT | *** | *** | *** | *** | *** |
| Average inventory | MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 148 | 201 | 201 | 208 |

85. It is seen that the average inventories with the domestic industry increased over the injury period, indicating accumulation of inventories. The average level of inventories has shown an increase of 108% in the period of investigation as compared to the base year.

d) Profitability, cash profits and return on capital employed

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

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj. | POI |
|----------------------------|----------|---------|---------|---------|-----------------|-----|
| Cost of sales | Rs./MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 111 | 134 | 122 | 145 |
| Selling price | Rs./MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 100 | 97 | 97 | 92 |
| Profit/(loss) | Rs./MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 79 | 30 | 51 | -4 |
| Cash profits | Rs. Lacs | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 78 | 43 | 79 | 22 |
| Return on capital employed | % | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 73 | 21 | 30 | 7 |

87. The Authority notes that:

- The profitability of the domestic industry has declined continuously throughout the injury period. The domestic industry has incurred losses in the period of investigation.
- The cash profits have also declined throughout the injury period.
- The return on capital employed has declined throughout the injury period.

88. Some interested parties have submitted that the domestic industry has suffered injury on account of capacity expansion, entailing higher finance and depreciation costs. To examine the same, the Authority has considered the EBIDTA of the domestic industry, as provided by the applicants. It is noted that the EBIDTA of the domestic industry also shows a decline. Therefore, the injury suffered by the domestic industry is not on account of high finance and depreciation costs.

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj. | POI |
|-------------|----------|---------|---------|---------|-----------------|-----|
| EBIDTA | Rs. Lacs | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 78 | 51 | 63 | 34 |

e) **Employment, wages and productivity**

89. The Authority has examined the information relating to employment, wages and productivity, as given below.

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj. | POI |
|---------------------------|----------|---------|---------|---------|-----------------|-----|
| No of employees | Nos | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 112 | 103 | 103 | 109 |
| Productivity per day | MT/Day | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 93 | 117 | 117 | 174 |
| Productivity per employee | MT/Nos | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 83 | 85 | 113 | 120 |
| Wages | Rs. Lacs | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 102 | 104 | 104 | 97 |
| Wages per unit | Rs./MT | *** | *** | *** | *** | *** |
| Trend | Indexed | 100 | 110 | 118 | 89 | 74 |

90. It is seen that number of employees of the domestic industry has increased over the injury period. The productivity of the domestic industry has also increased over the injury period. While wages have increased over the injury period with a decline in POI, the wages per unit have declined over the injury period.

f) **Magnitude of dumping**

91. It is noted that the subject goods are being dumped into India and the dumping margin is positive and significant.

g) **Growth**

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | 2018-19 Adj | POI |
|----------------------------|------|---------|---------|---------|----------------|------|
| Production | % | - | -7 | -6 | 25 | 49 |
| Domestic sales | % | - | -8 | -16 | 15 | -1 |
| Profit/(loss) per unit | % | - | -21 | -62 | -35 | -115 |
| Cash profit | % | - | -22 | -45 | 1 | -48 |
| Return on capital employed | % | - | -27 | -72 | -59 | -67 |

92. It is noted that while the domestic industry was able to achieve a positive growth in respect of production, its position deteriorated with regard to domestic sales, profits/loss, cash profits and return on capital employed.

h) **Ability to raise capital investment**

93. It is noted that the domestic industry has recorded a negative growth in profitability parameters. The domestic industry is incurring losses, even before providing for present interest expenses. This shows that the dumped imports have impacted the ability of the domestic industry to raise capital investment for the product under consideration.

i) **Factors affecting prices**

94. The Authority notes that the landed price of imports declined over the injury period, and is undercutting the prices of the domestic industry, which has created a strain on the prices of the domestic industry. As a result, while the selling price of the domestic industry declined over the injury period, even though the cost of sales increased. Thus, the imports have affected the prices of the domestic industry.

95. On the basis of the limited data provided by the other domestic producer i.e., M/s. Goa Glass Fibre Limited, the Authority notes adverse effects on its economic & financial parameters and positive price undercutting which corroborate similar observations from the applicant domestic industry.

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | POI |
|----------------------|------|---------|---------|---------|-----|
| Capacity | MT | *** | *** | *** | *** |
| Trend | | 100 | 100 | 100 | 119 |
| Production | MT | *** | *** | *** | *** |
| Trend | | 100 | 118 | 139 | 130 |
| Capacity Utilisation | % | *** | *** | *** | *** |
| Trend | | 100 | 118 | 139 | 109 |
| Domestic Sales | MT | *** | *** | *** | *** |
| Trend | | 100 | 126 | 144 | 127 |

| | | | | | |
|-----------------------|--------|-----|-----|-----|-----|
| Net Sales Realization | Rs./Kg | *** | *** | *** | *** |
| Trend | | 100 | 94 | 94 | 89 |

