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**F. No. 6/29/2017-DGAD
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 30th July, 2018

NOTIFICATION

FINAL FINDINGS

Subject: Anti-dumping investigation concerning imports of “Sodium Nitrite” originating in or exported from Russia.

F.No.6/29/2017-DGAD: Having regard to the Customs Tariff Act 1975 as amended from time to time (hereinafter referred to as the Act) and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, (hereinafter referred to as the Rules) thereof, whereas , M/s Deepak Nitrite Ltd (hereinafter referred to as the applicant/domestic industry) had filed an application before the Designated Authority (hereinafter referred to as the Authority), in accordance with the Act, and the Rules, alleging dumping of Sodium Nitrite (hereinafter referred to as the subject goods or product under consideration), originating in or exported from Russia (herein after also referred to as subject country) and requested for initiation of an investigation for levy of anti-dumping duties on the subject goods.

2. AND WHEREAS, the Authority, on the basis of sufficient prima facie evidence of dumping, injury and causal link submitted by the applicant, issued a public notice dated 19th December, 2017, in accordance with Rule 6(1) of the Rules, published in the Gazette of India, Extraordinary, initiating Anti-Dumping investigations concerning imports of the subject goods, originating in or exported from the subject country, to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which, if levied would be adequate to remove the injury to the domestic industry

A. Procedure

3. Procedure described below has been followed with regard to this investigation by the Authority.
- i. In terms of sub-Rule 5 of Rule 5, the Authority notified the Embassy of the subject country in India about the receipt of the application from the domestic industry requesting for initiation of antidumping investigation.
 - ii. The Embassy of the subject country in New Delhi was also informed about the initiation of the investigations in accordance with Rule 6(2).
 - iii. The Designated Authority sent copy of initiation notification to the Embassy of the subject country in India, known exporters from the subject country, known importers in India and other interested parties, as per the information available with it, as well as the domestic industry. Parties to this investigation were requested to file questionnaire responses and make their views known in writing within prescribed time limit. Copies of the letter, petition and questionnaire sent to the exporters, were also sent to the Embassy of the subject country along with a list of known exporters/ producers with a request to advise the exporters/producers from the subject country to respond to the questionnaire within the prescribed time.
 - iv. Copy of the non-confidential version of the petition filed by the domestic industry was made available to the known exporters and the Embassy of the subject country in accordance with Rule 6(3) supra.
 - v. Exporters' Questionnaires was sent to the following known producers/exporters from the subject country in accordance with the Rule 6(4) to elicit relevant information.
 - a. M/s UCC Ural Chem
 - vi. The following producers/exporters, exporting the subject goods originating in or exported from the subject country, have filed questionnaire responses:
 - a. M/s Trigon Gulf FZCO
 - b. M/s Cosmoss VU Limited
 - c. M/s SIA Uralchem Trading
 - d. M/s Uralchem Trading House, LLC
 - e. M/s JSC United Chemical Company Uralchem, Russia
 - vii. Apart from the above responses, the Trade Representation of the Russian Federation filed its submissions in the form of comments by the Ministry of Industry and Trade of the Russian Federation.

- viii. Questionnaires were sent to the following known importers and consumers of the subject goods in India calling for necessary information, in prescribed formats, in accordance with Rule 6(4):
- a. M/s Ahmedabad Chemicals
 - b. M/s Asiatic Industries
 - c. M/s Aries Dyechem Inds.
 - d. M/s Bakul Aromatics & Chemicals Limited
 - e. M/s B. I. Mehta
 - f. M/s Caffil Pvt. Ltd.
 - g. M/s Dintex Dyechem Limited
 - h. M/s Dynamic Industries Limited
 - i. M/s Enzel Chem(I) Pvt. Ltd.
 - j. M/s Farmson Pharmaceuticals
 - k. M/s Indocol Chem Ltd.
 - l. M/s Island Veerchemie
 - m. M/s Jansons Limited
 - n. M/s Ketul Chem Pvt. Ltd.
 - o. M/s Metrochem Industries,
 - p. M/s Manish Chemicals
 - q. M/s Parsin Chemicals Limited
 - r. M/s Prabava Exports
 - s. M/s Ravi Dyewear Co. Ltd.
 - t. M/s Roha Dyechem M/s
 - u. M/s Savakashi Dye – O – Fab
 - v. M/s SU – Vi Chemicals Ltd.
 - w. M/s Suven Pharmaceuticals Limited
- ix. None of the importers/users of the subject goods have filed the importer questionnaire responses. However, one of the importers named M/s Sandeep Organics Limited has submitted a letter opposing the petition for imposition of anti-dumping duty.
- x. 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 was received by the Authority. The Authority has relied upon the DGCI&S data for computation of the volume of imports after due examination of the import transactions data of the subject goods after discarding the data concerning unrelated products;
- xi. The Authority made available non-confidential version of the evidences presented by various interested parties in the form of a public file kept open for inspection by the interested parties;

- xii. Optimum cost of production and cost to make and sell the subject goods in India, based on the information furnished by the petitioner on the basis of Generally Accepted Accounting Principles (GAAP), was worked out so as to ascertain whether anti-dumping duty lower than the dumping margin would be sufficient to remove injury to domestic industry. The Non-injurious price (NIP) has been determined by the Authority in terms of the principles laid down under Annexure III to the Anti-dumping Rules;
- xiii. The Authority held an oral hearing on 10.04.2018 to provide an opportunity to the interested parties to present relevant information orally in accordance with Rule 6 (6), which was attended by the representatives of domestic industry and other interested parties. The interested parties who presented their views orally at the time of oral hearing were advised to file written submissions of the views expressed orally. The interested parties were provided opportunity to offer rejoinder submissions to the views expressed by opposing interested parties.
- xiv. On the spot verification of the data of the domestic industry as well as that of the cooperating exporters, was carried out to the extent considered necessary.
- xv. The submissions made by the interested parties during the course of this investigation, wherever found relevant, have been addressed by the Authority, in this notification.
- xvi. 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.
- xvii. 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 its observations in this notification on the basis of the facts available.
- xviii. *** in this Notification represents information furnished by the interested parties on confidential basis and so considered by the Authority under the Rules.

