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F. No. 15/05/2016-DGAD

Government of India

Ministry of Commerce & Industry

Department of Commerce

Directorate General of Anti- Dumping & Allied Duties

Jeevan Tara Building, New Delhi-110001

Dated 02nd September, 2017

NOTIFICATION

(Final Findings)

Subject: Sunset Review investigation of Anti-dumping duty imposed on the imports of Certain Rubber Chemicals, namely, TDQ & PX-13 originating in or exported from the European Union and MOR and MBTS originating in or exported from the Peoples Republic of China.

F. No. 15/5/2016- DGAD – Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to as the Act), and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time, (hereinafter also referred to as the Rules) thereof;

A. BACKGROUND OF THE CASE

1. Whereas, having regard to the above Act and the Rules, the Designated Authority (hereinafter referred to as Authority) initiated an antidumping investigation concerning imports of certain rubber chemicals namely ‘PX13’ and ‘TDQ’ originating in or exported from Chinese Taipei & European Union and ‘MOR’ originating in or exported from China PR, European Union & USA, vide Notification NO. 14/13/2004-DGAD dated 17th August, 2004. The Preliminary Findings were notified on April 08, 2005. The Authority notified final findings on August 16, 2005 recommending definitive antidumping duty on the subject imports. The definitive anti dumping duties on the subject imports were imposed by the Department of Revenue vide Notification No. 94/2005-Customs dated October 20, 2005.
2. Subsequently, the Authority initiated sunset review investigations vide Notification No. 15/14/2009—DGAD dated May 12, 2010. The Authority recommended continued imposition of definitive anti dumping duties on certain rubber chemicals namely ‘PX13’ and ‘TDQ’ originating in or exported from European Union and ‘MOR’ originating in or exported from China PR vide notification No.15/3
3. /2010-DGAD, dated May 11, 2011 and Ministry of Finance extended definitive anti-dumping duty vide notification No.67 /2011- Customs, dated the July 28, 2011 on all imports of certain rubber chemicals namely ‘PX13’ and ‘TDQ’ originating in or exported from European Union and ‘MOR’ originating in or exported from China PR.
4. Separately, definitive anti-dumping duty was originally imposed by Ministry of Finance vide notification No. 87/2005-Customs dated 27th September, 2005, in pursuance of

Designated Authority's Final findings vide Notification No.14/09/2004-DGAD dated 6th July, 2005, on import of Certain Rubber Chemicals MBT, MBTS, CBS and PVI originating in or exported from China PR.

5. Subsequently, the Authority initiated sunset review investigations vide Notification No. 15/9/2010- DGAD dated 26th July, 2010. The Authority recommended continued imposition of definitive anti dumping duties on the imports of MBTS from China PR vide Notification No.15/9/2010- DGAD, dated July 25, 2011 and Ministry of Finance extended definitive anti-dumping duty vide notification No.98/2011- Customs, dated October 20, 2011 on imports of MBTS from China PR.
6. Whereas, in terms of Section 9 A (5) the Customs Tariff Act, 1995, read with Rule 23 of the Rules, the antidumping duty imposed under the said Act shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of such imposition, unless in a review, initiated before the expiry of the duty, the Designated Authority concludes that the cessation of the duties is likely to lead to continuation or recurrence of dumping and injury. In accordance with the above, the Authority is required to review, on the basis of a duly substantial request made by or on behalf of the domestic industry within a reasonable period of time prior to the date of the expiry of the measure, as to whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury.
7. And Whereas a petition has been filed by the major domestic producer of the above Rubber Chemicals i.e., M/s NOCIL Limited, in accordance with the Act and the Rules, alleging likelihood of continuation or recurrence of dumping of the above goods, originating in or exported from the countries/territories named above and consequent injury to the domestic industry and requesting for initiating a combined sunset review investigation for continuation of anti-dumping duties in force on imports of PX-13 and TDQ originating in or exported from the European Union; and MOR and MBTS originating in or exported from China PR.
8. And whereas, the Authority on the basis of sufficient evidence submitted by the applicant to justify initiation of sunset review investigation issued a public notice vide Notification No. 15/5/2016- DGAD dated July 08, 2016. The validity of the antidumping duty on the imports of the PX-13 and TDQ from EU and MOR from China PR was extended by the Ministry of Finance, Government of India upto July, 27 2017 vide Notification No. 35/2016-Customs (ADD) dated July 26, 2016. Further the validity of the antidumping duty on the imports of the MBTS from China PR was extended by the Ministry of Finance, Government of India upto October 19, 2017 vide Notification No. 40/2016-Customs (ADD) dated August 8, 2016.
9. The scope of the present review covers all aspects of the original investigation concerning imports of the above goods, originating in or exported from EU and China PR.

B. GENERAL PROCEDURE

10. Procedure described below has been followed with regard to this investigation, after issuance of the public notice notifying the initiation of the above investigation by the Authority:
 - i. The Authority notified the Embassy/Representatives of the subject countries in India about the receipt of the anti-dumping application before proceeding to initiate the investigations in accordance with sub-rule (5) of Rule 5 supra.

- ii. The Authority sent a copy of the initiation notification to the embassy of the subject countries in India, known producers/exporters from the subject countries, known importers/users in India, and the Domestic Industry as per the addresses made available by the applicants and requested them to make their views known in writing within 40 days of the initiation notification.
- iii. The Authority provided a copy of the non-confidential version of the application to the known producers/exporters in subject countries and to the Embassy of the subject countries in India in accordance with Rule 6(3) of the Rules supra.
- iv. The Embassy of the subject countries in India were also requested to advise the exporters/producers from China and European Union to respond to the questionnaire within the prescribed time limit. A copy of the letter and questionnaire sent to the producers/exporters was also sent to them along with the names and addresses of the known producers/exporters from China PR and European Union.
- v. The Authority sent Exporter's Questionnaire and Market Economy Questionnaire to elicit relevant information to the following known producers/exporters in accordance with Rule 6(4) of the Rules:
 - a. Shandong Shanxian Chemical Co. Ltd., China PR
 - b. Jiangsu Sinorgchem Technology Co. Ltd., China PR
 - c. Shandong YangguHuatai Chemical Co. Ltd., China PR
 - d. ChangdeDingyuan Chemical Industrial Ltd., China PR
 - e. Dongying Bo Chen Chemical Co. Ltd., China PR
 - f. Jinan RunquanChemical Co. Ltd., China PR
 - g. Nanjing Chemical Plant, China PR
 - h. Zhejiang Yongjia Chemical Plant, China PR
 - i. Henan KailunChemical Co. Ltd., China PR
 - j. Rongcheng Chemical General Factory Co., Ltd., China PR
 - k. Dalian RichonChemical Co. Ltd., China PR
 - l. Zhenjiang No. 2 Chemical Factory, China PR
 - m. HebeiHaufeng Chemical Group
 - n. Shenzhen Huaren Industrial Co., China PR
 - o. YixingDongfangFince Chemicals China PR
 - p. ZhejinaYueqing Ultrafine Powders and Chemical Co. Ltd., China PR
 - q. Flexsys NV , Belgium
 - r. LANXESS NV, Germany
 - s. Duslo, a. s., Slovak Republic
 - t. Chemtura Italy S.r.l.
- vi. In response to the above notification, none of the exporters of TDQ, MOR and MBTS have responded to the questionnaire issued by the Authority. Only one exporter of

- PX-13 i.e. Solutia Europe SPRL/BVBA, Belgium has responded to the questionnaire.
- vii. The Authority sent Importer's Questionnaires to the following known importers/users of subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules:
- a. CEAT Limited, Mumbai
 - b. JK Tyre and Industries Ltd, Kolkata
 - c. Apollo Tyres Limited, Kochi
 - d. Birla Tyres, Kolkata
 - e. MRF Limited, Chennai
 - f. Metro Tyres Ltd., Noida
 - g. PoddarTyres Ltd., Ludhiana
 - h. Ralson Ind. Ltd., New Delhi
 - i. The Rubber Products Limited, Thane
- viii. In response to the questionnaire issued by the Authority, following importers have filed the response to the importer's questionnaire:
- a. JK Tyre and Industries Ltd
 - b. CEAT Limited
 - c. Apollo Tyres Limited
- ix. Further, the following interested parties have filed responses to the initiation of the investigation:
- a. Automotivre Tyres Manufactureres Association (ATMA)
 - b. The European Commission
 - c. General Química S.A.U., Spain
- x. The Authority made available non-confidential version of the evidence presented by various interested parties in the form of a public file kept open for inspection by the interested parties;
- xi. 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 investigations, which was received by the Authority. The Authority has, relied upon the DGCI&S data for computation of the volume of imports and required analysis after due examination of the transactions. The transaction wise import data was placed in the public file.
- xii. The Non-injurious Price (NIP) based on the optimum cost of production and cost to make & sell the subject goods in India based on the information furnished by the Domestic Industry on the basis of Generally Accepted Accounting Principles (GAAP) and Annexure III to the Anti-dumping Rules has been worked out so as to ascertain whether Anti-Dumping duty lower than the dumping margin would be sufficient to remove injury to the Domestic Industry.

- xiii. The Authority held an oral hearing on May 04, 2017 to provide an opportunity to the interested parties to present relevant information orally in accordance to Rule 6 (6), which was attended by the representatives of Domestic Industry, the responding exporter, importers and importers' association. The representatives 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 was carried out to the extent considered necessary. Only such verified information with necessary rectification, wherever applicable, has been relied upon for the purpose of this finding.
- xv. The period of investigation for the purpose of the present review is April, 2015-March, 2016 (12 Months). The examination in the context of injury analysis covers the periods April 2012-March 2013, April 2013-March 2014, April 2014-March 2015 and the POI.
- xvi. The submissions made by the interested parties during the course of this investigation, wherever found relevant, have been addressed by the Authority, in this document.
- xvii. 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.
- xviii. 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 findings on the basis of the facts available.
- xix. In accordance with the Rules the Authority issued a disclosure statement containing all essential facts of the case on 16th June 2017 for the comments of the interested parties. The comments of the interested parties, to the extent they are relevant, have been addressed in this finding in appropriate places.
- xx. '***' in this document represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- xxi. The exchange rate for the POI has been taken by the Authority as Rs.65.91 = 1 US\$.

C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

C.1 Views of the Domestic Industry

11. The following are the submissions made by the domestic industry with regard to product under consideration and like article:
- i. The present review investigation is a second sunset investigation. The products involved in the original investigation and in the previous and present sunset review investigation are certain rubber chemicals namely TDQ, PX-13, MOR and MBTS. The product under

consideration in the present sunset review is the same as has been held by the Designated Authority in the original investigations. The detailed chemical names of the product are as follows:

- a. **PX-13:** N-1, 3-dimethyl butyl-N-Phenylparaphenylenediamine (6 PPD). PX-13 is produced by hydrogenation of a mixture of 4-nitrodiphenylamine and methyl isobutyl ketone in an autoclave at moderately high pressure in the presence of a noble metal catalyst. The resulting reaction mass, which contains unreacted ketone, by-products, etc., is filtered to remove the catalyst, which is then recycled. The filtrate is distilled to remove low boilers and is then flaked to give the finished product. The low boilers are redistilled to recover the unreacted ketone. Catalyst is recycled until the activity is reduced. It is then removed from the system.
 - b. **TDQ:** Polymerized 2,2, 4-Trimethyl-1, 2 di-hydroquinoline. TDQ Acetone and aniline are condensed at high temperature in presence of an acid catalyst. The resultant mass is then polymerized to the required degree; the excess acid is neutralized with caustic solution and washed with water. The material is then stripped at high temperature under vacuum to recover low boilers. The product is then pastilized and bagged.
 - c. **MOR:** N-oxydiethylene-2-benzothiazole sulphenamide(2-Morphoolinothiobenothiazole) (MBS). MOR Mercaptobenzothiazole disulphide is reacted with morpholine and sodium hypochlorite. The reaction is carried out in the presence of isopropyl alcohol. The product is filtered, washed and extruded to form pallets, which are dried and packed. The isopropyl alcohol is recovered and recycled
 - d. **MBTS:** Dibenzothiazole disulphide. It is manufactured by oxidation of sodium salt of MBT using suitable oxidizing agents. The other trade name of the product is Accelerator DM.
- ii. There is no restriction to limit the investigation to single product as mentioned by the Authority in the final findings of the original investigation.
 - iii. PX-13, TDQ and MOR are extensively used in treating natural rubber, synthetic rubber (SBR, Butadiene Rubber, Nitrile Rubber, and Carboxylated Rubber) and other synthetic rubber based compounds used for manufacture of various rubber products. However, MBTS is used in automotive tyre and tubes industry and also in conveyor belting and footwear industry amongst others.
 - iv. There is no dedicated ITC HS Classification for the subject goods and products under consideration are classified under various subheadings of customs classification heads 38.12.10, 38.12.20 and 38.12.30 as well as under 29.34.20 and 29.25.20 (at six digit levels) of the Customs Tariff Act and ITC HS classification. However, the products are known by their respective trade names and the chemical descriptions as indicated above. Therefore, the Customs and ITC HS classifications shown above are indicative only and are in no way binding on the scope of the present investigation.
 - v. There is no difference in the technology employed and the quality of the domestic and imported product. Present investigation is a review investigation. The Designated Authority has examined the issue of product under consideration and like article in the original investigation, which is relied upon.
 - vi. There is no significant difference in the technology employed by the Domestic Industry and producers in subject country and rubber chemicals exported from the respective subject

countries and are technically and commercially substitutable. The consumers are using the two interchangeably.