H.4.4 Overall assessment of injury

96. The examination of the imports of the product under consideration and performance of domestic industry clearly shows that:
- i. The volume of imports has increased both in absolute terms as well as in relation to consumption in India.
 - ii. The imports are undercutting the prices of the domestic industry.
 - iii. The imports have suppressed and depressed the prices of the domestic industry.
 - iv. The capacity and production of the domestic industry have increased over the injury period. However, the capacity utilisation and domestic sales of the domestic industry have declined over the injury period.
 - v. The merchant market share of the domestic industry has declined while that of the subject imports has increased over the injury period.
 - vi. The average level of inventories of the domestic industry has increased over the injury period.
 - vii. The domestic industry has incurred losses in the period of investigation.
 - viii. The cash profits of the domestic industry have declined significantly over the injury period.
 - ix. Return on capital employed of the domestic industry has declined significantly over the injury period.
 - x. The number of employees, wages and productivity of the domestic industry have improved.
 - xi. While the production of the domestic industry has shown growth, the profitability parameters and sales have shown negative growth.
 - xii. The imports have impacted the ability of the domestic industry to raise capital investments of the product under consideration.
 - xiii. The dumping margin is positive and significant.
97. In view of the foregoing, the Authority concludes that the domestic industry has suffered material injury, inspite of the duties in force.

H.4.5 Non-attribution analysis and casual link

98. As per the Anti-Dumping 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 has been examined below whether factors other than dumped imports could have contributed to the injury to the domestic industry.

a) Volume and value of imports from third countries

99. It is seen that other than subject imports, major imports are from Bahrain, Egypt and Thailand. However, there is an ongoing investigation on dumping of imports from Bahrain and Egypt. Imports from Thailand are priced much more than the price of the subject imports. Other than these, imports from other countries are negligible in volume. Thus, it cannot be said that imports from other countries are causing injury.

b) Contraction in demand

100. The Authority notes that there is no contraction in demand. Thus, the domestic industry has not suffered any injury on this account.

c) Changes in the pattern of consumption

101. There is no material change in the pattern consumption of the product under consideration which could have caused injury to the domestic industry.

d) Trade restrictive practices

102. The Authority notes that there are no trade restrictive practices, which could have caused injury to the domestic industry.

e) Change in technology

103. The Authority notes that technology for production of subject goods has not undergone a change which could have caused injury to the domestic industry.

f) Productivity

104. The Authority notes that the productivity of the domestic industry has increased over the injury period. Therefore, the domestic industry has not suffered injury on this account.

g) Export performance of the domestic industry

105. The Authority has considered the data for domestic operations only. Any possible deterioration in the export performance of the domestic industry, therefore, cannot be a cause of injury to the domestic industry.

h) Performance of other products

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

H.4.6 Conclusions on causal link

107. While other known factors listed under the Rules have not caused injury to the domestic industry, the Authority notes that the following parameters show that injury to the domestic industry is caused by the dumped imports.
- i. There is significant dumping of the subject goods in India.
 - ii. The dumping of the subject goods has increased the demand for the cheaper imports.
 - iii. The volume of dumped imports has increased in absolute as well as in relation to consumption in India.
 - iv. The merchant market share of the domestic industry has decreased and that of the subject imports has increased.
 - v. While the capacity and production of the domestic industry increased, its sales and capacity utilisation have declined.
 - vi. The domestic industry is facing accumulated inventories.
 - vii. The imports are undercutting the prices of domestic industry.
 - viii. The imports have suppressed and depressed the prices of the domestic industry.
 - ix. The domestic industry has incurred losses in the period of investigation.
 - x. The cash profits of the domestic industry have declined over the injury period.
 - xi. The return on capital employed of the domestic industry has declined significantly and the domestic industry has recorded a negative return on capital employed.
108. The Authority, thus, provisionally concludes that there exists a causal link between the dumping of the subject goods and injury to the domestic industry.

I. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF INJURY

109. In a sunset review investigation, the Authority has to determine whether the subject goods are continuing to enter or likely to enter the Indian market at dumped prices and whether injury to the domestic industry is likely to continue or recur due to these dumped imports if the duty is removed.

I.1. Submissions by the domestic industry

110. The domestic industry submitted as follows with regard to likelihood of continuation or recurrence of dumping and injury –
- i. Imports from subject country are being continuously dumped in India even after imposition of anti-dumping duty. Dumping margin and injury margin has remained high in the previous investigations, however, they are higher in the current investigation.
 - ii. Since the present case is of continued dumping and injury, it is enough to justify continuation of duties. The domestic industry has provided information reasonably available to it.
 - iii. Since the imports increased even during continuation of duties, they are likely to increase further in the absence of duties. Even if imports do not increase, the present volume is sufficient to cause injury to the domestic industry.