- xix. Investigation was carried out for the period of investigation starting from October 2016 to September 2017 (12 months). However, the injury investigation covers the period 2014-15, 2015-16, 2016-17 and the POI.
- xx. The Authority has taken weighted average exchange rate for the POI (October 2016 to September 2017) as 1 USD= Rs 66.70.

B. Product under Consideration and Like Article

B.1 Views of the Domestic industry

4. The domestic industry has made following submissions with regard to the scope of product under consideration:
- i. The product under consideration in the present petition is “Sodium Nitrite”, also known as SNI, in all its forms. Sodium Nitrite is an inorganic chemical and is oxidizing and reducing agent. It is a white crystalline powder mostly used in pharmaceuticals industries, dye industries, lubricants, construction chemicals, rubber blowing agent, meat processing, textiles, etc. The subject goods are produced by using nitric acid obtained from nitrous oxide or ammonia at high temperature in presence of catalysts. The nitrous oxide is further absorbed in caustic soda/soda ash to get Sodium Nitrite. The product is odourless and soluble in water.
 - ii. Sodium Nitrite is classified under heading 283410 of the Customs Tariff Act, 1975. However, the customs classification is indicative only and in no way binding on the scope of the subject investigation.
 - iii. There is no difference in the technology employed and the quality of the domestic and imported product.
 - iv. As regards the argument that the subject goods are not like article, the applicant submits that the Designated Authority has prima facie accepted that the imported goods from Russia and those produced by the domestic industry are like article on the basis of information provided by the domestic industry and then initiated the investigation. Opposite parties have made submissions without any factual basis and failed to bring out relevant facts in this regard.
 - v. Hence the goods produced by the domestic industry and imported from the subject territory are like articles in accordance with the Rules.

B.2 Submissions by exporters, importers and other interested parties

5. The following submissions have been made by the exporters, importers and other interested parties with regards to scope of product under consideration. Subject

goods are not similar to sodium nitrite originating from Russia and hence are not like article for the purpose of this investigation.

B.3 Examination by the Authority

6. The product under consideration is Sodium Nitrite. Sodium Nitrite is an oxidizing as well as reducing agent. It is a white crystalline powder mostly used in pharmaceutical industries, dye industries, lubricants, construction chemicals, rubber blowing agent, meat processing, textiles etc. The subject goods are produced by using nitric acid obtained from nitrous oxide or ammonia at high temperature in presence of catalysts. The nitrous oxide is further absorbed in caustic soda/soda ash to get sodium nitrite. The product is odourless and soluble in water.
7. Sodium Nitrite is classified under heading 283410 of the Customs Tariff Act, 1975. However, the customs classification is indicative only and in no way binding on the scope of the subject investigation.
8. With regard to like article, Rule 2(d) of the Anti-Dumping Rules provides as under:
"like article" means an article which is identical or alike in all respects to the article under investigation for being dumped in India or in the absence of such article, another article which although not alike in all respects, has characteristics closely resembling those of the articles under investigation;
9. After considering the information on record, the Authority holds that there is no known difference in product under consideration exported from subject country and the product produced by the Indian industry. The subject product produced by the domestic industry is comparable to the Product under consideration in terms of characteristics such as physical & chemical characteristics, functions & uses, product specifications, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. The consumers are using the two interchangeably.
10. In view of the above, the Authority notes that for the purpose of the present investigation, the goods produced by the petitioner are treated as like article of the product imported from the subject country within the meaning of the Rules.

C. Domestic Industry and Standing

C.1 Views of the Domestic industry

11. The domestic industry has made following submissions with regard to the scope of domestic industry and standing:
- i. The petition was filed by M/s Deepak Nitrite Ltd. as a domestic producer of the product under consideration.
 - ii. There are three more producers of Sodium Nitrite in the country, apart from the petitioner, namely, Punjab Chemicals & Pharmaceuticals Limited, National Fertilizer Limited and Rashtriya Chemicals and Fertilizers Limited.
 - iii. The Applicant has submitted that it continues to be a major producer of the subject goods in India and commands 92.26 % share in the Indian production in the POI and, therefore, the petitioner should be treated as “domestic industry” within the meaning of the Rules.
 - iv. The petitioner has not imported the subject goods during the period of investigation, and further, is not related to any exporter or producer of the subject goods in Russia or any importer or user of the product under consideration in India within the meaning of Rule 2(b).

C.2 Submissions by exporters, importers and other interested parties

12. The following submissions have been made by the exporters, importers and other interested parties regarding the standing and scope of domestic industry –

The opposing parties are left with no opportunity to comment on the standing aspect in the present case as the actual share of the petitioner in total Indian production is not disclosed and instead provided an indexed trend of share of the petitioner in total Indian production over the years which is of no meaning. Indexed trend would not permit any understanding of the standing of the petitioner which should be discussed in terms of actual percentage during the POI.

C.3 Examination by the Authority

13. Rule 2(b) of the AD Rules defines the 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”

14. The application was filed by M/s Deepak Nitrite Limited and was supported by Punjab Chemicals & Pharmaceuticals Limited and Rashtriya Chemicals and

Fertilizers Limited. Further, there is only one other producer of the subject goods apart from the applicant and supporter, namely, National Fertilizer Ltd.

15. As per the Anti-dumping Rules, the Authority is required to examine whether (a) domestic producers expressly supporting the application account for more than twenty five percent of the total production of the like article by the domestic industry; and (b) the application is supported by those domestic producers whose collective output constitute more than fifty percent of the total production of the like article produced by that portion of the domestic industry expressing either support for or opposition to the application. The applicant constitutes 92.11% of the total domestic production; and, with support of PCPL and RFL, the applicant constitutes 96.10% of the total Indian production. Further, the petitioner has not imported the subject goods during the period of investigation, and, is not related to any exporter or producer of the subject goods in subject country or any importer of the product under consideration in India.