- vii. Each of the subject rubber chemical produced by the Domestic Industry is individually 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 with each of the subject rubber chemical imported from respective subject countries.
- viii. Each of the subject rubber chemicals produced by the Petitioner Company is a like article to each of the rubber chemicals imported from Respective subject countries within the meaning of the Anti-dumping Rules.
- ix. Present investigation is a review investigation. The Designated Authority has examined the issue of product under consideration and like article in the original investigation, which is relied upon.

C.2. Views of the Interested Parties

12. None of the producers/exporters/importers/other interested parties has made any submissions in this regard.

C.3. Examination of the Authority

13. The products on which the duties are in force are four specific rubber chemicals used in manufacture of rubber products, viz., PX-13, TDQ, MOR& MBTS. This review covers these four specific rubber chemicals only and hereinafter they have been referred to as subject goods.
14. The present investigation being a sunset review investigation and anti-dumping duties, as earlier recommended by the Authority, being in force on the imports of the subject goods from the subject countries, the Authority considers that the scope of the PUC in the present investigation remains the same as that in the original and subsequent review investigations. The product under consideration defined in the previous investigations is as follows
 - MOR: N-oxydiethylene-2-benzothiazole sulphenamide (2-Morpholinothiobenothiazole) (MBS). MOR Mercaptobenzothiazole disulphide is reacted with morpholine and sodium hypochlorite. The reaction is carried out in presence of isopropyl alcohol. The product is filtered, washed and extruded to form pellets, which are dried and packed. The isopropyl alcohol is recovered and recycled.
 - PX 13: N-1, 3-dimethyl butyl-N'Phenylparaphenylenediamine (6 PPD). PX- 13 Px- 13 is produced by hydrogenation of a mixture of 4-nitrodiphenylamine and methyl isobutyl ketone in an autoclave at moderately high pressure in presence of a noble metal catalyst. The resulting reaction mass, which contains unreacted ketone, by-products, etc., is filtered to remove the catalyst, which is then recycled. The filtrate is distilled to remove low boilers and is then flaked to give the finished product. The low boilers are redistilled to recover the unreacted ketone. Catalyst is recycled until the activity is reduced. It is then removed from the system.
 - TDQ: Polymerized 2,2, 4-Trimethyl-1, 2 di-hydroquinoline. TDQ Acetone and aniline are condensed at high temperature in presence of an acid catalyst. The resultant mass is then polymerised to the required degree; the excess acid is neutralized with caustic solution and washed with water. The material is then

stripped at high temperature under vacuum to recover low boilers. The product is then pastilized and bagged. These rubber chemicals are extensively used in treating natural rubber, synthetic rubber (SBR, Butadiene Rubber, Nitrile Rubber, Carboxylated Rubber) and other synthetic rubber based compounds used for manufacture of various rubber products

- MBTS: Dibenzothiazolodisulphide also known as Accelerator DM. MBTS is manufactured by oxidation of sodium salt of MBT using suitable oxidizing agents. MBTS is extensively used in the manufacture of various rubber products. It is an accelerator and is also used in manufacturing of automotive tyres, conveyor belts and footwear industry.

15. 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.
16. Thus, the Authority holds that the subject product produced by the applicant domestic industry is like article to the Product under consideration, in accordance with the AD Rules.
17. The Authority, in the original investigations, noted that there is no dedicated ITC HS Classification for the subject goods and products under consideration are classified under various subheadings of customs classification heads 38.12.10, 38.12.20 and 38.12.30 as well as under 29.34.20 and 29.25.20 (at six digit levels) of the Customs Tariff Act and ITC HS classification. Therefore, the Customs and ITC HS classifications shown above are indicative only and are in no way binding on the scope of the present investigation.

D. SCOPE OF DOMESTIC INDUSTRY & STANDING

D.1. Views of the Domestic Industry

18. Following submissions have been made by the Domestic Industry with regard to scope and standing of the Domestic Industry:
 - i. The petition was filed by M/s. M/s NOCIL Limited, Mumbai as a domestic producer of the product under consideration. Apart from the petitioner, following are the producers of the subject rubber chemicals in India:
 - PX-13: PMC Rubber Chemicals, Lanxess India
 - TDQ: Lanxess India, Marchem Limited
 - MOR: PMC Rubber Chemicals, Marchem Limited
 - MBTS: Marchem Limited
 - ii. The petitioner alone commands majority proportion in Indian production. It has neither imported the subject rubber chemicals nor is related either to any exporter of the subject product in subject countries or an importer in India.
 - iii. No published information is available with regard to the production of the other Indian producers. The petitioner has determined the production of other Indian producers based

on their imports of raw materials, domestic sales, imports and exports made by individual Companies.

D.2. Views of the other Interested Parties

19. Following submissions have been made by the other interested parties with regard to scope and standing of the Domestic Industry:
- i. Neither any information on the production of PX-13 by other Indian Producers and/or any information on its methodology of such assessment have been provided by the petitioner.
 - ii. The production levels of different producers cannot be measured by volume of consumption of raw materials alone as different Indian producers of PX13 have different production processes and efficiency levels.
 - iii. The present petition is not being supported by other domestic producers and thus, petitioner's estimation of its own share in the total Indian Production remains without basis in fact in the absence of established the production output of the other Indian producers conclusively.

D.3. Examination of the Authority

20. Rule 2 (b) of the AD 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”

21. The application has been filed by NOCIL Limited. The other producers of the subject goods in India are (a) Lanxess India Pvt. Ltd (b) Merchem Ltd. and (c) PMC Rubber Chemicals India Pvt. Ltd.
22. The Authority notes, on the basis of information on record that 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 the respective subject countries or any importer or user of the product under consideration in India within the meaning of Rule 2(b).

Units in MT, Share in Percentage	2012-13	2013-14	2014-15	POI
PX13	***	***	***	***
Lanxess India P Ltd	***	***	***	***
PMC Rubbchem P Ltd	***	***	***	***
Merchem Ltd	***	***	***	***
NOCIL (Petitioner)	***	***	***	***

Total Indian Production	***	***	***	***
Share of Domestic Industry	60-70	65-75	70-80	70-80
TDQ				
Lanxess India P Ltd	***	***	***	***
PMC Rubbchem P Ltd	***	***	***	***
Merchem Ltd	***	***	***	***
NOCIL (Petitioner)	***	***	***	***
Total Indian Production	***	***	***	***
Share of Domestic Industry	60-70	70-80	70-80	70-80
MOR				
Lanxess India P Ltd	***	***	***	***
PMC Rubbchem P Ltd	***	***	***	***
Merchem Ltd	***	***	***	***
NOCIL (Petitioner)	***	***	***	***
Total Indian Production	***	***	***	***
Share of Domestic Industry	55-65	80-90	90-100	90-100
MBTS				
Lanxess India P Ltd	***	***	***	***
PMC Rubbchem P Ltd	***	***	***	***
Merchem Ltd	***	***	***	***
NOCIL (Petitioner)	***	***	***	***
Total Indian Production	***	***	***	***
Share of Domestic Industry	70-80	80-90	90-100	90-100

Note: Estimated Production of Other Indian Producers (Except Petitioner - NOCIL)

Note: POI is April'15-March'16

23. As regards to the contention that none of the other domestic producers have supported the petition, the Authority notes that 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 more than ***% of the total domestic production in each of the subject rubber chemicals.

24. As regards the argument that the determination of total Indian Production remains without basis in the absence of information of the production output of the other Indian producers, it is noted that none of the other Indian producers responded to the letters issued to them by the Authority. Further the opposing interested parties also have not provided any information rebutting the claims of the domestic industry on total Indian production. The Authority in the absence of any information has relied on the best available information. Also, the present investigation being a sunset review investigation and since in all the previous investigations, NOCIL Ltd was considered as the domestic industry and no evidence of any substantial change in the status has been brought to the notice of the Authority, it is considered appropriate to hold the petitioner as a domestic industry for the purposes of the present investigation.
25. In view of the above and after due examination, the Authority holds that the applicant satisfies the standing requirements for each of the subject rubber chemicals individually and constitute domestic industry under Rule 2(b) and Rule 5(3) of the AD Rules.

E. CONFIDENTIALITY

E.1. Views of the Domestic Industry

26. The following submissions have been made by the Domestic Industry with regard to confidentiality:
 - i. The responding exporter has resorted to excessive confidentiality in the questionnaire response file. Very basic information like address of the manufacturing site has also been kept confidential, among others. No proper non confidential summary has been provided by the exporters.
 - ii. Even if when a party has participated in the investigation but has not provided the available information sought by the Authority, the party could be treated as cooperative by the Authority.

E.2. Views of the other Interested Parties

27. The following submissions have been made by the other interested parties with regard to confidentiality:
 - i. The petitioner has maintained excessive confidentiality. The DI has claimed confidentiality on selling price, profits and export sales among other economic indicators even when the same parameters of the same DI, were not granted confidentiality in the Safeguard investigation.
 - ii. The information which is available in public domain and can be obtained by payment of fee can't be kept confidential.
 - iii. There cannot be a legitimate ground for the DA to grant confidentiality to the figures of DI when the other investigating authority in India has not granted confidentiality.
 - iv. While referring to the judgment on Sandisk International Ltd. v. DA, it has been argued that in order to analyze and provide comments, it is DA's obligation to

ensure that all the information pertaining to economic indicators is made available to the interested parties. Otherwise it would tantamount to the inconsistency with the principles of natural justice.

- v. Confidentiality has been claimed by DI with respect to the market share of imports in relation to production and consumption without providing non-confidential version of such data or showing 'good cause' while claiming confidentiality.
- vi. The actual figures pertaining to capacity, market share, production and sales and for domestic sales realization, even the indexed version, has not been provided which is contrary to the Rules and past practice of DGAD.
- vii. The petition refers to Annexure 3.4 where a monthly dumping margin has allegedly been calculated which is not found in Annexure 3.4.
- viii. The information in the application should not have been regarded as sufficient for initiation of this proceeding.

E.3. Examination of the Authority

28. With regard to confidentiality of information, Rule 7 of Anti-dumping Rules provides as follows:-

“Confidential information:

(1) Notwithstanding anything contained in sub-rules and (7) of rule 6, sub-rule(2),(3)(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.”

29. Submissions made by the interested parties with regard to confidentiality and considered relevant by the Authority are examined and addressed accordingly. Information provided by the interested parties on confidential basis was examined with regard to 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. The Authority notes that any information which is available in the public domain cannot be treated as confidential.

30. As regards, the treatment of the information by the Authority in the Safeguard investigation, it is noted that the Authority has considered Information provided by the interested parties on confidential basis and the same 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

F. MISCELLANEOUS ISSUES

F.1.Views of the Domestic Industry

31. The following miscellaneous submissions have been made by the Domestic Industry:
- i. None of the TDQ, MOR and MBTS exporter has responded to the questionnaire issued by the Authority or in any other manner submitted response.
 - ii. There was a typographical error in the petition on page number 29 regarding domestic sales of PX-13 and the one mentioned on page number 60 is correct.
 - iii. Indian industry is in a position to meet the entire demand for all the rubber chemicals in the country. Notwithstanding the fact that the consumption in India is higher than the capacities with the Indian producers may justify imports per se. The same however does not justify unfair dumping.
 - iv. Law doesn't stipulate any maximum time for which ADD should be levied. If there is a clear evidence of likelihood of continuation or recurrence of dumping and injury to the domestic industry in the event of cessation of anti dumping duty, ADD should be continued.
 - v. There is no restriction under the law that two different products from the different countries can't be clubbed together. Rather, the data given for them should be given individually which has been done by the petitioner.

F.2.Views of the other Interested Parties

32. The following miscellaneous submissions have been made by the other interested parties:
- i. Sufficient case for the continuation of Anti-dumping duties, as required under the Act, the Rules and ADA has not made out by the Petitioner.
 - ii. The data submitted by the petitioner is incorrect when compared with the Safeguards final finding.
 - iii. The petitioner has provided two different figures of its domestic sales of 6PPD on two different pages of the petition.
 - iv. The domestic producers in India are unable to meet the demand.
 - v. Duty against EU will not result in decrease in imports from China and Korea from where the most of the imports of PX-13 are.
 - vi. In accordance with the judgment in Commissioner of Customs v. G.M Exports, (2016) 1 SCC 91 and Section 9A (5) of the Custom Tariff Act, 1975, the Central Government cannot extend the ADD after expiry of 10 years from the date of its initial imposition. The current SSR investigation does not fall under the "special case" category.

- vii. In the present investigations, two different AD investigations have been clubbed which deals with different PUC and subject countries, which is not appropriate.

F.2. Examination of the Authority

33. With regard to the contention of one of the interested parties that the data submitted by the petitioner is incorrect when compared with the Safeguards final finding, the Authority notes that the on the spot verification of the data of the Domestic Industry was carried out to the extent considered necessary by the Authority. Only such verified information with necessary rectification, wherever applicable, has been relied upon for the purpose of this document
34. With regard to the discrepancy on two pages of the petition, the petitioner has clarified that the same was a typographical error. The Authority, however has adopted the verified data for the purpose of this document.
35. As regards the contention that the Domestic Industry does not have sufficient capacity to meet the demand of product under consideration in the country, the authority notes if there is a demand supply gap in the country, the foreign producers can certainly fill the gap in the country by bringing the product at a fair price. Demand supply gap does not justify dumping of the product.
36. As regards the contention of extension of the anti-dumping duty after expiry of 10 years from the date of its initial imposition is concerned, the Authority notes that the law clearly envisages that the anti dumping duty can be extended further from time to time, if it is found that dumping and consequent injury to the domestic industry is likely in the event of cessation of anti-dumping duty. Anti-dumping law is for removing unfair trade practice and providing a level playing field to the domestic industry. The Authority recommends anti-dumping duty only after following the requirements prescribed under the laws
37. As regards to the contention regarding clubbing of two investigations is concerned, the Authority holds that the anti dumping rules do not require conducting separate investigations for a number of alleged dislike articles. Even though different rubber chemicals have been treated dislike article for the purpose of the present investigations, nevertheless, all of these fall under the broad category of rubber chemicals. In fact, even Standard Input Output Norms fixed are for “rubber chemicals” as a group and not separately for each of the rubber chemical. In any case, the Authority has done separate analysis for each of the rubber chemical in the present investigation to avoid any possible distortions.