- iv. The present case is a fit case for enhancement of duties as dumping has continued even after imposition of duties.
- v. Subject imports have increased more than increase in demand in India. Further, the increase in imports is unjustified as merchant demand in the country has declined.
- vi. The price of imports has declined over the injury period.
- vii. The producers in China PR have surplus capacities as noted by the European Commission. Further, the producers are continuously expanding such capacities. Such surplus capacities are likely to be used to export to India in case of expiry of duties.
- viii. Surplus capacities in subject country are more than the demand in India.
- ix. While the data regarding capacities in China PR provided by the domestic industry shows a slight decline, such decline is only 2%, however, the surplus capacity in China PR is 8 times demand in India.
- x. The imports are priced below the selling price of the domestic industry. In the absence of duties, the price is likely to be lower than the current price and is likely to have a suppressing and depressing effect on the prices of the domestic industry.
- xi. The subject imports have entered the market at an injurious price, in the absence of the duties, the price is likely to be lower.
- xii. In case of expiry of duty, the subject imports are likely to enter at a price lower than the current price. In such a case if the domestic industry does not decrease its selling price, it would lose customers to cheaper imports and is likely to be wiped out from the market.
- xiii. In a situation where the domestic industry reduces its price to the level of subject imports, it will incur losses, cash losses and record a negative return on capital employed.
- xiv. Domestic industry is a smaller producer as compared to the capacities in China PR and will not be able to compete with it in case anti-dumping duty is withdrawn.
- xv. Even if the contention of the responding exporters is accepted that the producers in China PR have only 14% underutilised capacities, even such quantum of surplus capacity is almost three times the entire demand in India.
- xvi. Domestic industry has relied on the European Commission findings for demand in China PR as such information remains the same irrespective of the country conducting the investigation.
- xvii. While the interested parties have claimed that the findings of European Commission should not be relied upon, they have not provided any evidence to show that the findings are not correct.
- xviii. Surplus capacities, volume of imports and diversion of exports are to be seen for producers as a whole in subject country, and not individual producers. The responding producers / exporters have claimed such information confidential and domestic industry is unable to make a comment upon the same.
- xix. If exports from China PR to India are insignificant as compared to domestic sales and third country exports, the same is only due to mammoth capacities installed in the country. Capacity in China PR is 20 times the demand in India.

- xx. The duty cannot be discontinued on an assumption that a producer may start production in India, which may lead to import substitution. New producer may also struggle to find a place in the market due to dumping.

I.2. Submissions by other interested parties

111. The other interested parties submitted as follows with regard to likelihood of continuation or recurrence of dumping and injury –
- i. The petitioner has not provided the information prescribed in Trade Notice 2/2017, with regard to export orientation of producers in subject country and justification why Indian market would be chosen as a destination for exports. Further, the petitioner has only provided estimated data for surplus capacities for 2019 and 2020, without any evidence or authentic source.
 - ii. The petition itself states that the capacity in China has declined between 2019 to 2020.
 - iii. The Jushi Group do not have surplus unutilised capacity which can be used to increase exports to India. The capacity utilisation of the group is high throughout the injury period. In 2018-19 the capacity utilisation was low only due to shutdown of 3 production lines.
 - iv. Claims with regards to excess and underutilised production capacities in China PR are baseless as it is not based on valid documents. Taishan group companies are working with more than 86% of capacity utilisation.
 - v. Taishan group has built capacities so that it becomes cost competitive. Capacities are built to take advantage of economies of scale.
 - vi. The data of Jushi group shows that there is no scope for diversion of domestic or third country sales to India. Exports to India are insignificant as compared to domestic or third country sales.
 - vii. Exports made by the group to the related importer in India are short lived as Jushi India Fiberglass has made investment to manufacture fiberglass in India and the plant is expected to commence soon. It will cater to both domestic and export market and will facilitate import substitution as imports currently made to fulfil demand in India will not be necessary.
 - viii. While the export sales have remained stable, the domestic sales of the Jushi Group have increased. Thus, there is no decline in domestic demand or demand in other countries.
 - ix. Imports are likely to decrease in the future, as there is a manifold increase in demand in China because of domestic infrastructure development and increase in demand in automotive and aviation sector.
 - x. The petitioner has only relied upon the findings of European Commission and not placed any substantive corroborative evidence. The Authority cannot simply rely on the findings of other authorities, which are outdated.
 - xi. Third country anti-dumping investigation should not be considered as every country has its own demand and imports which cannot be compared with others.

- xii. There is no fresh imposition of anti-dumping duty in 2019-20 by any country and there is no reason or incentive for the group to divert its sales to India.
- xiii. The information with respect to likelihood of continuation of dumping and injury should not be accepted especially when there is a consistent track record of 4 years of excellent performance by the domestic industry.
- xiv. The Panel in US – DRAMS held that the totality of factors must lead to the conclusion that further dumped exports are imminent and unless protective action is taken, material injury would recur.

I.3. Examination by the Authority

112. The present investigation is a sunset review of anti-dumping duties imposed on the imports of the subject goods from the subject country. Under the Rules, the Authority is required to determine whether continued imposition of anti-dumping duty is warranted. This also requires an examination of whether the duty imposed is serving the intended purpose.
113. The Authority notes that the likelihood for continuation or recurrence of dumping and consequent injury is to be evaluated for the subject country as a whole and not with respect of individual producers / exporters. The Authority has undertaken a detailed analysis regarding the likelihood of continuation and recurrence of dumping and injury to the domestic industry as given below.
114. Further, the Authority has also examined other relevant factors having a bearing on the likelihood of continuation or recurrence of dumping and consequent injury to the domestic industry. The examination of the parameters of likelihood is as follows:

a. Continued dumping of the subject goods

115. Despite the anti-dumping duties in force, dumping of the subject goods has continued. This shows that in the event of expiry of duty, the dumping is likely to continue, or even intensify.