Statement of Indian Production

Particulars	UOM	2014-15	2015-16	2016-17	POI
Petitioner	MT	***	***	***	***
	Index	100	121	122	129
Supporter's Production	MT	***	***	***	***
Punjab Chemicals	MT	***	***	***	***
Rashtriya Chemical & Fertilizers Ltd.	MT	***	***	***	***
Supporter's Production	Index	100	32	29	61
Petitioner including supporters	MT	***	***	***	***
	Index	100	114	114	123
Other Indian Producers (NFL)	MT	***	***	***	***
	Index	100	121	122	129
Total Indian Production	MT	51,922	59,088	59,334	64,143
	Index	100	114	114	124
Share in %					
Petitioner Share	%	***	***	***	***
Supporter's Share	%	***	***	***	***
Punjab Chemicals	%	***	***	***	***
Rashtriya Chemical &	%	***	***	***	***

Fertilizers Ltd.					
Petitioner including supporter	%	***	***	***	***
Other Indian Producers	%	***	***	***	***
Total Indian Production	%	100.00	100.00	100.00	100.00

16. In view of the above, the Authority holds that the applicant satisfies the standing requirements and constitutes domestic industry in terms of Rule 2(b) and Rule 5(3) of the AD Rules.

D. Issues Relating To Confidentiality

D.1 Views of the Domestic industry

- (i) None of the exporters has provided the non-confidential version which is an exact replica of their confidential version. They have kept all the volume related information confidential. The respondents have claimed excessive confidentiality without any proper justification. They have also not provided any statement of claim of confidentiality. Further, the responses are in violation of the specific guidelines issued by the Designated Authority with regard to the procedure to be followed for filing of non-confidential version of the exporter's questionnaire responses. Therefore, the submissions of all the exporters and producers from the subject countries should be disregarded and individual treatment to them be denied.
- (ii) The petitioner has claimed only such information as confidential, the confidentiality of which has been permitted under the rules and as per consistent practice of the Authority.
- (iii) As regards the contention with respect to indexed trend of the share of the applicant, the petitioner submits that the applicant has claimed only such information confidential which is not in public domain and for which there is no mandatory requirement for disclosure in the country. Moreover, disclosure of actual information with regard to applicant's share can jeopardize its future business, in some cases with far reaching implications, as it is business sensitive information. The trader, domestic competitors and foreign producers have been participating in the present investigations and have significant business interests.
- (iv) As regards the contention with respect to no information on the performance of other products of the company, the applicant fails to understand that how information related to other products is relevant here. The information related to product under consideration in present investigation is only relevant and the same has been sufficiently provided by the applicant.

D.2 Submissions by exporters, importers and other interested parties

17. The following submissions have been made by the exporters, importers and other interested parties with regards to confidentiality:

- (i) It is difficult to understand the position of standing of the applicant as indexed trend of share of the applicant in total Indian production is provided and not the actual share. This has deprived the opposing parties from exercising its legitimate rights to provide rebuttals to the claims of the applicant.
- (ii) The company has resorted to excessive confidentiality and there is no information available as to what is the performance of the company in terms of other products.

D.3 Examination by the Authority

- (i) The Authority made available non-confidential version of the information provided by various interested parties to all interested parties through the public file containing non-confidential version of evidences submitted by various interested parties for inspection as per Rule 6(7).
- (ii) The various submissions made by the interested parties during the course of the present investigation with regard to confidentiality and considered relevant by the Authority, were examined. 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 confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis was directed to provide sufficient non-confidential version of the information filed on confidential basis. The Authority made available the non-confidential version of the evidences submitted by various interested parties in the form of public file.
- (iii) It is noted that disclosure of the commercially sensitive and confidential information, provided by the interested parties to the Designated Authority to facilitate the investigation, will not be fair and proper. The disclosure of confidential information relating to the selling price of the domestic industry will provide undue advantage to its domestic as well as

overseas competitors and place the domestic industry in a disadvantageous position before the consumers.

E. MISCELLANEOUS ISSUES

E.1 Views of the Domestic industry

18. The domestic industry has made following submissions with regard to the various miscellaneous issues:

- (i) The applicant submits that the Authority should consider the present investigation as a case where exporters do not even dispute existence of dumping. The very fact that these exporters/producers from the subject country have resorted to dumping gets established by their non-denial of existence of dumping.
- (ii) As regards the contention that the domestic industry is enjoying undue advantages of anti-dumping duty since anti-dumping duty has been in force on the subject goods from the European Union and China since 2000, the petitioner submits that anti-dumping measures are not anti-competitive. Dumping is unfair and seeking redressal against such dumping cannot be considered unfair. The imports from the above named countries are at dumped prices and therefore are subject to anti-dumping measures.
- (iii) The Authority should not accept responses of Russian exporters and producers as they have failed to discharge their obligation of providing correct and certified information. The respondents have conveniently omitted to provide any information in regard to subsidy received by them from their respective governments which are amongst one of the major reason for low priced imports.
- (iv) The Petitioner requests that the methodology adopted by the petitioner for allocation and apportionment of expenses must be accepted by the Authority and not modified suo-motu. Methodology adopted by the petitioner for apportionment of expenses has been put on record. The applicant has been consistently providing costing information following the methodology adopted in the present case. There have been various cases related to the product concerned wherein the Authority had accepted company's methodology. However, in the past few cases, the Authority has deviated from its past practice without any reason and resultantly; the non-injurious price computed has been lower than justified. The Applicant has the apprehension that the same might happen in the present case as well. The applicant humbly

requests the authority to direct the domestic industry to justify the methodology adopted in case the Authority considers that the methodology adopted by the petitioner is inappropriate, instead of outright rejecting the claims of the domestic industry.

- (v) As regards the contention of sufficiency of the evidence to justify initiation of the present proceedings, the applicant submits that the respondents have made only a generalized statement and such argument is without any legal or factual basis. The applicant has provided all the relevant information. The Authority had initiated the present investigations on the basis of sufficient prima facie evidence of dumping of the subject goods from the subject country, injury to the domestic industry and causal link between dumping and injury.

E.2 Submissions by exporters, importers and other interested parties

19. The following submissions have been made by the exporters, importers and other interested parties with regard to the various miscellaneous issues:

- (i) The applicant producer enjoys a wide net of protection in terms of antidumping duties on the subject good from other countries and on its other products.
- (ii) The concerned application filed is incomplete, full of inconsistencies and unsupported in many ways. Hence on the basis of 'unbiased and objective' examination, the Authority could not have satisfied itself to the sufficiency of the evidence to justify initiation of the present proceedings.
- (iii) However, one important aspect missed out by the Authority while initiating the present case is that modification of POI by one quarter showed an even healthier situation of the applicant and no initiation was warranted based on such numbers. It cannot be an argument that the new data surfaced only after initiation as the POI was changed suo moto. The requirement of the rule is very clear that the Authority ought to have satisfied itself of the injury concerning POI selected by it.