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

38. According to Section 9A (1) (c) of the Customs Tariff Act, 1975 ‘Normal Value’ in relation to an article means: -

“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

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

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

Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transshipped 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.

G.1. Views of the Domestic Industry

39. The Domestic Industry, inter alia, submitted as follows:

- i. The purpose of fixation of investigation period is to consider a period when the existence of dumping causing injury is established. The date of determination is not relevant to the moot question of dumping causing injury to the domestic industry. The dumping margin and injury margin are determined based on the investigation period.
- ii. The responding exporters must establish that the elements of costs referred to in the context of determination of normal value are appropriately and completely reflected in the records kept by the exporter or producer under investigation. Thus, China should be treated as non market economy.
- iii. The Chinese producers are required to be treated as non-market economy companies for the reason that the costs and prices in China do not reasonably reflect the market forces. Para 8 to Annexure-I specifies the parameters which should be considered for grant of market economy status. This also implies that unless these conditions are not fulfilled/ satisfied, the Chinese costs and prices cannot be adopted.
- iv. The consideration of market economy status is based on parameters prevailing during investigation period. Since the reason for rejection of Chinese costs and prices is distortion in the costs and prices in China due to the factors listed in Para 8 to Annexure-I, it is the investigation period that is relevant to decide consideration of Chinese producers as market economy companies.
- v. In the original investigation as well, the Authority noted that the responding exporters from China PR were operating under nonmarket economy conditions and therefore the normal value was determined in accordance with para 7 of Annexure I of Antidumping Rules.
- vi. Chinese producers are required to be treated as companies operating under nonmarket economy environment and the Authority may proceed to determine the normal value on the basis of Para 7 of Annexure-I.
- vii. Normal value could not be determined on the basis of price or constructed value in a market economy third country for the reason that the relevant information is not publicly available. The petitioner has claimed consideration of normal value on the

- basis of cost of production in India duly adjusted.
- viii. The petitioner is able to procure invoices of domestic sales of TDQ in the EU and thus, the petitioner considered the price as normal value to determine dumping margin.
 - ix. The questionnaire response submitted by the Solutia Europe in respect of PX-13 is incomplete as it has a Master Operating Agreement with Monsanto Europe NV, under which Monsanto acts as toll manufacturing/processing agent of the subject product for Solutia Europe and Monsanto has not submitted any response.
 - x. Elements of costs even though might be based on the records kept by the exporter, nevertheless does not imply that the Designated Authority is bound to adopt the cost of production of the exporter without satisfaction whether the same reasonably reflect the cost associated with production and sale of the product under consideration.
 - xi. Solutia is required to provide the following information in case any material is purchased from related supplier or as a part of captive production:
 - (a) the basis of pricing of the material considered
 - (b) how exporter considers that the pricing considered is reflective and representative of a fair market price
 - (c) provide purchase prices from independent parties for an identical or comparable input product. provide cost of production of the item procured captively or from an affiliated supplier
 - xii. M/s Solutia's response suggests that it is the manufacturer of 4ADPA and as per the market information of the petitioner; M/s Solutia is suffering losses in 4ADPA business. The Authority should take note of that and verify the valuation of 4ADPA done by Solutia.

G.2. Views of the interested parties

40. The other interested parties submitted as follows:
- (a) The constructed Normal Value by DI should be disregarded as the petitioner has failed to demonstrate that there exists a particular market situation in the EU that does not permit a proper comparison for the determination of Normal Value.
 - (b) In order to ensure a fair and adequate constructed normal value, the elements use for the construction of normal value should preferably relate to the exporting country's market rather than that of India.
 - (c) The discounts provided to its large customers should be taken in purview while determining Normal Value based on data provided by it.
 - (d) To substantiate the deductions of export price calculation, no evidence has been provided. These deductions, in comparison to the ones made in the last SSR, seem overstated.
 - (e) The exporter has provided its actual price for the export of PX13 into India, the same should be considered.

- (f) Solutia has provided records regarding export price and other necessary information for normal value determination and hence, DGAD should determine dumping margin according to this information only.
- (g) The domestic rates have been used for consumption norms while producers in the EU are likely to have a different cost structure.
- (h) The fact that the Indian petitioner increased capacity for PX-13 in the period 2012- 13 to the POI also casts doubts concerning their level of efficiency and the conversion rates that have been applied to construct normal value.
- (i) The Commission has serious doubts concerning the methodology and the adequacy of the data used in order to establish normal values, export prices and dumping margin.
- (j) Solutia has provided complete response of the questionnaire and detailed breakup of its cost of production of PX-13 including costs of production at the facility operated by Monsanto. Thus, Solutia's response in relation costs for the production of PX-13 is complete.
- (k) As opposed to the claim of DI, valuation of 4ADPA is immaterial to present investigation. As such, the cost sheet of 4APDA in the open market and the market price for this product is not relevant.

G.3. Examination by the Authority

Normal Value in China

41. Article 15 of China's Accession Protocol 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.

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 non-market economy provisions of subparagraph (a) shall no longer apply to that industry or sector.”

42. Article 15 implies that provisions of one of the subparagraph shall expire 15 years from date of China's Accession. The provisions of this paragraph expired in 11th Dec., 2016. Since the factum of dumping causing injury to the Domestic Industry is established based on investigation period, the conditions prevalent during the investigation period alone is relevant, appropriate and necessary for the purpose of present investigation. The Period of Investigation (POI) for the purpose of the present review is April 2015 – March 2016. Since the subparagraph of Article 15 was in existence during the period of investigation, the Authority 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.
43. The Authority notes that in the past three years, China PR has been treated as non-market economy country in anti-dumping investigations by India and other WTO Members. China PR has been treated as a non-market economy country subject to rebuttal of the presumption by the exporting country or individual exporters in terms of the Rules.
44. None of the exporter/producers have filed market economy questionnaire response. In view of the above position and in the absence of rebuttal of non-market economy presumption by any Chinese exporting company, the Authority considers it appropriate to treat China PR as a non-market economy country in the present investigation and proposes to proceed with para-7 of Annexure-I to the Rules for determination of normal value in case of China PR.

MOR:

All producers/exporters from China PR

45. As no producer of MOR from China PR has co-operated in this investigation and provided any information for rebutting the non-market treatment as per para 8(2) of Annexure 1 of the AD Rules. Therefore, the presumption of non-market economy as per para 8(2) of Annexure 1 of the AD Rules remains un-rebutted. The Authority, therefore, has determined the Normal value in accordance with para 7 Annexure I of the AD Rules. In absence of sufficient information on record regarding the other methods as are enshrined in para 7 of

Annexure I of the AD Rules, the Authority has determined the Normal value by adopting the method “any other reasonable basis”.

46. The Authority has therefore constructed the Normal value for China PR, for the purpose of MOR, considering the best available information on record.

MBTS:

All producers/exporters from China PR

47. As no producer of MBTS from China PR has co-operated in this investigation and provided any information for rebutting the non-market treatment as per para 8(2) of Annexure 1 of the AD Rules. Therefore, the presumption of non-market economy as per para 8(2) of Annexure 1 of the AD Rules remains un-rebutted. The Authority, therefore, has determined the Normal value in accordance with para 7 Annexure I of the AD Rules. In absence of sufficient information on record regarding the other methods as are enshrined in para 7 of Annexure I of the AD Rules, the Authority has determined the Normal value by adopting the method “any other reasonable basis”.
48. The Authority has therefore constructed the Normal value for China PR, for the purpose of MOR, considering the best available information on record.

M/s Solutia Europe BVBA/SPRL, Exporter/producer from EU

49. M/s Solutia Europe BVBA/SPRL has provided information on transaction-wise details of its sales of the subject goods in home market. For the purpose of determination of normal value, the domestic sales of the goods produced by the company have been taken into consideration. It was seen that the domestic sales could be adopted for determination of Normal value as it passed the sufficiency and the ordinary course of trade tests. The adjustments have been allowed as verified during the on-the-spot verification. After the adjustments, the Normal value has been determined.

All other exporters/producers from EU

50. For the non-cooperative exporters from the European Union, the Authority has constructed the Normal value considering the best available information on record.

TDQ

All producers/exporters from European Union

51. None of the exporters/producers in EU has co-operated with the Authority in this investigation. In view of non-cooperation by the exporters/producers in EU, the Authority has constructed the Normal value considering the best available information on record.

Determination of Export Price

52. The Authority notes that except M/s Solutia Europe BVBA/SPRL, for PX 13, none of the exporters / producers from EU and China PR for the subject goods has co-operated with the Authority in this investigation. In view of non-cooperation by the exporters / producers, the Authority has considered the ‘Export price’ on the basis of ‘facts available’ on record.
53. It is seen that the domestic industry has claimed volume, value and import price on the basis of information provided by IBIS. The Authority also called for the data from

DGCI&S. The Authority has determined weighted average import price for the products under consideration on the basis of information provided by DGCI&S.

PX-13:

Determination of Export Price for M/s Solutia Europe BVBA/SPRL, Exporter/producer from EU

54. M/s Solutia Europe BVBA/SPRL provided transaction-wise information on export sales to India. For determination of its net export price. The expenses incurred by M/s Solutia Europe BVBA/SPRL, as verified have been adjusted. By making these deductions, the net export price has been calculated.

Determination of Export Price for all other producers/exporters from European Union

55. None of the exporter from EU has provided any information giving details of export price. Therefore, the Authority has determined the export price for producers/exporters of EU on the basis of the DGCI&S transaction wise data. Accordingly, the weighted average net export price at ex-factory level, in respect of all exporters from EU has been determined after making the due adjustments for Ocean Freight, Marine Insurance, Port Expenses, Bank charges, Commission and Inland freight on the basis of best available information.

TDQ:

Determination of Export Price for all producers/exporters from European Union

56. None of the exporter from EU has provided any information giving details of export price. Therefore, the Authority has determined the export price for producers/exporters of EU on the basis of the DGCI&S transaction wise data. Accordingly, the weighted average net export price at ex-factory level, in respect of all exporters from EU has been determined after making the due adjustments for Ocean Freight, Marine Insurance, Port Expenses, Bank charges, Commission and Inland freight on the basis of best available information.

MOR:

Determination of Export price for all producers/exporters in China PR

57. None of the exporter from the China PR has provided any information giving details of export price. Therefore, the Authority has determined the export price for producers/exporters of China PR on the basis of the DGCI&S transaction wise data. Accordingly, the weighted average net export price at ex-factory level, in respect of all exporters from China PR has been determined after making the due adjustments for Ocean Freight, Marine Insurance, Port Expenses, Bank charges, Commission, Inland freight and VAT refund on the basis of best available information as mentioned in the dumping margin table.

MBTS:

Determination of Export price for all producers/exporters in China PR

58. None of the exporter from the China PR has provided any information giving details of export price. Therefore, the Authority has determined the export price for producers/exporters of China PR on the basis of the DGCI&S transaction wise data. Accordingly, the weighted average net export price at ex-factory level, in respect of all exporters from China PR has been determined after making the due adjustments for Ocean Freight, Marine Insurance, Port Expenses, Bank charges, Commission, Inland freight and VAT refund on the basis of best available information as mentioned in the dumping margin table

Determination of Dumping Margin

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

PX-13

S.No.	Exporter	Country	Normal Value USD/MT	Export Price USD/MT	Dumping Margin USD/MT	Dumping Margin (%)
1	M/s Solutia Europe BVBA/SPRL	EU	***	***	***	10-20
2	All other exporters/ producers from EU except as mentioned above	EU	***	***	***	35-45

TDQ:

S.No.	Exporter	Country	Normal Value USD/MT	Export Price USD/MT	Dumping Margin USD/MT	Dumping Margin (%)
1	All exporters/ producers from EU	EU	***	***	***	negative

MOR:

S.No.	Exporter	Country	Normal Value USD/MT	Export Price USD/MT	Dumping Margin USD/MT	Dumping Margin (%)
1	All exporters/ producers from China PR	China PR	***	***	***	20-30

MBTS:

S.No.	Exporter	Country	Normal Value USD/MT	Export Price USD/MT	Dumping Margin USD/MT	Dumping Margin (%)
1	All exporters/ producers from China PR	China PR	***	***	***	negative

H. INJURY Determination

H.1. Views of Domestic Industry

60. The Domestic Industry has submitted as follows with regard to injury and causal link in case of all of the subject rubber chemicals:
- i. The imports are still continuing and are being reported at low and dumped prices.
 - ii. Imports of all products under consideration have remained significant throughout the injury period despite imposition of anti- dumping duty.
 - iii. Dumped imports are significantly undercutting the prices of the Domestic Industry. Without ADD, the price undercutting is positive for each of the subject rubber chemicals and with ADD, the same is positive and significant in case of MOR and MBTS in the POI.
61. Specifically, for PX-13, the Domestic Industry has submitted as follows with regard to injury and causal link:
- i. The demand for PX-13 has shown positive growth throughout the injury period.
 - ii. Imports of the product under consideration have declined over the period, but the imports are entering the Indian market at dumped prices
 - iii. Share of subject country imports in relation to total imports in India has declined till 2014-15 and thereafter there is an increase in the POI.
 - iv. For PX-13, the Domestic Industry is unable to increase the selling price even to the extent of cost due to dumped price from EU. The imports from EU are suppressing and depressing the prices of the Domestic Industry.
 - v. The capacity utilization kept fluctuating throughout the injury period. It declined significantly in 2013-14 and then it increased in 2014-15 and thereafter it again declined in the Period of investigation. However, production has declined in the POI.
 - vi. The sales have shown a positive growth, with a marginally decrease in 2013-14. The domestic industry in order to sustain in the market is offering the product at sub-optimal prices. As a result the production sales and market share has increased but the domestic industry is incurring huge losses
 - vii. The inventory level of the domestic industry has increased throughout the period.
 - viii. The domestic industry is suffering huge losses and is faced with cash losses, negative PBT, PBIT and return on investment throughout the injury period.
62. Specifically, for TDQ, the Domestic Industry has submitted as follows with regard to injury and causal link:
- i. The demand has increased till 2014-15 and then it has decreased during the POI
 - ii. TDQ imports increased till 2014-15 and it declined in the POI only
 - iii. Imports in relation to total imports, consumption and production in India have increased till 2014-15 and thereafter there is a decline in period of investigation.
 - iv. The production, capacity utilization and the domestic sales of the petitioner increased till the year 2014-15; thereafter there was a decline in the POI.
 - v. The inventory levels of the domestic industry have increased over the injury period.
 - vi. Productivity per employee has declined over the injury period.