b. Increase in imports despite duties

116. The details of subject imports in the present investigation are as follows:

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | POI |
|--------------------|-------------|----------------|----------------|----------------|------------|
| Subject imports | MT | 29,735 | 30,735 | 42,500 | 35,378 |

117. The Authority notes that the volume of imports of the product under consideration have increased consistently till 2018-19. The volume declined in the period of investigation as compared to 2018-19. However, the volume of imports were higher in 2018-19 due to shutdown of the plant of the domestic industry. As compared to the base year, the volume of imports has increased in the period of investigation.

c. Increase in imports more than increase in demand

118. The details of demand and volume of imports are as follows:

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | POI |
|---------------------------------------|---------|---------|---------|---------|-----|
| Subject imports | MT | *** | *** | *** | *** |
| Trend | Indexed | 100 | 103 | 143 | 119 |
| Total demand <i>excluding captive</i> | MT | *** | *** | *** | *** |
| Trend | Indexed | 100 | 93 | 102 | 87 |
| Total demand <i>including captive</i> | MT | *** | *** | *** | *** |
| Trend | Indexed | 100 | 92 | 104 | 104 |

119. The Authority notes that the volume of subject imports has increased but the merchant demand in the country has declined. Even when compared to the total demand in the country, it is seen that the volume of imports has increased more than the increase in demand in the country.

d. Production capacities held by producers in the subject country

120. With regard to production capacities held by the producers in the subject countries, the Authority notes that the European Commission vide Commission Implementing Regulation (EU) 2017/724 has noted as under.

“(49) The total production of glass fibres in the PRC during the review investigation period exceeded the domestic consumption by more than 700 thousand metric tonnes, of which around 90 % were exported to other third countries, and around 10 % to the Union. The excess capacity in the PRC during the review investigation period was estimated at around 150 thousand metric tonnes, which is equivalent to more than 15 % of the total Union consumption (see recital (68) below). Based on estimates, the excess capacity in the PRC more than doubled in 2016 to around 300 thousand tonnes or 30 % of the total Union consumption.

(50) Despite this excess capacity and the forecasted slowdown in growth of the domestic demand in 2016, Chinese glass fibre producers continued to build capacity in the PRC and in other third countries targeting the Union market.”

121. The Authority notes that the production in the subject country exceeds the domestic demand significantly. Further, the excess capacity in China PR was about 300 thousand tonnes, which translates to 1.74 times the demand in India.

| Particulars | Unit | 2016-17 |
|------------------------------|----------|---------|
| Exportable production (2016) | ‘000 ton | 700 |
| Surplus capacity (2016) | ‘000 ton | 300 |
| Demand in India (POI) | ‘000 ton | 165 |

| | | |
|---|---|------|
| Surplus capacity in relation to demand in India | % | 182% |
|---|---|------|

Thus, the producers in China PR have significant surplus capacities.

e. Decline in price of imports

122. The details regarding the price of subject imports are as follows:

| Particulars | Unit | 2016-17 | 2017-18 | 2018-19 | POI |
|-------------|--------|---------|---------|---------|--------|
| CIF price | Rs./MT | 58,488 | 56,045 | 61,933 | 54,537 |

123. It is noted that the price of subject imports declined in 2017-18. Thereafter, it increased in 2018-19 as compared to the previous year. In the period of investigation, the import price declined once again. The import price in the period of investigation was lower than that in the base year.

f. Imports below cost of sales of the domestic industry

124. The Authority notes that the imports price with anti-dumping duty is below the cost of sales and non-injurious price of the domestic industry. The imports have entered the market at a price injurious to the domestic industry.

J. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES

J.1. Submissions by the domestic industry

125. The following submissions have been made by the domestic industry with regards to Indian industry's interest:

- i. The domestic industry is in losses, and thus it cannot be said that the anti-dumping duty has served its purpose.
- ii. Imports of H-glass in India is merely 1,110 MT, while the supply of H-glass by domestic industry is higher. Therefore, the contention that the consumers have to rely on imports for H-glass is without merit.
- iii. While the interested parties have raised concerns that the downstream units would be forced to close, they have not provided information regarding closure of even one unit during the life of the duty.
- iv. Despite anti-dumping duty having been force for 10 years, the demand has increased, which shows growth in downstream product.
- v. Anti-dumping duty has not had an impact on the performance of the user industry as all users have witnessed increase in revenue and profits between 2016-17 to 2018-19. No evidence of adverse impact on public interest has been furnished.

- vi. Despite anti-dumping duty has been in force for 10 years, the imports have increased, and thus, the concern that duties would cut the regular supply of subject goods is unfounded.
- vii. The measures cannot be treated as preventing the domestic industry from improving the technology as the interested parties have themselves claimed that the domestic industry is selling the goods for which the producers in other countries do not have the technology to produce.