E.3 Examination by the Authority

- i. As regards the monopoly issues, the authority notes that anti-dumping duty is to ensure fair trade and provide a level-playing field to the domestic industry. It is neither a measure to restrict import nor to cause an unjustified increase in cost of products. The Authority notes that the purpose of anti-dumping duty is not to give protection to the domestic industry but to provide level playing

field and nullify the injurious effect, if any, due to dumping.

- ii. In relation to the allegation of the Domestic Industry that Russian Authorities are giving subsidy to the producers / exporters of the subject goods, it is noted that in this present investigation, the dumping effects which may lead to the injury to the domestic industry has been examined based on the petition filed by the domestic industry. However, domestic industry may file separate application to address the subsidy causing injury, if any, from these sources.
- iii. As regards the argument of insufficient information provided by the domestic industry in the application filed by them, the authority notes that the application contained all information relevant for the purpose of initiation of investigation. The Authority, only after satisfaction that application contained prima facie evidence to justify initiation of the investigation decided to initiate the present investigation. Further, subsequent to initiation, information has been sought from the applicant to the extent deemed necessary and the same has been provided by the applicant for the purpose of the present investigation.

F. Normal Value, Export Price and Dumping Margin

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

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

Provided that in the case of import of the article from a country other than the

country of origin and where the article has been merely transhipped through

the country of export or such article is not produced in the country of export or there

is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.

F.1 Views of the Domestic industry

20. Submissions made by the domestic industry with regard to normal value, export price and dumping margin are as follows:

- i. Efforts have been made to get the information/evidence of price of subject goods in the domestic market of Russia. Efforts have also been made to get price quotations of producers of subject goods in Russia. However, the domestic industry has not been able to get any information or evidence of price of subject goods in Russia.
- ii. In view of the above, the domestic industry has determined normal value in Russia on the basis of cost of production, considering consumption norms of the domestic industry for raw material and utilities. The applicant has considered prices of two major raw materials (Caustic Soda and Ammonia) as per the DGCI&S data of imports into India from world and price of Nitric Acid as per the domestic industry. All other conversion cost is based on cost to the domestic industry, duly adjusted for selling, distribution and administrative expenses. Profit at the rate of 5% has been added to the total cost.
- iii. The applicant has claimed determination of export price as the average import price from subject country on the basis of data procured from DGCI&S. For fair comparison between the normal value and export price, it is necessary to compare the two at the same level of trade. The export prices being calculated at the CIF level, have been adjusted for ocean freight, marine insurance, commission, port expenses, inland freight and bank charges.
- iv. The petitioner submits that the response of the JSC Uralchem and its related parties should not be accepted for the purpose of determining normal value, given the fact that they have failed to disclose vital information and also that the complete value chain up to Indian customers is not available even when a response from an unrelated party is missing. In such a scenario, the respondents should not be given individual dumping margin.

- v. The normal value has been compared with the export price at ex-factory level. There is sufficient prima facie evidence that the normal value of the subject goods in the subject country is higher than the ex-factory export price, indicating that the subject goods are being dumped into the Indian market by the exporters from the subject country. The dumping margin is estimated to be above de-Minimis.
- vi. The Russian Embassy has contended during the oral hearing that there is insufficient evidence of dumping in the petition. In perspective of the arguments raised, the petitioner submits that while the application demonstrates that the dumping margin is above de minimis limit, it is now for the Russia producers/exporters to prove otherwise. No such claim has been lodged by them even after having filed exporter questionnaire response.
- vii. As regards the allegation of highly inflated dumping margins claimed by the applicant, the applicant humbly submits that the Designated Authority shall determine the dumping margin and injury margin, which shall form the basis for a determination of quantum of ADD, after verifying all the information submitted by the parties subject to the request for rejection of the EQR on account of absence of response from the entire value chain.
- viii. As regards the assertion that PUC produced and sold by JSC Uralchem involves 4 grades and what has been exported to India is Technical Grade SNI in India, the applicant submits that 100% consumption is of SNI technical grade only and there is no other grade used in India. This is the grade that applicant also manufactures. Thus, the products exported by the opposing party and that manufactured by the domestic industry directly compete with each other in the market. The Designated Authority may take relevant information into account.

F.2 Submissions by exporters, importers and other interested parties

21. Submissions made by the exporters, importers and other interested parties with regard to ,normal value, export price and dumping margin are as follows –
- i. The methodology used for calculation of the dumping margin for goods from Russia does not comply with the requirements of anti-dumping agreement because of the application of structured normal value without sufficient grounds.
 - ii. Goods produced by JSC Uralchem are 100% exported through related co.- SIA Uralchem Trading, Latvia though there were some exports made to the Indian customers by SIA Uralchem through Cosmos Vu Limited, Hong

Kong, Trigon Gulf FZCO, UAE and Sultera Group DMCC, UAE. Sultera which is an unrelated party to JSC Uralchem has not filed EQ even after intimation by JSC Uralchem. Response of SIA Uralchem and Cosmos will ensure details of export price to Sultera and from Sultera in the given transaction. Thus, a complete chain from producer SIA to Sultera to Cosmos to Indian customer is available because exports through Sultera are only insignificant and individual margin for JSC Uralchem and its exporters should be given.

- iii. Highly inflated dumping margins claimed by applicant should not be accepted rather should be determined based on the EQ Response filed by the respondents.
- iv. As provided in the EQ Response, PUC produced and sold by JSC Uralchem involves 4 grades and what has been exported to India is Technical Grade SNI. This aspect should be taken into consideration for the purpose of comparisons while determining individual margins.

F.3 Examination by the Authority

22. Under section 9A (1) (c) normal value in relation to an article means:

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

23. The Authority sent questionnaires to the known exporters from the subject countries, advising them to provide information in the form and manner prescribed. Authority notes that the following exporter/producers have responded and filed questionnaire response.