- vii. The sales as well as production have shown a negative growth.
63. Specifically, for MOR, the Domestic Industry has submitted as follows with regard to injury and causal link:
- i. The demand declined in case of MOR during the same period due to the substitution of MOR by NS/TBBS. However, the demand for MOR is still significant for thick cross section tyres, OTR, truck and tractor.
 - ii. The imports have increased significantly throughout the injury period.
 - iii. Imports in relation to total imports, production and consumption in India have increased significantly throughout the injury period.
 - iv. The production and capacity utilization of the petitioner increased till the year 2014-15; thereafter there was a decline in the POI.
 - v. The sales of the domestic industry has increased in 2013-14 but declined in 2014-15 and further declined in proposed period of investigation.
 - vi. The inventory levels declined in the year 2013-14, and thereafter it increased in 2014-15. Then it again declined in the POI.
 - vii. Market share of the imports in Indian demand has increase significantly throughout the injury period.
 - viii. The sales as well as production have shown a negative growth.
64. Specifically, for MBTS, the Domestic Industry has submitted as follows with regard to injury and causal link:
- i. the demand has declined during 2013-14 but increased thereafter with a significant increase during proposed period of investigation
 - ii. The imports declined in the year 2013-14 and thereafter there is a significant and consistent increase in the imports during the POI.
 - iii. Imports in relation to total imports, consumption and production in India have declined during 2013-14 and thereafter there is a significant increase till the period of investigation.
 - iv. The production and capacity utilization of the petitioner increased till the year 2014-15; thereafter there was a decline in the POI.
 - v. The sales of the domestic industry have increased throughout the injury period.
 - vi. The inventory levels have declined during 2013-14 and remained same for 2014-15. Thereafter it increased significantly during the POI.
 - vii. The sales have shown a positive growth however production has shown a negative growth.

H.2. Views of other Interested Parties

65. The following submissions were made by producers/exporters/importers/other interested parties with regard to injury to the domestic industry
- i. Majority of economic parameters either show a positive trend or are stable as a result of ADD in force.

- ii. The installed capacity of NOCIL for the year 2012-13 was found to be 8500 MT/year by the DG Safeguards along with noting that it had not made any physical changes regarding increased capacity from 8500 MT to 14000 MT as claimed by it.
- iii. The production capacity of the other three producers Merchem, Lanxess and PMC are 8500, 2000 and 1000 MT/year respectively, as information provided by other interested parties, as has been cited in the Safeguards final finding.
- iv. The calculation done for the calculation of demand or apparent consumption by the petitioner is not accurate by equating 'Imports from all sources' with 'Import sales from all sources' for the reason that it's not necessary that all imports are sold in a given year.
- v. As per the data constructed by Solutia Europe based on information in the Initiation Notification-Safeguards and the Final Findings – Safeguards, there has been a significant decrease in the Sales of other Indian producers during the POI whereas the indexed data provided by the Petitioner in the present investigation shows that there is an increase in the sales of other Indian producers.
- vi. For TDQ, sales increased by 28% while consumption was stable. The corresponding market share therefore increased.
- vii. The imports of PX-13 haven't taken the market share from the petitioner as the demands shows positive growth by 20 indexed points in the POI as compared to the base year and the imports of PX-13 from EU have declined throughout the injury period, by 48 indexed points for the same period. There is no dumping of PX-13 from EU into India.
- viii. Even when the landed price of imports have increased consistently from 2012-13 to 2015-16, the petitioner's selling price has decreased during 2015-16 which follows that there is no price undercutting with respect to PX-13.
- ix. The DI has been able to increase its domestic selling price along with an increase in domestic sales in volume clearly establishes that there is no case of price undercutting.
- x. For PX-13, there is no price suppression/ depression as the petitioner has increased its selling price even when the cost of sales has reduced. At the same time, the Petitioner has been able to increase its domestic sales in volume. The petitioner has failed to demonstrate price suppression/ depression.
- xi. The DI has admitted in its petition that the imports with respect to MOR, TDQ and MBTS, are neither suppressing nor depressing the prices of the DI.
- xii. In absence of price undercutting, price suppression and price depression, it is evident that no case of price injury is made out in the present investigation.
- xiii. The landed price of the imports for PX-13 and TDQ has increased by 27 and 20 indexed points respectively in the POI as compared to the base year.
- xiv. There is an increase in the installed capacity of the petitioner in the POI. Production levels of the Petitioner have increased consistently for the investigation period with a marginal decline during POI but the same is higher as compared to production levels during the base year and same is the case with capacity utilization when compared to the base year.
- xv. The DI has increased its production and is running at more than 100% of capacity utilization for PX-13, MOR and MBTS.
- xvi. The submission of inaccurate data by the DI with respect to important economic indicators qualifies as an attempt to hinder proper analysis of pertinent data by the opposing

interested parties. The DA should verify all the domestic sales figures and then give an opportunity to the interested parties to provide meaningful comments.

- xvii. There is a significant increase in the domestic sales for the years throughout the Investigation period and the POI except for a small decline in domestic sales from 2012-13 to 2013-14.
- xviii. There has been an increase in the selling price with a simultaneous decrease in the cost of sales.
- xix. For TDQ, the cost of sales decreased by 11% while the selling price increased by 12% over the POI leading to a further improvement of profitability. While production and capacity utilization remained relatively stable, employment increased by 11%.
- xx. The duties have been in force for more than 11 years and have helped the DI to get numerous years of growth.
- xxi. When compared to the base year, the profitability for the years 2013-14 and 2014-15 has increased while the decline in profits during the POI coincided with a significant drop in imports which make it clear that the losses caused to the Petitioner with respect to PX13 are not on account of imports.
- xxii. The Annual Reports of the Petitioner shows that the overall profitability has significantly improved; has seen increase in total income and profits and is doing well in terms of sales volume also.
- xxiii. The Annual Report for the year 2015-15 of the DI demonstrates that there has been a steady decline in the Petitioner's export sales as a percentage of its total sales. It has intentionally failed to segregate losses arising from its export sales outside India and losses arising out of domestic sales.
- xxiv. Over the injury period and in the POI as well, the interest cost and depreciation cost have increased substantially and are causing injury and thus, the causal link is broken.
- xxv. Market share of the Petitioner and other Indian producers in total Indian demand has increased.
- xxvi. Employment levels and wages for the Petitioner have increased in the POI when compared to the base year.
- xxvii. Significant increase in installed capacity and production levels taken with increased capacity utilization levels are responsible for the increased inventories of the DI.
- xxviii. There has been a continuous growth of DI during the POI and investigation period. ROCE and growth in Sales volumes have also shown consistent improvement. Investor Presentation published by the Petitioner in May 2016 shows consistent improvement in all injury parameters during the POI.
- xxix. The Petitioner's ability to raise capital investments has remained strong. Independent credit rating agencies such as CARE Ratings have consistently rated the Petitioner favourably and in December 2015, reaffirmed the petitioner's long term bank facilities which were rated AA- and the petitioner's short term Bank Facilities which were rated A1+.
- xxx. There is no injury and hence the present investigation should be terminated.
- xxxi. While the Imports from the subject countries have declined during the investigation period and the POI, the Petitioner has been consistently increasing production, sales and capacity

over the POI, and has increased its market share as a percentage of domestic demand in India. This demonstrates that there is no causal link can be established between the alleged dumping and such injury.

- xxxii. The injury, if any, is only on account of poor management and inefficiencies in the petitioner's production processes. Reference is made to Safeguards case, where it was found that NOCIL had failed to become cost competitive towards imports and that this was due to its high cost of production.
- xxxiii. During oral hearing, the Domestic industry tried to argue that injury analysis has no relevance in a SSR investigation is without any legal basis.
- xxxiv. No evidence regarding the argument that there is decline in demand of MOR due to substitution by NS. TBBS and that MOR is still in demand for certain sections.
- xxxv. Price Attractiveness: Domestic Industry's itself has admitted that there is no price suppression of depression for MOR, TDQ and MBTS, thus, such a claim for price undercutting is surprising.
- xxxvi. Imports prices of PUC are higher than prices of Domestic Industry. Thus, claim of price sensitivity is not made out.

H.3. Examination by the Authority

- 66. The injury analysis made by the Authority here under addresses the various submissions made by the interested parties.
- 67. Rule 11 of Antidumping Rules read with Annexure-II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, "... taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles...." In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.
- 68. Article 3.1 of the WTO Agreement and Annexure-II of the AD Rules provide 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 products; and (b) the consequent impact of these imports on domestic producers of such products. 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 price 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.
- 69. As regards the impact of the dumped imports on the domestic industry, Para (iv) of Annexure-II of the Anti-dumping Rules states as follows:

"The examination of the impact of the dumped imports on the domestic industry concerned, shall include an evaluation of all relevant economic factors and indices having a bearing on the state of the Industry, including natural and potential decline in sales, profits, output, market share, productivity, return on

investments or utilization of capacity; factors affecting domestic prices, the magnitude of margin of dumping actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments.”

70. According to Section 9(A)(5) of the Customs Tariff Act, anti-dumping duty imposed shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of such imposition, provided that if the Central Government, in a review, is of the opinion that the cessation of such duty is likely to lead to continuation or recurrence of dumping and injury, it may, from time to time, extend the period of such imposition for a further period of five years and such further period shall commence from the date of order of such extension.
71. For the examination of the impact of imports on the domestic industry in India, the Authority has considered such indices having a bearing on the state of the industry as production, capacity utilization, sales quantum, stock, profitability, net sales realization, the magnitude and margin of dumping etc. in accordance with Annexure II(iv) of the Rules supra.
72. In consideration of the various submissions made by the interested parties in this regard, the Authority proceeds to examine the current injury, if any, to the domestic industry before proceeding to examine the likelihood aspects of dumping and injury on account of imports from the subject country. It is as follows :

PX-13

(i) Assessment of Demand/ Apparent Consumption

73. 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.
74. The demand for PX-13 is given in the table below:

Particular	Unit	2012-13	2013-14	2014-15	POI
EU - Subject Country	MT	1,925	1,575	1,342	1,356
Other Country attracting ADD	MT	6,597	9,471	7,320	5,247
Other Countries	MT	10	198	162	588
Domestic Industry	MT	3,537	3,473	6,006	8,670
Other Indian Producers	MT	2,343	2,202	2,773	2,898
Total Demand	MT	14,412	16,920	17,604	18,760

75. The Authority notes that the demand for PX-13 has shown positive growth throughout the injury period. Imports from subject country has decreased over the injury period with marginal increase in POI.

(ii) Volume Effect of Dumped Imports and Impact on Domestic Industry

Import volume and Market Share

76. With regard to volume of the dumped imports, it 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.

77. The table below summarizes the factual position with regard to import volumes and market share -:

Particulars	Unit	2012-13	2013-14	2014-15	POI
Imports from EU - subject country	MT	1,925	1,575	1,342	1,356
Imports from country attracting ADD	MT	6,597	9,471	7,320	5,247
Imports from other countries	MT	10	198	162	588
Total Imports	MT	8,532	11,244	8,824	7,191
Share of imports in relation to					
▪ Total imports	%	22.56	14.01	15.21	18.86
▪ Production	%	***	***	***	***
▪ Consumption	%	***	***	***	***

78. On the basis of above, the Authority notes as follows:

- (a) The imports of PX-13 have declined throughout the injury period.
- (b) Imports of PX-13, in relation to production and consumption, have declined.

(iii) Price Effect of the Dumped Imports on the Domestic Industry

(a) Price Undercutting

79. With regard to the effect 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. In this regard, a comparison has been made between the landed value of the product and the average selling price of the domestic industry net of all rebates and taxes, at the same level of trade. The prices of the domestic industry were determined at the ex-factory level.
80. Price undercutting has been worked out by comparing the export price with the domestic selling price in India of the subject goods.

Particular	Unit	2012-13	2013-14	2014-15	POI
Landed Price of subject country	Rs/MT	170957	205175	215316	191000
Net Sales Realization	Rs/MT	***	***	***	***
Price Undercutting	Rs/MT	***	***	***	***
Price Undercutting	%	***	***	***	***
Price Undercutting	% Range	20-30	15-25	10-20	10-20

81. From the above, the Authority notes that the landed price of imports of PX 13 from EU is below the net selling price of the domestic industry. The imports from EU are undercutting the selling prices of domestic industry.