J.2. Submissions by other interested parties

126. The following submissions have been made by the other interested parties with regards to Indian industry's interests:
- i. The petitioners are enjoying protection of anti-dumping duty for 10 years. The duty has served its purpose and is not further required to be recommended.
 - ii. Creating barriers for fair international trade has more severe cascading ill effects on the domestic economy as it may lead to monopoly of a giant domestic industry.
 - iii. Continued imposition of anti-dumping duty will cut the source of regular supply of subject goods and would cause negative impact on public interests in India.
 - iv. Inappropriate protective measures may make domestic industry reluctant to improve production technology and efficiency. Rising prices will cause shrinking of downstream industry and decline in demand. It may also deteriorate relationship between Indian industry and downstream users.
 - v. The user industry consists of a large number of MSMEs, and the subject goods constitute 30-40% of their cost. The user industry has been suffering from shortage of materials, delayed deliveries and price extortion on the hands of the domestic industry.
 - vi. The consumers have to depend upon import of H-glass, which is captively consumed by the domestic industry, and other glass, as the domestic production is grossly insufficient.

J.3. Examination by the Authority

127. The Authority notes that the purpose of anti-dumping duty, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market which is in the general interest of the country. Imposition of anti-dumping measures would not restrict imports from the subject country/territory in any way, and, therefore, would not affect the availability of the product to the consumers.
128. It is recognized that the imposition of anti-dumping duty might affect the price levels of the product manufactured using the subject goods and consequently might have some influence on relative competitiveness of this product. However, fair competition in the Indian market will not be reduced by the anti-dumping measure, particularly if the levy of the anti-dumping

duty is restricted to an amount necessary to redress the injury to the domestic industry. On the contrary, imposition anti-dumping measure would remove the unfair advantages gained by dumping practices, prevent the decline in the performance of the domestic industry and help maintain availability of wider choice to the consumers of the subject goods.

129. The Authority notes that even after imposition of anti-dumping duty for over a decade, the volume of imports has consistently increased over the injury period. The imports are priced below the cost of sales of the domestic industry. The imports have entered the market at an injurious price to the domestic industry due to which it has recorded a negative growth in terms of profitability parameters and domestic sales.
130. The Authority notes that even though the duties were in force, the user industry has witnessed increase in revenues and profits. Further, the demand for the subject goods has also increased over the period, which indicates growth of the downstream industry.

Figures in Rs. lakhs

| Name of User | Particulars | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|-------------|---------|---------|---------|
| Aeron Composites Pvt. Ltd. | Revenue | 2,982 | 5,151 | 7,234 |
| | Profit | 105 | 174 | 304 |
| Arvind PD Composites Ltd. | Revenue | 5,671 | 5,695 | 7,319 |
| | Profit | 281 | -84 | 423 |
| EPP Composites Ltd. | Revenue | 11,844 | 17,829 | 26,312 |
| | Profit | 641 | 1,063 | 1,752 |

Source: MCA

131. Further, the interested parties have provided no cogent evidence demonstrating an adverse impact of the duties in force on the operations of the downstream industry. While it has been claimed that the duties would adversely impact the downstream industry, the same has not been substantiated. To the contrary, the duties in force have not prevented the growth of the domestic industry.
132. The Authority notes that the purpose of anti-dumping duty, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country.
133. It is recognized that the imposition of anti-dumping duty might affect the price levels of the product manufactured using the subject goods and consequently might have some influence on relative competitiveness of this product. However, fair competition in the Indian market will not be reduced by the anti-dumping measure, particularly if the levy of the anti-dumping duty is restricted to an amount necessary to redress the injury to the domestic industry. On the contrary, imposition of anti-dumping measure would remove the unfair advantages

gained by dumping practices, prevent the decline in the performance of the domestic industry and help maintain availability of wider choice to the consumers of the subject goods.

K. MAGNITUDE OF INJURY MARGIN

134. 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 non-injurious price of the product under consideration has been determined by adopting the verified information/data relating to the cost of production for the period of investigation. The non-injurious price of the domestic industry has been worked out and it has been compared with the landed price from each of the producers/exporters from the subject country for calculating injury margin. The injury margin for the non-cooperative exporters has been determined based on the facts available with the Authority.

| SN | Name of producers | Non-injurious price | Landed price | Injury margin | Injury margin | Injury margin |
|----|---|---------------------|--------------|---------------|---------------|---------------|
| | | (USD/MT) | (USD/MT) | (USD/MT) | (%) | (Range in %) |
| 1 | Chongqing Polycomp International Corporation (CPIC) | *** | *** | *** | *** | 5-15 |
| 2 | Jushi Group Company Limited and Jushi Group Jiujiang Company Limited | *** | *** | *** | *** | 25-35 |
| 3 | Taishan Fiberglass Inc., China PR; Sinoma Jinjing Fiber Glass (Zibo) Co., Ltd. and Taishan Fiberglass Zoucheng Co., Ltd. China PR | *** | *** | *** | *** | 25-35 |
| 4 | Non-cooperative / residual exporters | *** | *** | *** | *** | 50-60 |