- a. M/s Trigon Gulf FZCO
- b. M/s Cosmoss VU Limited

- c. M/s SIA Uralchem Trading
- d. M/s Uralchem Trading House, LLC
- e. M/s JSC United Chemical Company Uralchem, Russia

24. Since the above mentioned producers/exporters have filed the questionnaire response, the Authority determines Normal Value and Export Price in respect of cooperative exporters. The general methodology adopted by the Authority for determination of Normal Value for these exporters is to first examine whether the domestic sales of the subject goods by the responding exporters in their home markets were representative and viable for permitting determination of Normal Values on the basis of domestic selling prices and whether the ordinary course of trade test was satisfied as per the data provided by the respondents.
25. In the case of non-cooperating exporters in the subject countries, the Authority determines the normal value on the basis of facts available in terms of Rule 6 (8) of AD Rules.
26. The Authority determines the normal value, export price and dumping margin in respect of producers/exporters of the subject goods as follows:

G. DUMPING MARGIN

G.1. Normal Value

Normal Value of M/s Joint Stock Company United Chemical Company Uralchem, Russia (Producer), M/s SIA Uralchem Trading, Latvia (Related Exporter), Trigon Gulf FZCO, UAE(Unrelated Exporter) Cosmoss VU Limited, Hong Kong, (Unrelated Exporter)

27. The questionnaire response filed by JSC United Chemical Company Uralchem has been examined and it is found that the respondent has provided domestic sales price details of the subject goods in Appendix-1 of their response. JSC Uralchem sold all the subject goods in the domestic market through a related trader namely Uralchem Trading House, LLC, Russia. The adjustment of expenses such as inland freight, credit cost and actual SGA and profit of related trader M/s Uralchem Trading House, LLC, Russia has been made towards determination of domestic sales price in the foreign producers country. During the POI JSC United Chemical Company Uralchem sold *** MT of the subject goods in domestic market through Uralchem Trading House, LLC. All these sales were subjected to ordinary course of trade test. It was found ***% of the sales in domestic market were profitable. Accordingly, the normal value for the above producers/exporters works out to *** US\$ per MT

Export price of M/s Joint Stock Company United Chemical Company Uralchem, Russia (Producer), M/s SIA Uralchem Trading, Latvia (Related Exporter), Trigon Gulf FZCO, UAE (Unrelated Exporter) Cosmoss VU Limited, Hong Kong, (Unrelated Exporter).

28. The producer M/s Joint Stock Company United Chemical Company Uralchem, Russia (Producer), of subject goods has made export sales of *** MT for *** USD through a related party M/s SIA Uralchem Trading, Latvia (Related Exporter) to India as well as to third countries. Out of the above total quantity exported, M/s SIA Uralchem Trading, Latvia (Related Exporter) exported ***MT for *** USD at CIF as well as CFR the subject goods to India in four different routes i.e. directly as well as through three different unrelated traders. M/s SIA Uralchem Trading, Latvia exported *** MT for *** USD to India directly. It has also exported PUC to India through M/s Cosmoss VU Limited, Hong Kong *** MT for ***USD at CIF , *** MT for *** USD at CFR through Trigon Gulf FZCO, UAE and *** MT for *** USD at CIF through M/s Sultera who sold the PUC to M/s Cosmoss VU Limited, Hong Kong and M/s Cosmoss to India.
29. M/s Sultera has not filed the EQR. As purchase and sale price of M/s Sultera is available and the difference between purchase and sale price has been adjusted towards SGA and profit of Sultera group while computing NEP. Since, export price and landed value can be derived from the available data, the same has been considered for further examination. Secondly, the exporter has given in writing that they will not claim individual margin for export through M/s Sultera and M/s Cosmoss combined channel. NEP and Landed value of this channel is also less as compared to other channels.
30. Sales to India, as explained above, have taken place through four different routes. The export price for each routes are separately calculated. The exporter has claimed Ocean freight, marine insurance, inland freight to arrive at the net export price. SGA expenses and profit of all intermediate traders have also been excluded to derive the net export price. Accordingly, the net export price for the above exporters as a group worked out as *** USD.

G.2. All other Producers/Exporters from Russia

31. In respect of all other exporters from Russia who are treated to be non-cooperative, the Authority determined normal value and export price as per facts available in terms of Rule 6(8) of the Rules.
32. The normal value and export price so determined is as under:

Dumping Margin

Sl. No	Producers	Exporter	Normal value USD /MT	Net Export Price USD/ MT	Dumping margin USD/MT	Dumping margin %	Dumping margin Range
1	M/s JSC United Chemical Company Uralchem	M/s SIA Uralchem Trading M/s Trigon Gulf FZCO M/s Cosmoss VU Limited	***	***	***	***	25-35
2	All other producers	All	***	***	***	***	50-60

H. Determination of Injury and Causal Link

33. Rule 11 of Antidumping Rules read with Annexure – II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent impact 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.

H.1 Views of the domestic industry

34. Submissions made by the domestic industry with regard to injury and causal link are as follows:

The domestic industry had filed duly documented petition considering POI to be July, 2016 to June, 2017. However, the Authority initiated the investigation considering October, 2016 to September, 2017. Accordingly, the applicant filed the updated annexures which inter-alia demonstrate the following:

- i. There were no subject imports in 2014-2015. Subject imports started in 2015-2016 and increased by 21.63 times in the period of investigation.
- ii. Market share of subject imports in total imports increased from 0% to 26%.
- iii. Market share in Demand of the subject imports increased from 0% to 5.86%.
- iv. The subject imports have continued to enter the Indian market at dumped prices, at a price which is lower than that of domestic industry.
- v. Subject imports are entering at low & dumped prices and causing considerable price undercutting
- vi. Dumped imports from subject country are coming to India at prices significantly below the non-Injurious price/fair price of the domestic industry, thus resulting in positive and significant price underselling/injury margin.
- vii. The average inventory of the domestic industry has increased from *** MT to *** MT
- viii. The domestic industry is still earning sub-optimal level of return on investment. If the ROI of the domestic industry is not improving, it is because of the continued presence of dumped imports from the subject country and other sources.
- ix. The domestic industry is recovering from the past ill-effects of dumping from the European Union and China. But what is pertinent to note is that if the dumping from the subject country in the present investigation is allowed, the domestic industry will be left in the lurch while the exporters merrily dump.
- x. The applicant also referred to the EU regulation 3.5 which provides consideration of the fact of past dumping and the fact that the domestic industry is in the process of recovering from the past ill effects of dumping while assessing injury.
- xi. The partial recovery of the domestic industry is to a large extent due to the existence of the anti-dumping measures on dumped imports from other sources. This recovery is in danger as both the dumping and injury margin are positive in the present case. Allowing the dumped imports unaddressed would lead to the sale of increasing quantities of subject goods from the subject country. Such an increase in sales can only be accomplished by undercutting existing price levels. Such undercutting of price levels will inevitably cause an erosion of sales prices and a decrease of the profitability of the domestic industry, leading to injury.
- xii. If dumped imports from Russia are allowed without any measures, further trade distortions are likely to occur, which would inevitably lead to a halt in the recovery process of the domestic industry.
- xiii. Nevertheless, the domestic industry only started to recover from the past dumping recently and this recovery is still fragile. This is evidenced by the fact that in a context of steep consumption increase, the domestic industry could only expand its market share by 0.81% only. Although some recovery from the past dumping could be established, the domestic industry remains vulnerable to the injurious effects of any dumped imports in the domestic market.

xiv. The dumping margin is not only above *de minimis* but also significant.

H.2 Views of Other Interested Parties regarding the injury claims of domestic industry

35. Submissions made by the exporters, importers and other interested parties with regard to injury and causal link are as follows:

- i. There is no injury in the present case. The company is making false claims of injury by alleging dumping even when data shows robust situation of performance both in terms of volume and value parameters and that the injury parameters shows that factors such as production, sales, market share, etc has increased and was at the highest level during the POI and the growth was consistent over the years.
- ii. There is huge gap in what is observed as injury in initiation notification and in the application.
- iii. Though the POI was extended by the Authority at the time of initiation, the trend that has been there in the proposed POI by the applicant was also of improvements.
- iv. The profitability of the applicant was not impacted even when the interest expenses increased. The applicant was enjoying a strong position in terms of fixation of price for its products and the landed price of imports did not adversely impact such pricing power which shows absence of causal link also in the present case.
- v. Though the DI did not provide details of ROCE and growth, the relevant figures for the working of such factors shows that ROCE might have been at very healthy position along with growth in all parameters.

H.3 Examination by the authority

36. The Authority has taken note of various submissions of the interested parties on injury to the domestic industry and has analysed the same considering the facts available on record.

37. Annexure-II of the AD Rules provides for an objective examination of both, (a) the volume of dumped imports and the effect of the dumped imports on prices in the domestic market for the like articles; and (b) the consequent impact of these imports on domestic producers of such articles. With regard to the volume effect of the dumped imports, the Authority is required to examine whether there has been a significant increase in dumped imports, either in absolute terms or relative to production or consumption in India. With regard to the price effect of the dumped imports, the Authority is required to examine

whether there has been significant price undercutting by the dumped imports as compared to the prices of the like product in India, or whether the effect of such imports is otherwise to depress the prices to a significant degree, or prevent price increases which would have otherwise occurred to a significant degree.

H.4 Volume effect of dumped imports

a. Assessment of Demand

38. The Authority has defined, for the purpose of the present investigation, demand or apparent consumption of the product in India as the sum of domestic sales of the Indian Producers and imports from all sources. The demand so assessed is given in the table below. The Authority notes that the demand of the product under consideration has increased continuously over the injury period.

Particulars	Unit	2014-15	2015-16	2016-17	POI
Domestic Industry Sales	MT	***	***	***	***
Captive Consumption of DI	MT	***	***	***	***
Sales of Other Indian Producers	MT	***	***	***	***
Imports from Subject country- Russia	MT	***	***	***	***
Country attracting ADD-China PR	MT	11,432	12,688	5,683	7,925
Country attracting ADD-EU	MT	1,706	1,869	5,746	3,696
Imports from Other Countries	MT	-	21	24	24
Total Demand/consumption including Captive	MT	55,265	62,772	63,763	68,515
Domestic Industry Sales	%	***	***	***	***
Captive Consumption of DI	%	***	***	***	***
Sales of Other Indian Producers	%	***	***	***	***
Subject country- Russia	%	-	0.31	6.33	6.06
Country attracting ADD-China PR	%	20.69	20.21	8.91	11.57
Country attracting ADD-EU	%	3.09	2.98	9.01	5.39
Other Countries	%	-	0.03	0.04	0.04
Total Share	%	100.00	100.00	100.00	100.00

39. There were no imports from the subject country in 2014-15. Volume of import from subject country has increased continuously since 2015-16 and the market share of the subject country in total imports coming to India and in the Indian demand has also increased over the injury period, except with a slight decline in the POI.

b. Import volumes and share of subject country

40. Annexure-II (ii) of the AD Rules provides that with regard to 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. The information regarding imports and market share is provided in the table below.

Particular	Unit	2014-15	2015-16	2016-17	POI
Imports from Subject country- Russia	MT	-	192	4,034	4,152
Country attracting ADD-China PR	MT	11,432	12,688	5,683	7,925
Country attracting ADD-EU	MT	1,706	1,869	5,746	3,696
Imports from Other Countries	MT	-	21	24	24
Total Imports	MT	13,138	14,770	15,488	15,797
Imports in relation to					
Total Imports	%	-	1.30	26.05	26.28
Total Indian Production	%	-	0.32	6.80	6.47

41. It would be seen that there were no imports from the subject country in 2014-15. The imports started from Russia in 2015-16 and increased steadily in absolute terms thereafter.

42. Further, imports in relation to total imports increased throughout the injury period.

H.5 Price Effect of the Dumped imports on the Domestic Industry

43. With regard to the impact of the dumped imports on prices, the Authority is required to consider whether there has been a significant price undercutting by the 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 to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. Accordingly, the impact on the prices of the domestic industry on account of dumped imports of the subject goods from the subject country have been examined with reference to price undercutting, price underselling, price suppression and price depression.

a. Price undercutting effect of the dumped imports

44. Price undercutting has been determined by comparing the landed values of dumped imports from the subject country over the entire period of investigation with the net sales realization of the subject goods sold by the domestic industry to see whether the imports are significantly undercutting the prices of the domestic industry.