(b) Price Suppression/ Depression

82. In order to determine whether the dumped imports are suppressing or 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 to a significant degree, the Authority considered the changes in the costs and prices over the injury period. The position is shown as per the table below:

Particular	Unit	2012-13	2013-14	2014-15	POI
Cost of Sales	Rs/MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>124</i>	<i>108</i>	<i>93</i>
Selling Price	Rs/MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>114</i>	<i>117</i>	<i>102</i>
Landed Price without ADD	Rs/MT	170957	205175	215316	217094
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>120</i>	<i>126</i>	<i>127</i>
Landed prices with ADD	Rs/MT	215226	254464	265287	270480
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>118</i>	<i>123</i>	<i>125</i>

83. The Authority notes that the landed price of imports is lower than the cost of sales of the domestic industry initially but the trend recovered in the last two years of the injury period. The price suppression/depression effect on domestic industry's selling price is absent.

Economic Parameters relating to the Domestic Industry

84. Annexure II to the AD Rules requires that the determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of such products. With regard to consequent impact of these imports on domestic producers of such products, the AD Rules further provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments.
85. Accordingly, various economic parameters of the Domestic Industry are analyzed herein below:
- (a) *Production, Capacity, Capacity Utilization and Sales Volume*
86. Production, sales, capacity & capacity utilization of the domestic industry moved as shown below:

PX-13

Particular	Unit	2012-13	2013-14	2014-15	POI
Installed Capacity	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>171</i>	<i>171</i>	<i>171</i>
Production	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>117</i>	<i>204</i>	<i>188</i>
Capacity Utilization (%)	%	***	***	***	***

Particular	Unit	2012-13	2013-14	2014-15	POI
<i>Trend</i>	<i>Indexed</i>	100	69	120	110
Domestic Sales	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	98	170	245

87. It is noted from above that the production, capacity utilization and sales of the domestic industry of PX13 have gone up in absolute term as compared to base year.

(b) Market Share in Demand

88. The market share of the domestic industry moved as shown below:

Particular	Unit	2012-13	2013-14	2014-15	POI
EU - Subject Country	%	13.36	9.31	7.62	7.23
Other Country attracting ADD	%	45.77	55.98	41.58	27.97
Other Countries	%	0.07	1.17	0.92	3.13
Domestic Industry	%	***	***	***	***
Other Producers	%	***	***	***	***
Total Demand	%	100.00	100.00	100.00	100.00

89. It would be seen from the above that the market share of the domestic industry has increased over the injury period with a dip in 2013-14. The market share of imports PX-13 from EU have declined during the injury period.

(c) Profitability, return on investment and cash profits

90. Performance of the domestic industry with regard to profits, return on investment and cash flow is as follows:

Particular	Unit	2012-13	2013-14	2014-15	POI
PBT	Rs/Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	(100)	(180)	(103)	(92)
PBIT	Rs/Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	(100)	(108)	(29)	(41)
Cash Profit - PBDT	Rs/Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	(100)	(196)	(109)	(93)
ROCE	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	(100)	(98)	(20)	(27)

91. The domestic industry is suffering losses throughout the injury period. The domestic industry has suffered cash losses and negative PBIT during the injury period. The domestic industry is faced with negative Return on investments over the injury period. However, the

losses have come down in POI as compared to base year as well as previous year. Similarly, rate of return during POI was better as compared to base year.

(d) Inventories

92. Inventories with the domestic industry is as follows:

Particular	Unit	2012-13	2013-14	2014-15	POI
Average Stock	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>104</i>	<i>281</i>	<i>331</i>

93. The inventory level of the domestic industry in PX-13 has increased throughout the period.

(e) Employment, Productivity and Wages

94. Performance of the domestic industry with regard to employment, productivity and wages is as follows:

Particular	Unit	2012-13	2013-14	2014-15	POI
Employees	Nos.	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>156</i>	<i>156</i>	<i>156</i>
Wages	Rs/Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>246</i>	<i>262</i>	<i>344</i>
Productivity / day	MT	***	***	***	***
Productivity / employee	MT	***	***	***	***

95. On the basis of above, the Authority notes as follows:

- The level of employment increased in the year 2013-14 and thereafter remained constant.
- Wages paid have shown a growth over the injury period.
- Productivity in terms of productivity per day as well as productivity per employee has also shown an increase as compared to the base year.

(f) Growth

96. Performance of the domestic industry with regard to growth as compared to the previous years is as follows:

Particulars	Unit	2012-13	2013-14	2014-15	POI
Production	%	base year	***	***	***
Sales Volume Domestic	%	base year	***	***	***
Sales Price Per KG	%	base year	***	***	***

Particulars	Unit	2012-13	2013-14	2014-15	POI
Cost of Sales Per KG	%	base year	***	***	***
ROCE	%	base year	***	***	***

97. It is noted that the growth of the domestic industry in terms of production has shown a positive trend till 2014-15 which became negative during the POI. The sales have shown a positive growth. The domestic industry is suffering losses and faced with cash losses and negative return on investment.

(iv) Injury Analysis

The Authority notes as under:

- i. **PX-13** – Imports of PX13 from EU remained significant in relation to total imports, production and consumption in India despite existing anti dumping duty. With regard to price effect, it is noted that imports were undercutting the prices of the domestic industry in the market and the domestic industry is unable to increase its selling price to the levels of cost. The inventory level of the domestic industry in PX-13 has increased throughout the period. Imports were suppressing domestic prices. The authority notes that the domestic industry has suffered injury due to dumped imports of PX-13 from EU.

Magnitude of Injury and injury margin

98. The non-injurious price of the subject good produced by the domestic industry as determined by the Authority in terms of Annexure III to the AD Rules has been compared with the landed value of the exports from the subject country for determination of injury margin during the POI and the injury margin so worked out is as under:

Particular	Unit	PX-13	
		Solutia	EU others
Non-Injurious Price (NIP)	US\$/MT	***	***
Landed Value without ADD	US\$/MT	3085.34	2665.71
Injury Margin	US\$/MT	***	***
Injury Margin	%	***	***
Injury Margin	% Range	35-45	55-65

TDQ

(i) Assessment of Demand/ Apparent Consumption

99. 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.

100. The demand for TDQ is given in the table below:

Particular	Unit	2012-13	2013-14	2014-15	POI
EU - Subject Country	MT	10	51	473	244
Other Country attracting ADD	MT	781	1,220	1,878	983
Other Countries	MT	464	500	221	557
Domestic Industry	MT	3,677	4,714	4,850	4,693
Other Indian Producers	MT	4,095	2,688	2,404	2,600
Total Demand	MT	9,027	9,173	9,826	9,077

101. The Authority notes that the demand for TDQ has increased till 2014-15 but had a slight decline during period of investigation leading to an overall steady demand pattern.

(ii) Volume Effect of Dumped Imports and Impact on Domestic Industry
Import volume and Market Share

102. With regard to volume of the dumped imports, it 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.

103. The table below summarizes the factual position with regard to import volumes and market share -:

Particulars	Unit	2012-13	2013-14	2014-15	POI
Imports from EU - subject country	MT	10	51	473	244
Imports from country attracting ADD	MT	781	1,220	1,878	983
Imports from other countries	MT	464	500	221	557
Total Imports	MT	1,255	1,771	2,571	1,784
Share of imports in relation to					
▪ Total imports	%	0.76	2.91	18.38	13.65
▪ Production	%	***	***	***	***
▪ Consumption	%	***	***	***	***

104. On the basis of above, the Authority notes as follows:

- (a) The imports of TDQ have increased significantly in absolute terms till 2014-15 and thereafter declined in the POI.
- (b) The imports of TDQ, in relative terms, followed the same trend as that in case of absolute terms.

(iii) Price Effect of the Dumped Imports on the Domestic Industry

(a) Price Undercutting

105. With regard to the effect 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. In this regard, a comparison has been made between the landed value of the product and the average selling price of the

domestic industry net of all rebates and taxes, at the same level of trade. The prices of the domestic industry were determined at the ex-factory level.

106. Price undercutting has been worked out by comparing the export price with the domestic selling price in India of the subject goods.

Particular	Unit	2012-13	2013-14	2014-15	POI
Landed Price of subject country	Rs/MT	172505	170809	162159	164722
Net Sales Realization	Rs/ MT	***	***	***	***
Price Undercutting	Rs/ MT	***	***	***	***
Price Undercutting	%	***	***	***	***
Price Undercutting	% Range	Negative	0-10	15-25	0-10

107. From the above, the Authority notes that the landed price of imports of TDQ from EU is below the net selling price of the domestic industry. The imports from EU are undercutting the selling prices of domestic industry.

(b) Price Suppression/Depression

108. In order to determine whether the dumped imports are suppressing or 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 to a significant degree, the Authority considered the changes in the costs and prices over the injury period. The position is shown as per the table below:

Particular	Unit	2012-13	2013-14	2014-15	POI
Cost of Sales	Rs/ MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>114</i>	<i>113</i>	<i>89</i>
Selling Price	Rs/ MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>122</i>	<i>132</i>	<i>112</i>
Landed Price without ADD	Rs/ MT	172505	170809	162159	164722
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>99</i>	<i>94</i>	<i>95</i>
Landed Price with ADD	Rs/ MT	186824	186752	178322	181990
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>99.9</i>	<i>95.7</i>	<i>97.6</i>

109. The Authority notes that the net selling price of TDQ increased over the injury period. Thus, the price suppression/ depression effect of the prices of the domestic industry is absent despite decline in the cost of sales.

Economic Parameters relating to the Domestic Industry

110. Annexure II to the AD Rules requires that the determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of such products. With regard to consequent impact of these imports on domestic producers of such products, the AD Rules further provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the

industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments.

111. Accordingly, various economic parameters of the Domestic Industry are analyzed herein below:

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

112. Production, sales, capacity & capacity utilization of the domestic industry moved as shown below:

Particular	Unit	2012-13	2013-14	2014-15	POI
Installed Capacity	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>107</i>	<i>111</i>	<i>111</i>
Production	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>103</i>	<i>104</i>	<i>98</i>
Capacity Utilization (%)	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>97</i>	<i>94</i>	<i>89</i>
Domestic Sales	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>128</i>	<i>132</i>	<i>128</i>

113. It is noted from above that the production and capacity utilization of the domestic industry has declined as compared to the base year. This may be attributed to increase in installed capacity. However, the sales of the domestic industry of TDQ have increased in absolute term.

(b) Market share in demand

Particular	Unit	2012-13	2013-14	2014-15	POI
EU - Subject Country	%	0.11	0.56	4.81	2.68
Other Country attracting ADD	%	8.66	13.30	19.11	10.83
Other Countries	%	5.14	5.45	2.25	6.14
Domestic Industry	%	***	***	***	***
Other Producers	%	***	***	***	***
Total Demand	%	100.00	100.00	100.00	100.00

114. It would be seen from the above that the market share of imports of TDQ from EU has increased till 2014-15 but declined during period of investigation. The market share of domestic industry increased during period of investigation.

(c) Profitability, return on investment and cash profit

Particular	Unit	2012-13	2013-14	2014-15	POI
PBT	Rs/Lacs	***	***	***	***

<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>107</i>	<i>111</i>	<i>111</i>
PBIT	Rs/Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>694</i>	<i>1,304</i>	<i>1,420</i>
Cash Profit - PBDT	Rs/Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>578</i>	<i>1,060</i>	<i>1,216</i>
ROCE	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>463</i>	<i>934</i>	<i>830</i>

115. The Authority notes that performance of the domestic industry for TDQ has improved manifold over the injury period and the domestic industry is in profits. The PBIT, Cash Profits and Return in capital employed have also improved substantially throughout the injury period.

(d) Inventories

Particular	Unit	2012-13	2013-14	2014-15	POI
Average Stock	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>104</i>	<i>82</i>	<i>104</i>

116. The inventory levels of the domestic industry in TDQ has been consistent with a slight dip in 2014-15.

(e) Employment and wages

Particular	Unit	2012-13	2013-14	2014-15	POI
Employees	Nos.	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>111</i>	<i>111</i>	<i>111</i>
Wages	Rs/Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>158</i>	<i>152</i>	<i>234</i>
Productivity / day	MT	***	***	***	***
sProductivity / employee	MT	***	***	***	***

117. On the basis of above, the Authority notes as follows:

- The level of employment increased in the year 2013-14 and thereafter remained constant.
- Wages paid have increased over base year.
- Productivity per day has remained constant over the injury period whereas productivity per employee has declined over the injury period.

(f) Growth

Particulars	Unit	2012-13	2013-14	2014-15	POI
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Production	%	base year	***	***	***
Sales Volume Domestic	%	base year	***	***	***
Sales Price Per KG	%	base year	***	***	***
Cost of Sales Per KG	%	base year	***	***	***
ROCE	%	base year	***	***	***

118. It is noted that the growth of the domestic industry in terms of sales and production have been negative during the POI. The decline in cost of sales is more than decline in selling price resulting in profits. The domestic industry has shown improvement in profits and ROCE.

119. **Injury Analysis**

The Authority notes as under:

120. **TDQ:** Imports of TDQ from EU remained significant in relation to total imports, production and consumption in India despite existing anti dumping duty. With regard to price effect, it is noted that imports were undercutting the prices of the domestic industry in the market. However, the performance of the domestic industry has improved over the injury period in terms of production, profits, PBIT, cash profit and return on investments. The Authority notes that the domestic industry has not suffered injury.

I. Magnitude of Injury and injury margin

121. The non-injurious price of the subject goods produced by the domestic industry as determined by the Authority in terms of Annexure III to the AD Rules has been compared with the landed value of the exports from the subject country for determination of injury margin during the POI and the injury margin so worked out is as under:

Particular	Unit	TDQ
		EU
	US\$/MT	***
Landed Value without ADD	US\$/MT	2499.25
Injury Margin	US\$/MT	***
Injury Margin	%	***
Injury Margin	% Range	negative

MOR

(i) Assessment of Demand/ Apparent Consumption

122. 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.