L. POST DISCLOSURE COMMENTS

L.1. Submissions of domestic industry

135. The domestic industry has emphasized on the following issues:

- a. Imposition of anti-dumping duty will be in public interest as it will prevent injury to the domestic industry and enable the domestic producers to remain viable and competitive.
- b. Imposition of anti-dumping duty is in interest of the consumers as, if the consumers become dependent upon imports, they will have to maintain higher inventories and may be forced to pay higher prices.
- c. There is no evidence of adverse impact on the users, as although the duties have been in force since 2010, the demand for the subject goods have increased and the performance of the users has improved during the life of the anti-dumping duty.
- d. The imports from non-subject countries declined due to dumping from China PR, Bahrain and Egypt. In case of availability of imports at fair prices, the import from non-subject countries is likely to increase which would fulfill the demand-supply gap in India.
- e. Imposition of anti-dumping duty does not restrict imports from the subject countries but only ensures that these are available at fair prices.
- f. It is necessary to provide a level playing field to the Indian industry in order to protect the investment made by the applicant and encourage further investment to reduce the demand-supply gap.
- g. The applicant has been taking steps towards energy conservation and sustainable development. It has installed patented technology in its plant to reduce greenhouse gas emission in line with the Kyoto Protocol to which India is a signatory.
- h. The support provided by the Government of China PR to the producers / exporters have destroyed fair competition in India. The producers / exporters acknowledge that their costs and prices are affected by government intervention which is evident from the fact that none of the parties have filed for a market economy treatment.
- i. In a situation where duties are imposed and preference is given to the domestic product, India will be able to save substantial amount of forex and will move towards achieving the objectives of AatmaNirbhar Bharat.

L.2. Submissions of other interested parties

136. Apart from reiterating their earlier submissions, the other interested parties have submitted as under:
 - a. The name of the company should be considered as “Taishan Fiberglass Inc., Sinoma Jinjing Fiber Glass (Zibo) Co., Ltd. and Taishan Fiberglass Zoucheng Co., Ltd.” while issuing the final findings and the same maybe reflected in the duty table.
 - b. The name of the company should be considered as “Chongqing Polycomp International Corp.” while issuing the final findings and the same maybe reflected in the duty table.
 - c. H-glass was not produced in the country at the time of original investigation. OCIPL started producing H-glass some time in 2015-16 at its Thimmapur plant which was shut down in December 2017. OCIPL set up a new furnace at Taloja which started producing the H-glass during year 2019 only. This capacity is entirely dedicated to its captive consumption for producing fabrics or exports and this

product is not supplied in the merchant market. Therefore, effectively there is no production of H-glass for the merchant market in India and hence should not be included in the scope of product under consideration.

- d. There is error in determination of total weighted average export price for Jushi Group.
- e. Ex-factory export price should be determined at the level of producers for goods exported by producer.
- f. Separate likelihood of dumping and injury determination should be made for individual exporters or producers in a sunset review. Article 11.3 of Anti-dumping Agreement does not preclude authorities from making separate likelihood determinations for individual exporters or producers in a sunset review. Separate assessment of likelihood for 3 groups of producers/exporters from subject country will permit objective examination and will not create unreasonable burden on the Authority.
- g. There is no idle capacity with Jushi group. The export sales to India are insignificant as compared to domestic sales and other country sales. There is no reason for Jushi Group to divert exports to other countries or domestic sales to India.
- h. Planned investment in India by Jushi Group will facilitate import substitution and therefore, there will not be any need for continuation of imports from Jushi Group from China PR.
- i. The Authority has failed to appreciate any submissions of more than 100 MSME user industries submissions in the investigation and only considered all the submissions of domestic industry relevant.
- j. The Authority has disregarded the submissions on adoption of PCN methodology made by interested parties by stating that the comments received is beyond the notified timelines. By this the Authority has shrug its responsibility to make a fair determination and to adopt an appropriate comparison methodology.
- k. Contradictory to what has been stated in the present disclosure statement, it has accepted the submissions of the domestic industry beyond the mandatory timelines, in the Mid-term Review investigation concerning the Glass Fibre and Articles thereof from China PR.
- l. The Authority has stated that since the domestic industry has supplied only a small quantity of 1,289 MT of H-glass in the market, separate PCN-wise analysis would not make any material difference. This logic is not legally correct and has an impression of bias. The whole purpose of adopting a PCN methodology would be refuted if the PCNs are skewed and do not capture the essential characteristics of the product in question.
- m. The Authority has held that H-glass and ECR glass are similar in terms of the manufacturing process. This statement is grossly incorrect and reflect views of domestic industry. Despite providing voluminous information, including the domestic industry's own report of 30th March 2021, wherein domestic industry itself has provided the technical differences between H-glass and ECR glass, the Authority has denied these crucial facts.