45. In this regard, a comparison has been made between the landed value of the product and the selling price net of all rebates and taxes of the domestic industry, at the same level of trade. The price undercutting of the subject goods from the subject country works out as follows:

Particulars	Unit	2013-14	2014-15	2015-16	POI
Landed price of imports	Rs/MT	-	37,133	33,827	38,407
Net Selling Price	Rs/MT	***	***	***	***
Price Undercutting	Rs/MT	***	***	***	***
	% Range	-	0-5	10-15	0-10

46. The Authority notes that the landed price of imports is below the level of selling price of the domestic industry. Thus imports are undercutting the domestic goods.

b. Price Suppression, Depression effects of dumped imports

47. The Authority examined whether the effect of the dumped imports was to depress the prices of the like article in India, or prevent price increases which would have otherwise occurred.

Particular	Unit	2014-15	2015-16	2016-17	POI
Cost of Sales – Domestic	Rs/MT	***	***	***	***
Trend	Indexed	100	98	96	101
Net Selling Price	Rs/MT	***	***	***	***
Trend	Indexed	100	104	102	108
Landed value	Rs/MT	-	37,133	33,827	38,407
Trend	Indexed	-	100	91	103

48. The Authority notes that the comparison of cost of sales and landed price of imports shows that the landed price of imports in 2016-17 and POI is below the level of cost of production and selling price of the domestic industry for the product concerned. There is absence of depression and suppression effects.

c. Price underselling effect of the dumped imports

49. For examining the underselling effects of the dumped imports, the landed value of imports has been compared with the Non-Injurious Price determined. The Authority notes that the price underselling is an important indicator of assessment of injury. Non injurious price has been worked out and compared with the landed value of the subject goods to arrive at the extent of price underselling. The non-injurious price has been determined considering the cost of production of the domestic industry for the product under consideration during the POI, in accordance with Annexure III of the Anti-dumping Rules. The analysis show that during the POI, the landed value of subject imports is higher than non-injurious price of the domestic industry as can be seen from the table below.

Particulars	Unit	POI*(INR)	POI* (USD)
Landed Price	Per MT	38,407	575.78
Non-Injurious Price (NIP)	Per MT	***	***
Price underselling	Per MT	(***)	(***)
Price underselling	%	(***)	(***)
Price underselling	% Range	(0-5)	(0-5)

H.6 Examination of other injury factors

(i) Actual and potential impact on capacity, production, capacity utilization and sales

50. The table below shows the capacity, production, capacity utilization and sales of the domestic industry for the product under consideration during the injury investigation period.

Particulars	Unit	2014-15	2015-16	2016-17	POI
Capacity	MT	***	***	***	***
Trend	Indexed	100	111	111	111
Production- Sodium Nitrite	MT	***	***	***	***
Trend	Indexed	100	121	122	129
Production-Plant (SNI+SNA)	MT	***	***	***	***
Trend	Indexed	100	117	118	126
Capacity Utilization	%	***	***	***	***
Trend	Indexed	100	106	107	114
Sales Domestic	MT	***	***	***	***
Trend	Indexed	100	122	122	130

51. Capacity, production, capacity utilization and domestic sales volume of the domestic industry has been increasing throughout injury period. In fact, the capacity utilization has been more than optimum.

(ii) Actual and potential impact on profit/loss, cash flow, returns on capital employed

52. Performance of the domestic industry with respect to the profitability parameters is also improving throughout injury period as evident from the table below:

Particulars	Unit	2014-15	2015-16	2016-17	POI
Cost of Sales	Rs/MT	***	***	***	***
Indexed	Indexed	100	98	96	101
Selling Price	Rs/MT	***	***	***	***
Indexed	Indexed	100	104	102	108
Profit/ Loss	Rs/MT	(***)	***	***	***
Indexed	Indexed	-100	236.60	232.61	281.83
Profit/ Loss	Rs.Lacs	(***)	***	***	***
Indexed	Indexed	-100	288.56	283.15	366.13

Profit before Interest	Rs.Lacs	***	***	***	***
Indexed	Indexed	100	671	608	814
Cash Profit	Rs.Lacs	***	***	***	***
Indexed	Indexed	100	782	816	941
Return on Capital Employed	%	***	***	***	***
Indexed	Indexed	100	608	516	636

(iii) Actual and potential impact on Employment, Wages and Productivity

53. The productivity per employee and productivity per day have consistently been on rise throughout the injury period.

Particulars	Unit	2014-15	2015-16	2016-17	POI
Employment	Nos	***	***	***	***
Trend	Indexed	100	103	101	101
Wages	Rs. Lacs	***	***	***	***
Trend	Indexed	100	126	135	137
Productivity per employee	MT	***	***	***	***
Trend	Indexed	100	117	121	128
Productivity per day	MT	***	***	***	***
Trend	Indexed	100	121	122	129

(iv) Actual and potential impact on Inventories

54. Inventory of the domestic industry is increasing throughout injury period as evident from the table below-

Particulars	Unit	2014-15	2015-16	2016-17	POI
Average stock	MT	***	***	***	***
Trend	Indexed	100	198	217	385

(v) Magnitude of Dumping and Dumping Margin

55. The dumping margin of the dumped imports determined for the subject country is significantly above de minimis level as discussed above.

d. Injury Margin

56. The non-injurious price of the subject goods for the domestic industry has been determined as per the principles laid down in Annex-III to the Anti-Dumping Rules for fair comparison with the respective landed value of the imports for determination of injury margin. The injury margins determined are as under:-

Sl. No	Producers	Exporter	NIP USD /MT	Landed Value USD/MT	Injury margin USD/MT	Injury margin %	Injury margin Range
1.	M/s JSC United Chemical Company Uralchem	M/s SIA Uralchem Trading. M/s Trigon Gulf FZCO M/s Cosmoss VU Limited	***	***	(***)	(***)	(0-5)
2.	All other producers	All	***	***	***	***	5-15

57. The essential facts of the investigation gathered by the Designated Authority during the course of the investigations and analyzed by the Authority in the present disclosure statement was disclosed to the interested parties in order to enable these interested parties to offer their comments on these facts.