123. The demand for MOR is given in the table below:

Particular	Unit	2012-13	2013-14	2014-15	POI
China PR - Subject Country	MT	334	421	533	519
Other Countries	MT	701	623	38	2
Domestic Industry	MT	1,416	1,535	1,494	1,441
Other Producers	MT	928	274	80	86
Total Demand	MT	3,378	2,853	2,144	2,049

1. The Authority notes that the demand for MOR has decreased during the injury period.

(ii) **Volume Effect of Dumped Imports and Impact on Domestic Industry**

Import volume and Market Share

124. 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.

125. The table below summarizes the factual position with regard to import volumes and market share -:

Particulars	Unit	2012-13	2013-14	2014-15	POI
Imports from China PR – Subject Country	MT	334	421	533	519
Imports from other countries	MT	701	623	38	2
Total Imports	MT	1,035	1,044	571	521
Share of imports in relation to					
▪ Total imports	%	32.25	40.31	93.36	99.57
▪ Production	%	***	***	***	***
▪ Consumption	%	***	***	***	***

2. On the basis of above, the Authority notes as follows:

(a) The imports of MOR have increased throughout the injury period in absolute terms.

(b) Further, the imports in relative terms have followed the same trend as that in case of absolute terms.

(iii) **Price Effect of the Dumped Imports on the Domestic Industry**

(a) Price Undercutting

126. With regard to the effect 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. In this regard, a comparison has been made between the landed value of the product and the average selling price of the

domestic industry net of all rebates and taxes, at the same level of trade. The prices of the domestic industry were determined at the ex-factory level.

127. Price undercutting has been worked out by comparing the export price with the domestic selling price in India of the subject goods.

Particular	Unit	2012-13	2013-14	2014-15	POI
Landed Price of subject country	Rs/MT	235972	255090	268263	242901
Net Sales Realization	Rs/ MT	***	***	***	***
Price Undercutting	Rs/ MT	***	***	***	***
Price Undercutting	%	***	***	***	***
Price Undercutting	% Range	10-20	15-25	15-25	15-25

128. From the above, the Authority notes that the landed price of imports of MOR from China is below the net selling price of the domestic industry. The imports from China are undercutting the selling prices of domestic industry.

(b) Price Suppression/ Depression

129. In order to determine whether the dumped imports are suppressing or 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 to a significant degree, the Authority considered the changes in the costs and prices over the injury period. The position is shown as per the table below:

Particular	Unit	2012-13	2013-14	2014-15	POI
Cost of Sales	Rs/ MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>107</i>	<i>106</i>	<i>98</i>
Selling Price	Rs/ MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>117</i>	<i>128</i>	<i>117</i>
Landed Price without ADD	Rs/ MT	235972	255090	268263	242901
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>108</i>	<i>114</i>	<i>103</i>
Landed Price with ADD	Rs/MT	278055	301944	315766	293651
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>109</i>	<i>114</i>	<i>106</i>

130. The Authority notes that whereas the cost of production has declined, the net selling price of MOR has increased over the base period. Thus, the price suppression/ depression effect of the prices of the domestic industry is absent.

Economic Parameters relating to the Domestic Industry

131. Annexure II to the AD Rules requires that the determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of such products. With regard to consequent impact of these imports on domestic producers of such products, the AD Rules further provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased

evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments.

132. Accordingly, various economic parameters of the Domestic Industry are analyzed herein below:

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

133. Production, sales, capacity & capacity utilization of the domestic industry moved as shown below:

Particular	Unit	2012-13	2013-14	2014-15	POI
Installed Capacity	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>
Production	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>122</i>	<i>137</i>	<i>110</i>
Capacity Utilization (%)	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>122</i>	<i>137</i>	<i>110</i>
Domestic Sales	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>108</i>	<i>106</i>	<i>102</i>

134. It is noted from above that the production and capacity utilization has increased till 2014-15 but declined in period of investigation. The sales of the domestic industry have increased in 2013-14 but declined thereafter.

(b) Market Share in Demand

135. The market share of the domestic industry moved as shown below:

Particular	Unit	2012-13	2013-14	2014-15	POI
China PR - Subject Country	%	9.88	14.75	24.85	25.33
Other Countries	%	20.75	21.84	1.77	0.11
Domestic Industry	%	***	***	***	***
Other Producers	%	***	***	***	***
Total Demand	%	100.00	100.00	100.00	100.00

136. It would be seen from the above that the market share of both domestic industry and imports of MOR from China PR has increased.

(c) Profitability, return on investment and cash profits

137. Performance of the domestic industry with regard to profits, return on investment and cash flow is as follows:

Particular	Unit	2012-13	2013-14	2014-15	POI
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PBT	Rs/Lacs	***	***	***	***
Trend	Indexed	100	367	652	546
PBIT	Rs/Lacs	***	***	***	***
Trend	Indexed	100	341	590	480
Cash Profit - PBDT	Rs/Lacs	***	***	***	***
Trend	Indexed	100	342	601	505
ROCE	%	***	***	***	***
Trend	Indexed	100	319	537	577

138. The Authority notes that performance of the domestic industry for MOR has improved manifold over the injury period and the domestic industry is in profits. The PBIT, Cash Profits and Return in capital employed have also improved substantially over the injury period.

(d) Inventories

139. Inventories with the domestic industry is as follows:

Particular	Unit	2012-13	2013-14	2014-15	POI
Average Stock	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>51</i>	<i>68</i>	<i>63</i>

140. The inventory levels of the domestic industry in MOR kept fluctuating over the injury period. However, the inventories have declined since base year.

(e) Employment, Productivity and Wages

141. Performance of the domestic industry with regard to employment, productivity and wages is as follows:

Particular	Unit	2012-13	2013-14	2014-15	POI
Employees	Nos.	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>
Wages	Rs/Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>97</i>	<i>101</i>	<i>114</i>
Productivity / day	MT	***	***	***	***
Productivity / employee	MT	***	***	***	***

142. On the basis of above, the Authority notes as follows:

- The level of employment has remained at similar level during the rest of the injury period.

- Wages paid have decreased till the year 2014-15 and thereafter increased during the POI.
- Productivity per day has been consistent over the injury period whereas productivity per employee has increased over the injury period but deteriorated in POI.

(f) *Growth*

143. Performance of the domestic industry with regard to growth as compared to the previous years is as follows:

Particulars	Unit	2012-13	2013-14	2014-15	POI
Production	%	base year	***	***	***
Sales Volume Domestic	%	base year	***	***	***
Sales Price Per KG	%	base year	***	***	***
Cost of Sales Per KG	%	base year	***	***	***
ROCE	%	base year	***	***	***

144. It is noted that the growth of the domestic industry in terms of sales and production have been negative in POI. The decline in cost of sales is more than decline in selling price resulting in profits. The domestic industry has shown improvement in profits and ROCE.

145. **Injury Analysis**

The Authority notes as under:

MOR : Imports of MOR from China PR remained significant in relation to total imports, production and consumption in India despite existing anti dumping duty. With regard to price effect, it is noted that imports were significantly undercutting the prices of the domestic industry in the market. However, the performance of the domestic industry has improved over the injury period in terms of production, profits, PBIT, cash profit and return on investments. The authority notes that the domestic industry has suffered continued injury.

J. Magnitude of Injury and injury margin

146. The non-injurious price of the subject goods produced by the domestic industry as determined by the Authority in terms of Annexure III to the AD Rules has been compared with the landed value of the exports from the subject country for determination of injury margin during the POI and the injury margin so worked out is as under:

Particular	Unit	MOR
		China PR
Non-Injurious Price (NIP)	US\$/MT	***
Landed Value without ADD	US\$/MT	3685.42
Injury Margin	US\$/MT	***
Injury Margin	%	***
Injury Margin	% Range	0-10

MBTS

(i) Assessment of Demand/ Apparent Consumption

147. 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.

148. The demand for MBTS is given in the table below:

Particular	Unit	2012-13	2013-14	2014-15	POI
China PR - Subject Country	MT	673	158	401	617
Other Countries	MT	386	527	634	440
Domestic Industry	MT	977	1,006	1,097	1,242
Other Producers	MT	558	288	45	60
Total Demand	MT	2,595	1,979	2,176	2,358

The Authority notes that the demand for MBTS has declined in 2013-14 but increased thereafter from 2014-15. Imports declined in POI over base period.

(ii) Volume Effect of Dumped Imports and Impact on Domestic Industry

Import volume and Market Share

149. 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.

150. The table below summarizes the factual position with regard to import volumes and market share -:

Particulars	Unit	2012-13	2013-14	2014-15	POI
Imports from China PR – Subject Country	MT	673	158	401	617
Imports from other countries	MT	386	527	634	440
Total Imports	MT	1,059	685	1,034	1,057
Share of imports in relation to					

• Total imports	%	63.57	23.06	38.73	58.37
• Production	%	***	***	***	***
• Consumption	%	***	***	***	***

151. On the basis of above, the Authority notes as follows:

- (a) The imports of MBTS declined significantly in the year 2013-14 but increased thereafter in 2014-15 and further in period of investigation.
- (b) Further, the imports in relative terms have followed the same trend as that in case of absolute terms.

(iii) Price Effect of the Dumped Imports on the Domestic Industry

(a) Price Undercutting

152. With regard to the effect 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. In this regard, a comparison has been made between the landed value of the product and the average selling price of the domestic industry net of all rebates and taxes, at the same level of trade. The prices of the domestic industry were determined at the ex-factory level.

153. Price undercutting has been worked out by comparing the export price with the domestic selling price in India of the subject goods.

Particular	Unit	2012-13	2013-14	2014-15	POI
Landed Price of subject country	Rs/MT	165952	193457	236375	198154
Net Sales Realization	Rs/MT	***	***	***	***
Price Undercutting	Rs/MT	***	***	***	***
Price Undercutting	%	***	***	***	***
Price Undercutting	% Range	10-20	15-25	10-20	20-30

154. From the above, the Authority notes that the landed price of imports of MBTS from China is below the net selling price of the domestic industry. The imports from China are undercutting the selling prices of domestic industry.

(g) Price Suppression/ Depression

155. In order to determine whether the dumped imports are suppressing or 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 to a significant degree, the Authority considered the changes in the costs and prices over the injury period. The position is shown as per the table below:

Particular	Unit	2012-13	2013-14	2014-15	POI
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Cost of Sales	Rs/ MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>108</i>	<i>104</i>	<i>92</i>
Selling Price	Rs/ MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>115</i>	<i>140</i>	<i>132</i>
Landed Price without ADD	Rs/ MT	165952	193457	236375	198154
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>117</i>	<i>142</i>	<i>119</i>
Landed Price with ADD	Rs/ MT	178522	207452	250564	213313
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>116</i>	<i>140</i>	<i>119</i>

The Authority notes that the cost of production has declined in POI as compared to base year but there was increase in 2013-14 and 2014-15. The net selling price of MBTS increased consistently upto 2014 but declined in POI. However, the landed price of imports is lower than the selling price of the domestic industry. Thus, the price suppression/ depression effect of the prices of the domestic industry is absent.

Economic Parameters relating to the Domestic Industry

156. Annexure II to the AD Rules requires that the determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of such products. With regard to consequent impact of these imports on domestic producers of such products, the AD Rules further provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments.
157. Accordingly, various economic parameters of the Domestic Industry are analyzed herein below:

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

158. Production, sales, capacity & capacity utilization of the domestic industry moved as shown below:

Particular	Unit	2012-13	2013-14	2014-15	POI
Installed Capacity	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>
Production	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>103</i>	<i>112</i>	<i>109</i>
Capacity Utilization (%)	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>103</i>	<i>112</i>	<i>109</i>
Domestic Sales	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>103</i>	<i>112</i>	<i>127</i>

159. It is noted from above that the production and capacity utilization has increased till 2014-15 but declined in period of investigation. The sales of the domestic industry have increased throughout the injury period.

(b) Market Share in Demand

Particular	Unit	2012-13	2013-14	2014-15	POI
China PR - Subject Country	%	25.95	7.98	18.41	26.15
Other Countries	%	14.87	26.61	29.12	18.65
Domestic Industry	%	***	***	***	***
Other Producers	%	***	***	***	***
Total Demand	%	100.00	100.00	100.00	100.00

160. It would be seen from the above that the market share of China PR has decline in 2013-14 but increased thereafter. Market share of the domestic industry has increased over the injury period.

(c) Profitability, return on investment and cash profits

161. Performance of the domestic industry with regard to profits, return on investment and cash flow is as follows:

Particular	Unit	2012-13	2013-14	2014-15	POI
PBT	Rs/Lacs	***	***	***	***
Trend	Indexed	100	212	679	842
PBIT	Rs/Lacs	***	***	***	***
Trend	Indexed	100	208	638	773
Cash Profit - PBDT	Rs/Lacs	***	***	***	***
Trend	Indexed	100	208	654	809
ROCE	%	***	***	***	***
Trend	Indexed	100	215	547	722

162. The Authority notes that performance of the domestic industry for MBTS has improved manifold over the injury period and the domestic industry is in profits. The PBIT, Cash Profits and Return in capital employed have also improved substantial throughout the injury period.

(c) Inventories

163. Inventories with the domestic industry is as follows:

Particular	Unit	2012-13	2013-14	2014-15	POI
Average Stock	MT	***	***	***	***
Trend	Indexed	100	56	56	71

164. The inventory levels of the domestic industry in MBTS has declined in POI compared to the base year.

(e) Employment, Productivity and Wages

165. Performance of the domestic industry with regard to employment, productivity and wages is as follows:

Particular	Unit	2012-13	2013-14	2014-15	POI
Employees	Nos.	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>
Wages	Rs/Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>56</i>	<i>66</i>	<i>80</i>
Productivity / day	MT	***	***	***	***
Productivity / employee	MT	***	***	***	***

166. On the basis of above, the Authority notes as follows:

- Per employee has increased over the injury period but deteriorated in POI.
- The level of employment remained constant over the injury period.
- Wages paid have declined over the injury period.
- Productivity per day has remained constant over the injury period whereas productivity per employee has increased over the injury period with a slight decline in POI.