- n. The Authority goes on to hold that H-glass cannot be excluded from the scope of product under consideration by stating that since only those products which have been imported during the period of investigation and the domestic industry has not supplied like articles, can be excluded from the scope. This peculiar and in contravention with a well-established practice of excluding those products which have not been imported into India.
- o. The clear intention of the domestic industry to include H-Glass in the scope of product under consideration and to cover it under one PCN with ECR is to inflate the normal value through construction methodology and non-injurious price by including the cost of H-Glass.
- p. The Authority is trying to create a new jurisprudence by including a non-existent producer for determining the standing of domestic industry. It has justified the inclusion by stating that since both are related parties, they are required to be treated as single entity. By this logic the performance of all the business activities of a conglomerate should be considered for the determination of the injury to an applicant irrespective of the fact whether it is in production of the subject goods or not.
- q. The Authority in the past investigations, including uncoated copier paper from Indonesia, Thailand, and Singapore; viscose staple fibre excluding bamboo fibre from China PR and Indonesia and mid-term review investigation concerning anti-dumping duty imposed on imports of sodium tripoly phosphate (STPP) from China PR, has ruled that the industry which ceased its production must be excluded from the scope of domestic industry.
- r. The Authority even after acknowledging the fact that the domestic industry has imported the subject goods from its affiliates in the subject country as well as from other countries throughout the injury period, still goes on to hold that this does not disentitle the applicant to file the present sunset review.
- s. Publicly available information of another minor domestic producer i.e. 3B Goa Glass, shows that this company was doing very well. By not considering and analysing this fact, the Authority has gone against a well-established practice of examining the performance of other domestic producer in order to get a holistic understanding of the effects of alleged dumping.
- t. The Authority held that the captive consumption should also be considered for the determination of share of Applicants in total production. This observation is a grave error of law as it is a set principle established in Pig Iron Mfrs. Asscn. Vs. Designated Authority, that captive consumption shall be excluded from the scope of total production of domestic industry.
- u. The Authority failed to appreciate that the domestic industry has claimed unwarranted confidentiality on many counts. The domestic industry has not provided transaction-wise import data. Further, even the Annual Reports have been kept confidential by the domestic industry.
- v. The domestic industry has created a monopoly in India and ruling the market with discriminatory price policies. They were never constrained in the domestic market.

- In fact, in the last 6 months alone the domestic industry has increased the prices thrice taking advantage of its monopolistic position and anti-dumping duty in force.
- w. Anti-Dumping Rules cast a mandatory obligation on the Authority to review the duty from time to time on suo-moto, or on the basis of positive information received by it about the changed circumstances. Non-production of domestic industry is definitely a major change in circumstances. The domestic industry was under moral and legal obligation to bring this fact before the Authority, as has been done in past investigations including that on import of sodium tripoly phosphate (STPP) from the China PR, wherein the domestic industry approached the Authority informing that they have mothballed their STPP plant, and requested for discontinuation of duty. However, the Authority has blind folded its eyes and shifting the onus of domestic industry on user industry.
 - x. The user industry being largely in MSME sector are scattered all over the country, have neither the resources nor the knowledge to agitate all the issues before the Authority.
 - y. The Authority in the disclosure statement noted that anti-dumping duty shall continue till the time injury is likely to continue or recur. The Authority has not appreciated that general and prevalent practice that there should be a real sunset of anti-dumping after one extension and the investigating authorities should be extremely circumspect while initiating and continuing an investigation for further extension.
 - z. The imports from the subject country remained constant except when the user industry and the domestic industry were forced to import due to zero production of product under consideration in 2018. In the year 2019, the imports reduced by 16.79%, which is further anticipated to fall due to the demand of subject goods in the subject country.
 - aa. There is no price suppression and depression as the domestic industry has increased the selling price of the product under consideration by more than 30% post-POI.
 - bb. The inventory levels are due to the intentional build up during the period of the capacity addition by the domestic industry.
 - cc. The conclusion that the return of investment was negative is not correct as the actual loss occurred due to the high interest, finance cost, high depreciation and amortization expense in 2018-19 and 2019-20.
 - dd. The injury, if any is due to their own restructuring, shutdown etc. immediately prior to or during the period of investigation and has nothing to do with the alleged dumped imports from the subject country, thereby negating the causal links.
 - ee. With regards to likelihood of injury, it is required to be noted that the increase in imports took place only during 2018 and the imports decreased by 16.76% in the year 2019, which is further anticipated to decrease as the demand of subject goods increases in the subject country. Further, 85% of the estimated production in China is consumed by domestic customers. Current global demand supply position is such that Chinese capacity after meeting its domestic demand is not sufficient to meet global short fall in demand.

- ff. The domestic industry has been under protection of anti-dumping duty for over 10 years now and has grown manifold as can be seen in its annual reports. Now, the imposition of duty is not warranted.
- gg. The Authority concluded that the user industry has witnessed an increase in revenues and other profits. However, it is required to be note growth of downstream industry is due to business activities undertaken by them. These industries are ailing due to the unreasonable and monopolistic pricing policy of domestic industry. The interested parties have highlighted the issue time and again and on 27th May, 2021, filed a detailed impact analysis of the duties. However, no heed was paid.
- hh. These user industries employ thousands of workers. The glass fibre constitute over 30-40% of the cost of their final products. These user industry has been suffering shortage of materials, delayed deliveries, prior extortion at the hand of domestic industry. Due to the continued anti-dumping duty on imports from China PR, the user industry is badly affected and even when the applicant was not able to cater the demand, these MSMEs were paying anti-dumping duty for the imports from China PR.