I. POST DISCLOSURE SUBMISSIONS BY THE INTERESTED PARTIES

58. The post disclosure submissions have been received from the interested parties. Majority of the issues raised therein have already been raised earlier during the investigation and also addressed appropriately. Additional submissions have been analysed as under:

Submissions made by the Domestic Industry

59. The following comments on Disclosure statement have been submitted by domestic industry:
- i. Response of JSC Uralchem and its related parties should not be accepted altogether for the purpose of determining normal value as the complete value chain up to Indian customers is not available. Reasons for deviating from established practice are not clear from the disclosure statement.
 - ii. The non-injurious price determined is too low resulting into negative injury margin. The NIP has been inappropriately reduced by modifying apportionment methodology and excluding a number of elements of expenses. The methodology for determination of NIP has been substantially changed from the previous investigations.
 - iii. The imports from the subject country have substantially increased in absolute terms and market share of the subject imports in total imports entering India has also shown an increase. Market share in demand has also increased.
 - iv. Subject imports are entering at low & dumped prices and causing considerable price undercutting.
 - v. The Authority incorrectly concluded that there is absence of depression and suppression effects; as the landed price of imports in 2016-17 and POI is below the level of cost of production.
 - vi. The Authority incorrectly determined the NIP as explained above, leading to negative injury margin; as the dumped imports from subject country in fact are coming to India at prices significantly below the non-Injurious price/fair price of the domestic industry, thus resulting in positive and significant price underselling/injury margin.
 - vii. The market share of Indian industry was constant throughout the injury period even when the demand increased during the same period.
 - viii. Both dumping margin and injury margin in the POI are positive and significant.
 - ix. The domestic industry is facing material injury due to the presence of dumped imports.
 - x. Regarding the concern of the Authority that the performance of the domestic industry has improved in terms of production, sales volumes, market share, capacity, profit, cash profit and return on capital employed and Net sales realization is more than the Non-Injurious price of the domestic industry; it is submitted that domestic industry is recovering from the past ill effects of dumping from the European Union and China, and therefore it was natural that the performance of the domestic industry would show improvement.
 - xi. The trends in some parameters may be positive; but the domestic industry is still earning sub-optimal level of return on investment ("ROI") in the POI.

- xii. As regard the argument on capacity expansion during 2015-16, it is submitted that increase in capacity was taking into consideration the increase in demand in India..
- xiii. The Authority seems to have proceeded on a premise that the sole cause of the injury to the domestic industry must be dumped imports and seems to overlook the legal requirements that dumping need be only one of the causes of injury to the domestic industry.
- xiv. Anti-dumping duty may be imposed as fixed quantum of anti-dumping duty (fixed form of duty), expressed in US\$/kg

Submissions made by Other Interested Parties

60. The following comments on Disclosure statement have been submitted by other interested parties:

The proposed determination of individual margins for JSC Uralchem and its exporters is judicious, fair and as per the law and we request the Authority to adopt the same approach in the final finding also. It is submitted that the export channel through M/s Sultera should be accepted by the Authority since purchase and selling price of PUC by Sultera can be derived from the responses filed by SIA Uralchem and Cosmoss, HongKong respectively. Further, we undertake that no further export of PUC by M/s SIA Uralchem , Latvia will ever be routed through Sultera , UAE in future.

EXAMINATION BY THE AUTHORITY

61. The Authority notes that most of the submissions by parties are repetitive in nature and were already addressed earlier. Further, the Authority has examined submissions of interested parties herein below to the extent relevant and not addressed elsewhere.

- i. The Authority notes that the methodology adopted for NIP determination in this investigation is the same as the one adopted consistently in previous investigations. It is noted that in the manufacture of PUC, significant proportion of costs consists of raw material costs and utilities, which have been allowed on actuals as claimed by the DI. It may be added that the DI has number of products under anti-dumping investigation for last several years. It was noticed during the anti-dumping investigation on imports of Sodium Nitrite , originating in or exported from European Union vide notification No. 15/1009/2012-DGAD dated 12.05.2014 that the company had adopted different methods of allocation for two different joint products namely Sodium Nitrate and Sodium Nitrite. Since, the domestic industry had not adopted the consistent method as required under Annexure-III of AD

Rules, a uniform methodology has been applied for allocation of others costs since then in respect of both products namely Sodium Nitrate and Sodium Nitrite. There has been no change in methodology thereafter.

- ii. The Authority notes that despite positive price undercutting the phenomena of price depression and suppression are absent.
- iii. The injury margin is negative even after taking into account the exports made through M/s Sultera and Cosmoss channel, wherein the landed value is the lowest out of all export channels. Exclusion of exports through Sultera will only make injury margin even more negative.

J. Conclusion on injury

62. Considering various parameters relating to material injury provided under the Anti-Dumping Rules, the Authority concludes as follows:

- i. The import from the subject country is not having any injurious effect on the domestic industry in terms of price parameters since their net sales realization is more than the non-injurious price of the domestic industry.
- ii. The performance of the domestic industry has improved in terms of production, capacity, capacity utilization, sales volumes, market share, profit, cash profit and return on capital employed.
- iii. There is no price underselling effect and the injury margin is negative.

Based on the above, the Authority concludes that the domestic industry is not suffering material injury during the POI in terms of the relevant provisions under the Anti-Dumping Rules.

a. CAUSAL LINK AND OTHER FACTORS

63. As the Authority has concluded that the domestic industry is not suffering any material injury during the POI, the Authority is not undertaking causal link and non-attribution analysis.

L. RECOMMENDATION

64. Having examined the contentions of various interested parties and on the basis of above facts, circumstances and analysis, the Authority concludes that the domestic industry is not suffering material injury in terms of the provisions enshrined under the Anti-Dumping Rules. In view of the above, the Authority does not consider it appropriate to recommend levy of anti-dumping duty on the imports of subject goods

from subject country and hereby terminates this investigation in accordance with Rule 14(b) of the Anti-Dumping Rules.

M. FURTHER PROCEDURE

65. An appeal against the order of the Central Government that may arise out of this Final Findings Notification shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act.

(Sunil Kumar)
Additional Secretary & Director General