(f) Growth

167. Performance of the domestic industry with regard to growth as compared to the previous years is as follows:

Particulars	Unit	2012-13	2013-14	2014-15	POI
Production	%	base year	***	***	***
Sales Volume Domestic	%	base year	***	***	***
Sales Price Per KG	%	base year	***	***	***
Cost of Sales Per KG	%	base year	***	***	***
ROCE	%	base year	***	***	***

168. It is noted that the growth of the domestic industry in terms of production have shown a negative growth in POI. However, the growth in terms of sales is positive. The decline in cost of sales is more than decline in selling price resulting in profits. The domestic industry has shown significant improvement in profits and ROCE.

Injury Analysis

The Authority notes as under:

169. **MBTS:** Imports of MBTS from China PR remained significant in relation to total imports, production and consumption in India despite existing anti-dumping duty. With regard to price effect, it is noted that imports were undercutting the prices of the domestic industry in the market. However, the performance of the domestic industry has improved

over the injury period in terms of production, profits, PBIT, cash profit and return on investments. The authority notes that the domestic industry has not suffered injury.

Magnitude of Injury and injury margin

170. The non-injurious price of the subject goods produced by the domestic industry as determined by the Authority in terms of Annexure III to the AD Rules has been compared with the landed value of the exports from the subject country for determination of injury margin during the POI and the injury margin so worked out is as under:

Particular	Unit	MBTS
		China PR
Non-Injurious Price (NIP)	US\$/MT	
Landed Value without ADD	US\$/MT	3006.49
Injury Margin	US\$/MT	***
Injury Margin	%	
Injury Margin	% Range	Negative

K. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF DUMPING AND INJURY

Submissions by the Domestic Industry

171. Following are the submissions made by the Domestic Industry with regard to likelihood of continuation of dumping and consequent recurrence of injury –
- i. The factors relevant to likelihood of dumping are relevant to the likelihood of injury as well in the present case and the same are relied upon.
 - ii. Absence of current dumping does not in any way means there is no likelihood of dumping in the event of cessation of antidumping duty.
 - iii. Reliance cannot be placed on Injury Margin and NIP to determine material injury and likelihood of injury and if it is done, the same would be in contravention to the Ahmedabad High Court order judgment in Nirma Limited Vs Union of India, Special Civil Applications No.16426/2016 & 16427/2016a
 - iv. While current import volumes and import prices may show no current injury, the same are insufficient in the present case to show no likelihood of recurrence of injury.
 - v. Imports made into the domestic market have been made at dumped prices; the volume has been very significant since last ten years, despite imposition of anti-dumping duty. There is huge probability of massive imports of dumped subject good in the event of cessation of anti-dumping duty.
 - vi. Exporters/ producers in the respective subject countries have excess capacity of 1,19,500 TPA, 13,500, 6,220 and 58,630 for PX-13, TDQ, MOR and MBTS

- respectively. This establishes that in the event of cessation of duties, exports to India will intensify.
- vii. In view of the fact of existing surplus capacities in the subject countries, it can be assumed that the foreign producers can scale up production in a short period.
 - viii. The dumping margin with respect to the respective subject countries, in previous investigations, is not only above de minimus but also substantial. The dumping margin in the current POI is positive and significant except for TDQ. However, during post period of investigation, the imports of TDQ are entering the Indian market at dumped prices
 - ix. The price undercutting without prevailing anti-dumping duties is positive for each subject rubber chemical.
 - x. The import prices are significantly below selling price of the domestic industry. The consumers would therefore switch to imported product in the event of cessation of anti-dumping duty which will lead to significant increase in imports of the product.
 - xi. Questionnaire response of Solutia itself indicates that the exporter has changed its behavior due to anti-dumping duty in existence. In the event of cessation of anti-dumping duty, the imports are likely to enter in the Indian market causing injury to the domestic industry.
 - xii. Chinese rubber chemical industry is faced with over capacity. In the event of cessation of anti-dumping duty, the imports are likely to enter in the Indian market at dumped prices.
 - xiii. There is significant global surplus capacity.
 - xiv. Likelihood in case of PX-13 is further established in view of current dumping and injury despite anti-dumping duty in force.
 - xv. Likelihood of injury to the domestic industry in MOR is further established by the fact that demand for MOR in the international market is declining because of substitution of MOR with NS/TBBS. The exporters in subject countries are increasingly getting into price pressure in order to sell the volumes.
 - xvi. In case of TDQ, the monthly import price shows declining trend towards the end of the POI and the same is more appropriate to reflect their likelihood of dumping and injury in the event of cessation of anti-dumping duty. Further, and in any case, the imports are at dumped prices.
 - xvii. In case of cessation of anti-dumping duty, the domestic industry shall have to reduce their selling price to compete with dumped imports, driving it even below the cost of sales; leading to severe price injury.

Views of the other Interested Parties

172. Following are the submissions made by the other interested parties with regard to likelihood of continuation of dumping and consequent recurrence of injury:
- i. There is no case of recurrence of material injury.
 - ii. The responding exporter has contested that imports have declined significantly over the period of investigation and this trend is likely to continue and thus, there is no risk of continuance or recurrence of dumping and injury. There is no price undercutting or suppression and depression.
 - iii. The contention of the petitioner that it is for the exporters to establish on the basis of their information that dumping is unlikely to continue, intensify or recur in the in the event of cessation of anti- dumping duties, is contrary to the established WTO practice and an attempt to mislead the Authority.

- iv. Data submitted by the Petitioner doesn't prove the existence of injury or likelihood of recurrence or continuance of dumping and fails to demonstrate the existence of injury caused by dumped imports of PX-13 from the EU and likelihood of the same.
- v. As opposed to the contention of the petitioner, Recurrence of material injury is determined on the basis of the 'likelihood' of injury in the future if the existing AD duty ceases to exist and the same cannot be established on the basis of the dumping margins determined in the previous investigations.
- vi. The claim of the DI with respect to the increase in volume of imports is incorrect
- vii. The evidence provided by the DI to show that the exporters have huge surplus production capacities does not specify whether the supply capacity is aimed at India
- viii. As per the applicants, the exporters have huge surplus production capacities. However, the evidence provided in this regard does not specify whether the supply capacity is aimed at India.
- ix. The DI has also claimed that the imports from the subject countries are likely to undercut the prices of the DI however, it itself is admitting that the imports with respect to MOR, TDQ and MBTS are neither suppressing nor depressing the prices of the DI. The domestic selling price has increased in the POI as compared to the base year whereas the cost of sales has fallen in the same period. Also, landed value is has consistently increased.
- x. The import prices of the PUC are higher than the prices of the DI. Therefore, the claim of prices sensitivity of the PUC and the Indian market is not made out on account of there being no price injury in this investigation.
- xi. The information on the excess capacity of the exporting producers in the subject countries has been copied from last SSR which should not have been considered as it doesn't reflect new developments.
- xii. The analysis of the available capacity only takes the estimated domestic demand into account and ignores the export sales of the EU producers. The Authority should analyze spare capacity using a different and more precise methodology that integrates exported volumes.
- xiii. For price attractiveness of the Indian market, the analysis done by DI is insufficient and the prices on other markets should have been analyzed in order to assess how attractive the Indian market actually is.
- xiv. The Authority should also assess the export behaviour of EU exporting producers to other markets in order to make a meaningful analysis of their price behaviour in the absence of trade barriers.
- xv. EU import prices for PX-13 and TDQ have increased far more than domestic prices over the POI and also, were far above those of the massive imports originating in other countries in the POI.
- xvi. While determining material injury in a SSR investigation, the DA also evaluates post-POI trend which were not there in the post OH WS of DI which raises question on DI's claim of likelihood of recurrence of material injury.
- xvii. As per the Dry Cell Batteries case, the second SSR is to be treated as a 'special case' which implies that certain 'additional circumstances' also needs to be established along with those in the Indian AD Rules.
- xviii. The Gujarat HC judgment referred by the DI in Post OH WS is on a MTR and as per DGAD's practice, is different from SSR or any other investigations.
- xix. In these past findings, determination to the extend the ADD has been made after completing an analysis concerning material injury as well as recurrence of injury.

However, in the present case, there is no injury in TDQ, MOR and MBTS and no evidence has been presented with respect to post POI import data, landed price and performance of DI.

- xx. DI has argued that the injury parameters pertaining to assessment of threat of material injury can also be applied while assessing likelihood of injury and the same is without any legal basis and self admission by DI.
- xxi. Data provided by responded in Post OH WS contains post POI data which established that there is no case for recurrence of injury. There is no price undercutting in Post POI with respect to PX-13, MOR and thus, no claim of recurrence of material injury is made out.
- xxii. No TDQ imports by ATMA members. The procurement of TDQ from the DI has increased thus, no claim for recurrence is made out.
- xxiii. In Dry Cell Batteries case, dumping margin was 15-20%. Price undercutting 25-35% without ADD, price underselling 15-25%, surplus capacity and injury margin 15-15% were found. Still the duty wasn't extended beyond ten years for want of it being a special case.
- xxiv. DI has not provided any evidence for surplus capacity of exporters and thus, this argument can't be accepted. Referred to Indian Spinners Association vs DA that mere existences of surplus capacity should not lead to a conclusion of foreseeable threat.
- xxv. DI has been able to increase its production, domestic sales in volume as well as value, the import price of PUC has decreased with significant increase in landed price and thus, no possibility of recurrence of material injury as per the judgment in Indian Graphite Manufacturers vs MOF
- xxvi. As per Rule 11 & 23, in addition to the requirement to make a prospective determination of likelihood of continuation or dumping of PX-13 causing injury, DA is also require to make an actual determination of existence of past injury to the DI that was caused by dumped imports of PX-13.
- xxvii. The arguments of DI that there is no obligation of determination of dumping and injury as per Article 2 & 3 of ADA for determination of likelihood or recurrence as per Article 11.3, that absence of current dumping doesn't constitute sufficient grounds for termination of ADD is contrary to a reading of Article 11.3 and established precedent of DSU of WTO.

Examination of the Authority

The Authority examined the likelihood of continuation or recurrence of injury considering the parameters relating to the threat of material injury in terms of Annexure II (vii) of the Rules. Clause (vii) of Annexure II to the rules provides for four factors which are required to be taken into consideration, viz.:

(a) a significant rate of increase of dumped imports into India indicating the likelihood of substantially increased importation

		2012-13	2013-14	2014-15	2015-16
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		Quantity MT			
PX 13	EU	1,925	1,575	1,342	1,356
TDQ	EU	10	51	473	244
MOR	China PR	334	421	533	519
MBTS	China PR	673	158	401	617

There has not been a sharp increase in volume from subject country in the case of PX-13 and MBTS. There has been increase in volume of imports from subject country in the case of TDQ and MOR compared to the base year.

(b) sufficient freely disposable, or an imminent, substantial increase in, capacity of the exporter indicating the likelihood of substantially increased dumped exports to Indian markets, taking into account the availability of other export markets to absorb any additional exports

173. This parameter for ascertaining the threat of material injury requires evaluation of existing surplus capacities and capacity addition, if any, to explore the possibility of diversion of disposable quantity to Indian market. Domestic industry has claimed that the producers in subject countries are already faced with significant surplus capacities. Further, these producers are exporting the product to a large number of countries, a very significant proportion of which is being exported at a price below the prices in respect of India, thus showing likelihood of diversion of these exports to India in the event of withdrawal of Anti-Dumping duty. While none of the interested parties have provided any verifiable evidence and information with regard to existing surplus capacities, and consequent likelihood /possibility of increased dumped exports to Indian market, the domestic industry has furnished copies of a report of Notch Consulting which provides significant information regarding Rubber Chemical manufacturing in the subject countries viz. existing capacity, existing production, unutilized capacity and capacity expansion etc. The same has been taken on record. The summarised position is as follows :

	Capacity	Demand	Surplus
PX-13	1,33,000 MT	38,000 MT	95,000 MT
TDQ	34,500 MT	16,000 MT	18,500 MT
MBTS	1,55,800 MT	99,000 MT	56,800 MT
MOR	3,34,200 MT	1,95,000 MT	1,39,200 MT

174. The questionnaire response filed by Solutia, Europe in the POI for PX-13 (6PPD) shows decline in production in current POI as compared to previous year, increase in domestic sales, decline in exports to India & third countries, increase in closing stock, decline in average prices (which are faster in domestic market as compared to exports to India), switching pattern in export price to India and third countries (third countries prices were

earlier higher and are now lower than India), significant unutilised capacity as per their own response/claim.

(c) whether imports are entering at prices that will have a significant depressing or suppressing effect on domestic prices, and would likely increase demand for further imports

175. At the current landed price in India, there is price undercutting during POI without anti dumping duty in case of each of the subject rubber chemicals whereas the same is positive with anti-dumping duty in case of MOR and MBTS. This issue has been noted earlier in the Disclosure statement.

(d) inventories of the article being investigated

176. The facts available on records do not contain any dependable evidence on inventories of the article being investigated.