L.3. Examination by the Authority

- 137. The submissions by the interested parties were mostly repetitive in nature, and have already been addressed at the relevant place in the finding. The Authority has examined the relevant submissions, claimed not to have addressed, herein below.
- 138. With regard to the contention that separate analysis of likelihood should be undertaken for the Jushi Group, it is noted that the exporters have been found to be dumping the subject goods during the period of investigation. In view of the continued dumping, it cannot be concluded that no dumping is likely in the event of expiry of duty.
- 139. With regard to the contention that Goa Glass Fibre Limited is doing well and its parameters have not been analyzed, it is noted that the performance Goa Glass Fibre Limited has already been analyzed in the finding hereinabove. The data filed shows adverse effect of imports on its parameters.
- 140. With regards to the contention that captive consumption should not be considered while evaluating the share in production of the domestic industry, it is noted that it is a consistent practice of the Authority to take captive consumption into account while determining the share of the domestic producers in the Indian production. Further, even if the captive consumption is not considered in the current investigation, the applicant will still account for major proportion of the domestic production in India.
- 141. With regards to exclusion of H-glass in the scope of product under consideration and also not to cover it under one PCN with ECR glass, it is noted that the raw materials consumed for both ECR and H Glass are mostly common, with only a few raw materials (less than 10%) being different. Both the products are produced with similar technical process i.e., with

almost similar chemicals, at almost the same furnace temperature, followed with the processes of winding, drying and packaging. The process used for the production of both the product types also remains almost the same. The equipment used for the goods are also overlapping. Therefore, there is no difference between H glass and ECR glass, in terms of the production process, barring a slight difference in raw material and temperature of furnace. The available data shows that the cost difference between the two cited sub-types is not significant i.e., less than 5%. As per the American Society for Testing and Materials (ASTM) D578 standards, H glass does not have a separate nomenclature and this terminology is used in commercial/usage parlance under the broad category of advanced version of ECR glass. H-glass has been stated to be used for wind blade applications on account of its better technical properties as compared to ECR. The Authority recalls the Mid-Term Review dated 3rd October 2020 wherein the glass fibre roving used for production of wind grade fabrics for wind mill blade sought to be excluded by the user industry was not considered.

142. The requests for correction in name and ex-factory export price have been addressed in this finding.

M. CONCLUSION

143. Having regard to the contentions raised, submissions made, information provided and facts available before the Authority as recorded above and on the basis of the above analysis of dumping and consequent injury to the domestic industry, the Authority concludes that:
- b. The product under consideration has been exported at dumped prices from the subject country.
 - c. The domestic industry has suffered material injury.
 - d. There is causal link between dumping of the subject goods and material injury suffered by the domestic industry.
 - e. There is likelihood of continuation of dumping and injury, in the event of expiry of duty.

N. RECOMMENDATIONS

144. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the domestic industry, Embassy of the subject country, exporters, importers and other interested parties to provide positive information on the aspect of dumping, injury, causal link and likelihood of continuation or recurrence of dumping and injury. Having initiated and conducted an investigation into dumping, injury, causal link and likelihood of continuation or recurrence of dumping and injury in terms of Rules and having established positive dumping margin as well material injury to the domestic industry caused by such imports as well as likelihood of continuation of dumping and injury, the Authority is of the view that continuation of anti-dumping duty is necessary.

145. Therefore, Authority recommends continuation of anti-dumping measure as an ad valorem duty, to be worked out as a percentage of the CIF value of imports of the subject goods from the subject country. Accordingly, anti-dumping duty equal to the amount arrived at by applying the percentage indicated in Col 7 of the duty as below is recommended to be imposed on all imports of subject goods originating in or exported from China PR.

Duty Table

| S.No. | Heading | Description of goods | Country of Origin | Country of Export | Producer | % of CIF Value |
|-------|---------|---------------------------------|-------------------|-------------------|---|----------------|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 1. | 7019 | *Glass Fibre as described below | China PR | China PR | Taishan Fiberglass Inc. | 18.36 |
| 2. | 7019 | *Glass Fibre as described below | China PR | China PR | Sinoma Jinjing Fiber Glass (Zibo) Co., Ltd. | |
| 3. | 7019 | *Glass Fibre as described below | China PR | China PR | Taishan Fiberglass Zoucheng Co., Ltd | |
| 4. | 7019 | *Glass Fibre as described below | China PR | China PR | Jushi Group Jiujiang Company Limited | 18.49 |
| 5. | 7019 | *Glass Fibre as described below | China PR | China PR | Jushi Group Company Limited | |
| 6. | 7019 | *Glass Fibre as described below | China PR | China PR | Chongqing Polycomp International Corp. | 8.67 |
| 7. | 7019 | *Glass Fibre as described below | China PR | China PR | Any other than mentioned in S.No. 1. to 6. | 49.90 |

(*) glass fibre, including glass roving (assembled rovings (AR), direct rovings (DR)), glass chopped strands (CS), glass chopped strands mat (CSM). Specifically excluded from the scope of product under consideration are glass wool, fibre glass wool, fibre glass insulation in wool form, glass yarn, glass woven fabrics, glass fibre fabric, glass woven rovings, chopped strands meant for thermoplastic applications, micro glass fibre with fibre diameter in the range of 0.3 to 2.5 microns, surface mat / surface veil / tissue, wet chopped strands and Cemfil (alkali resistant glass fibre for concrete reinforcement).

146. 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 Customs Tariff Act, 1975.

O. FURTHER PROCEDURE

147. An appeal against the order of the Central Government arising out of this final findings shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act.



(Anant Swarup)

Joint Secretary & Designated Authority