Causal Link

177. Under Section 9A(5), the Authority is required to examine the likelihood of dumping and injury and the need for continuation of duties irrespective of whether there have been any imports of the product under consideration during the review investigation period or not. It was examined whether other parameters listed under the AD Rules could have contributed to injury to the domestic industry. It is noted as follows::

a) Volume and value of imports not sold at dumping prices:

178. Statement of imports from various countries shows that the imports of PX-13, TDQ, MOR and MBTS from other countries are entering at below de minimis levels or at higher prices than the respective subject country's imports during the POI or are attracting antidumping duty. It cannot, therefore, be said that the imports from other countries have also caused injury to the domestic industry

b) Contraction in Demand and / or Change in Pattern of Consumption

179. The demand of PX-13 has increased over the injury period. The demand of TDQ and MBTS has remained significant. The pattern of consumption with regard to the each of the rubber chemicals except MOR has not undergone any change. Changes in the pattern of consumption could not have, therefore, contributed to the injury to the domestic industry. As regards MOR, The Authority notes that the demand for MOR has declined throughout the injury period. It has been submitted by the domestic industry that the decline in demand is due to the substitution of MOR by NS/TBBS. However, it is also pertinent to note that for thick cross section tyres, OTR, truck and tractors, the demand of MOR is still significant.

c) Trade restrictive practices of and competition between the foreign and domestic producers

180. The Authority notes that there is no trade restrictive practice in PX-13, TDQ, MOR and MBTS which could have contributed to the injury to the domestic industry.

d) Developments in technology:

181. The Authority also notes that the technology for production of PX-13, TDQ, MOR and MBTS has not undergone any change. Developments in technology are, therefore, not a factor of injury.

e) Export performance:

182. Petitioners have exported PX-13, TDQ, MOR and MBTS. However, the claimed injury to the domestic industry is on account of domestic operations. Petitioners have provided costing and injury information for domestic sales separately. Hence, injury to domestic sales cannot be attributed to exports.

f) Performance of other products produced and sold by the domestic industry:

183. The claimed injury to the domestic industry is on account of PX-13, TDQ, MOR and MBTS which has been analyzed separately for each product.

184. The Authority concludes that the known other factors listed above do not appear to have caused the injury determined.

Factors Establishing Causal Link

185. The causal link analysis is as under:

- i. **PX-13** - Imports of PX-13 from EU were significantly undercutting the prices of the domestic industry in the market. As a direct consequence, the domestic industry has been prevented from increasing its prices in proportion to increase in cost of sales. Consequently, profit/loss, cash profits, return on investment declined significantly in the investigation period and inventories with the domestic industry increased.
- ii. **TDQ**: Analysis of the performance of the domestic industry over the injury period shows that the performance of the domestic industry has improved as a result of imposition of anti dumping duty. However, significant volumes of imports from the subject country at dumped prices continue to enter the country. The Authority is of the view that material injury would not be caused to the domestic industry by dumped imports in case of cessation of anti dumping duty.
- iii. **MOR**: Analysis of the performance of the domestic industry over the injury period shows that the performance of the domestic industry has improved as a result of imposition of anti dumping duty. However, significant volumes of imports from the subject country at dumped prices continue to enter the country. The Authority is of the view that material injury would be caused to the domestic industry by dumped imports in case of cessation of anti dumping duty.
- iv. **MBTS**: Analysis of the performance of the domestic industry over the injury period shows that the performance of the domestic industry has improved as a result of imposition of anti dumping duty. However, significant volumes of imports from the subject country at dumped prices continue to enter the country. The Authority is of the view that material injury would not be caused to the domestic industry by dumped imports in case of cessation of anti dumping duty.

J. Post disclosure Hearing

1. The Authority held a post disclosure hearing on 14th July, 2017 in view of the directions issued by the Hon'ble High Court of Gujarat at Ahmedabad in its order dated 28.06.2017, pursuant to Special Civil Application No. 12022 of 2017 filed by NOCIL Ltd. This was done to enable the interested parties to highlight the submissions made by them in respect to the disclosure statement and in the application filed in High Court. The following interested parties attended the post disclosure hearing.

- (i) M/s TPM Consultants representing the domestic industry.
- (ii) M/s Luthra & Luthra representation Automotive Tyre Manufacturers' Association
- (iii) M/s AZB Partners representing Solutia Europe SPRL/BVBA, Belgium

2. The representatives who presented their views orally at the time of post disclosure hearing were advised to file written submissions of the views expressed orally.

Submissions by Automotive Tyre Manufacturers' Association (ATMA)

3. The following additional submissions were made by opposing interested parties
 - i. The Domestic Industry's contention on the quantum of duties although part of the writ petition, amount to a submission on substantive question of law and fact, which the DI is not permitted to make once the Hon'ble DGAD has issued the disclosure statement, per the AD Rules
 - ii. While recommending duty, lesser duty rule needs to be followed as per the AD Rules, and ADA as has been held by the Authority in Certain Glass Fibre from China PR along with other cases, European Commission in Expiry review of ADD on imports of AN from Russia.
 - iii. Injury in case of PX-13, is on account of imports from other countries as well.
 - iv. When the domestic industry has itself admitted, during post-disclosure oral hearing, that it has not suffered any injury in case of TDQ, MOR and MBTS, the Authority cannot come to a conclusion which states otherwise in disclosure statement. Such factual scenario needs to be taken into consideration while recommending final findings.
 - v. The Authority cannot accept the confidentiality claimed by the Domestic Industry on report of Notch Consulting as the same is available in public domain on payment of a nominal fee. The same is contrary to the Trade Notice No. 01 /2013, Rule 6(7) of the AD Rules, decision of Supreme Court in Kanwar Natwal Singh v. Director of Enforcement, CESTAT in Kumho Petrochemicals Co. Ltd. vs. Designated Authority.
 - vi. During the post-disclosure oral hearing, the domestic industry has orally informed they would internally deliberate whether to share the report with other interested parties and would inform the opposing parties about the same when the Authority orally observed that such report be made available to the interested parties. No communication has been received in this regard. Requested the Authority to either disclose the Notch Consulting Report or direct the domestic industry to share the report and adequate time must be given to the respondents to comment on the same.
 - vii. The existing anti-dumping duty cannot be extended if injury margin is negative and the same has been the practice of DGAD as it was in Sunset Review of Caustic Soda from Saudi Arabia, Iran, Japan, USA and France, Polypropylene from Singapore, White Cement from Iran and UAE
 - viii. Rise in injury margin is immaterial where dumping margin has declined. Since there is no injury being suffered by the domestic industry in relation to TDQ and MBTS, there does not appear a need to extend the anti-dumping duty on these products.
 - ix. Further, with respect to PX-13 from EU, the dumping margin computed for cooperating exporters is less than injury margin and thus, the anti-dumping duty, if any should be recommended accordingly.
 - x. The intervention of the High Court of Gujarat at the stage of disclosure is unwarranted as has been held in Designated Authority vs Sandisk International Ltd., Vikash Trading Co. vs Designated Authority, DGAD. Even in circumstances wherein final findings and

custom notification have been issued, the statutory appeal against the same would lie before the CESTAT under Section 9C of the Act and not before the High Court.

Submissions by domestic industry

4. The domestic industry submitted as follows
 - i. The normal value in case of TDQ is required to be determined on the basis consumption price for the like article in the domestic market of the exporting country for which invoices of the export sales of domestic industry to Europe has been placed on record.
 - ii. The same should be accepted over everything else as per the hierarchy in Section 9A(1) (c), DA vs Holder Toposoe and final findings in first Sunset Review case.
 - iii. There is a possibility of some other expenses being incurred by these consumers in EU apart from that expenses added by the petitioner. This would however at the least increase the normal value and will not reduce the normal value
 - iv. Petitioner has provided sales invoices of Lanxess in the domestic market in EU and the same would show that the consumption prices and are quite comparable to the prices determined by the petitioner on the basis of its exports to EU.
 - v. The Authority in the past has relied on trade journals for determination of normal value which merely shows prevailing prices in the domestic market. Thus, consumption price of the like article when meant for consumption in exporting country should form the basis for determination of normal value.
 - vi. The same anti-dumping duty in case of PX-13 at the least should be extended considering the legal provisions.
 - vii. The export price reported by the PX-13 exporter is unreliable to consider a need for reduction in anti-dumping duty as a result of decline in dumping margin as the same is significantly higher when compared to import price from China and Korea
 - viii. There is continued dumping and injury which shows that the current duty is not effective and thus, there is need for enhancement of duty in case of PX-13.
 - ix. The volume of import has shifted between dumping sources – Korea, Europe and China, depending on relative quantum of anti-dumping duties. Imports of PX-13 have significantly increased after the investigation period with the reducing gap between Korea/China and Europe.
 - x. Due to the duty in force, there is decline in exports to India and third countries, increase in inventories with Solutia when the capacity remained constant and the same can be diverted to India in case of cessation of duty.
 - xi. The rate of decline in prices in domestic market as compared to export to India also shows that in the event of cessation of anti-dumping duty, the exporters would be able to fetch a better price in the Indian market as compared to their domestic sales
 - xii. During period of investigation, the exporter intentionally doctored their prices and reduced the export prices to third country and increased the export price to India in order to fabricate the result of SSR. Further, the disclosure statement establishes that the current prices to India are dumped. Therefore the exporters are also dumping the product to third country and the third country dumping margins are higher owing to the fact that the prices to third country are lower than export to India.

- xiii. The authority need not reduce the duty only for the reason that the dumping margin has declined as the same can only be changed by an interim review. The same has been the practice of US Authorities and European Commission as it was in Synthetic Fibre Ropes from India.

Examination by the Authority

5. The Authority notes that post-disclosure comments/submission made by the interested parties are mostly reiterations of earlier submissions, which have already been examined suitably and adequately and properly addressed in the disclosure statement or relevant paras of the present finding. The authority further considers as follows with regard to issues raised by the interested parties.
- i. As regards the determination of injury margin in case where there no injury to the domestic industry. The Authority notes that since there is no injury in the case of TDQ, and MBTS and in compliance with the Gujarat High Court order dated 28/6/2017, a substantive likelihood analysis was made based on various factors established throughout this Finding.
 - ii. As regards determination of normal value of TDQ based on evidence provided by the domestic industry, the Authority notes that the invoices of DI's exports to the exporting country is only 508 MT. It cannot be verified whether this constitutes substantial proportion of the total consumption of the product in the exporting country. Hence, the price may not be representative of the selling price of the product in the exporting country. Therefore, the Authority has constructed the Normal value.
 - iii. As regards disclosure of Notch Consulting report, the domestic industry claimed that report as confidential as it was a third party information and domestic industry is not authorized to disclose the same. The Authority accepted the confidentiality claims of the domestic industry. The Authority has however provided the summarised position and analysis based on such report in the relevant paragraphs.
 - iv. As regard the volume of import being shifted between dumping sources, the Authority has no corroborating evidence to establish the same.

L. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES:

186. The Authority notes that the purpose of anti-dumping duties, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. 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.
187. It is recognized that the imposition of anti-dumping duties 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 measures, 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 measures would remove the unfair advantages gained by dumping practices, would prevent the decline in the performance of the domestic industry and help maintain availability of wider choice to the consumers of the subject goods.

M. CONCLUSIONS

188. Having regard to the contentions raised, information provided and submissions made by the interested parties and facts available before the Authority as recorded in this finding and on the basis of the above analysis of the state of continuation of dumping and consequent injury and likelihood of continuation/ recurrence/ intensification of dumping and injury, the Authority concludes that:

- i. PX-13: There is continued dumping of PX-13 from EU, causing injury to the domestic industry. Imports are undercutting and underselling the prices of the domestic industry. Cessation of antidumping duty is likely to lead to continuation and recurrence of dumping and injury to the domestic industry.
- ii. TDQ: there is no continued dumping or injury to the domestic industry. Cessation of antidumping duty is not likely to lead to continuation and recurrence of dumping and injury to the domestic industry
- iii. MOR: There is continued dumping of PX-13 from EU. Imports are significantly undercutting and underselling the prices of the domestic industry. Cessation of antidumping duty is likely to lead to continuation and recurrence of dumping and injury to the domestic industry
- iv. MBTS: there is no continued dumping or injury to the domestic industry. Cessation of antidumping duty is not likely to lead to continuation and recurrence of dumping and injury to the domestic industry.

N. RECOMMENDATIONS

189. Accordingly, the Authority recommends that the revised and continuation of anti dumping duties be imposed from the date of issue of notification by the Central Government on all imports of Certain Rubber Chemicals, namely, PX-13 originating in or exported from the European Union and MOR originating in or exported from the Peoples Republic of China. The anti dumping duty shall be the amount mentioned in Column No. 9 of the following table.

Duty Table

SN	Heading/ Subheading	Description of goods	Country of Origin	Country of Exports	Producer	Exporter	Duty Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	381210, 381220, 381230, 293420, 292520	Rubber Chemical PX 13	EU	EU	Solutia Europe SPRL/BVBA, Belgium	Solutia Europe SPRL/BVBA, Belgium	427.03	Per MT	US\$
2.	-do-	Rubber Chemical PX 13	EU	EU	Any other that the combination of producer & exporter at 1 above		897.01	Per MT	US\$
3.	-do-	Rubber Chemical PX 13	EU	Any other than EU	Any	Any	897.01	Per MT	US\$
4.	-do-	Rubber Chemical PX 13	Any other than EU	EU	Any	Any	897.01	Per MT	US\$

5.	-do-	Rubber Chemical MOR	China PR	China PR	Any	Any	213.82	Per MT	US\$
6.	-do-	Rubber Chemical MOR	China PR	Any other than China PR	Any	Any	213.82	Per MT	US\$
7.	-do-	Rubber Chemical MOR	Any other than China PR	China PR	Any	Any	213.82	Per MT	US\$

O. Further Procedures

An appeal against this notification, after its acceptance by the Central Government, shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act, 1975.

(Dr. Inder Jit Singh)

Additional Secretary & Designated Authority