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F.NO. 14/44/2016-DGAD
Government of India
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
(DIRECTORATE GENERAL OF ANTI-DUMPING & ALLIED DUTIES)
4th Floor, Jeevan Tara Building,
5, Parliament Street, New Delhi-110001

Dated 5th March, 2018

(Final Findings)

Subject: Anti-Dumping Duty investigation concerning imports of “Fishing Net” originating in or exported from Bangladesh and China PR.

The following contains the essential facts under the consideration of the Designated Authority which would form the basis for the Final Findings in this investigation.

A. Background of the case

1. **No. 14/44/2016 - 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;
2. WHEREAS, Indian Fishnet Manufacturers Association (hereinafter also referred to as the petitioner) has filed an application before the Designated Authority (hereafter also referred to as the Authority) in accordance with the Act and the rules, for initiation of Anti-dumping investigations concerning imports of “Fishing Net” (hereinafter also referred to as the subject goods), originating in or exported from Bangladesh and China PR (hereinafter also referred to as the subject countries).
3. And whereas, the Authority on the basis of sufficient prima facie evidence submitted by the petitioners, issued a public notice vide Notification No. 14/44/2016-DGAD dated 31st, March 2017, published in the Gazette of India, Extraordinary, initiating this Anti-Dumping investigations concerning imports of the subject goods, originating in or exported from the above country, in accordance with the Rule 5 of the Rules, to determine the existence, degree and effect of the alleged dumping and to recommend the amount of anti-dumping duty, which, if levied, would be adequate to remove the injury to the domestic industry, if any.

B. PROCEDURE

4. 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 of the subject countries in India about the receipt of the present anti-dumping application from the domestic industry requesting for initiation of an anti-dumping investigation before proceeding to initiate the investigation in accordance with Sub-Rule 5 of Rule 5 supra.
 - ii. The Embassies/representatives of the subject countries in New Delhi were also informed about the initiation of the investigations in accordance with Rule 6(2).
 - iii. 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 and the domestic industry as well as other domestic producers as per the addresses made available by the petitioners and requested them to make their views known in writing within 40 days of the initiation notification.
 - iv. The Authority provided a copy of the non-confidential version of the application to the known producers/exporters and to the Embassy of the subject countries in India in accordance with Rule 6(3) of the Rules supra.
 - v. The Embassy of the subject countries in India was also requested to advise the exporters/producers from China PR and Bangladesh 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 Bangladesh.
 - vi. The Authority sent exporter's questionnaires to elicit relevant information to the following known producers/exporters in accordance with Rule 6(4) of the Rules:
 - Exporter's of China PR
 - 1) Chaohu Asianeps Fishing Net Manufacturing Co Ltd.
 - 2) Taizhou Winstrong Special Net Co Ltd
 - 3) Haierc Industry Co., Limited
 - 4) Weihai D&M Co., Ltd.
 - 5) Quanzhou Licheng Longsheng Plastic Co., Ltd.
 - 6) Tai An Fengli Plastics Co., Ltd.
 - 7) Fantasea Marine Co., Ltd.
 - 8) Shanghai Yong Cheng Scale Co., Ltd.
 - 9) Shanghai Sailfish Rope Net Co., Ltd.
 - 10) Tai'an Double Fish Plastics Co., Ltd.
 - 11) Newin Industry Ltd.
 - 12) Changzhou Wujin Yongguang Machinery co., ltd
 - 13) Nantong Shenlong Fiber Rope Co., Ltd.
 - 14) Changxing Jianyun Bamboo Art Factory
 - 15) Aujasen Dive Mfy.
 - 16) Laizhou Lutong Plastics Co., Ltd.
 - 17) Dongguan SUNMEI Plastic Raw Material Co., Ltd
 - 18) Rongcheng Bestband Industry Co., Ltd.
 - 19) Taian Pretty Lion Light Industria Products Co., Ltd.
 - 20) Jiangsu Huayuan New Material Co.,Ltd.
 - 21) Pingxiang Tiger Industrial Ceramics Co.,Ltd
 - 22) Poly Marine & Engineering Co., Ltd.

- 23) Wuhu S.H.Z Industrial Fabric Co., Ltd.
- 24) Fuyang Chenyi Arts & Crafts Co., Ltd.
- 25) Uniland Sporting Ware Mfg., Ltd
- 26) Yangzhou Xinyu Textile Equipment Co., Ltd.
- 27) Changzhou Aoyuan Textile Machinery Co., Ltd.
- 28) Jiangsu Jianghai Machinery Co., Ltd.
- 29) Changzhou City Chang Hui Import and Export Co., Ltd.
- 30) ADITYA Trading Co., Ltd
- 31) Shantou Qile Silk Screen Industry Co., Ltd.
- 32) Brother Sports Co., Ltd.
- 33) Zhangjiagang Haitia Netting Industrial Co., Ltd.
- 34) Hangzhou Hanxiong Home Textile Co., Ltd.
- 35) SSS Hardware International Trading Co., Ltd.
- 36) Ningbo Victech Sporting Goods Co., Ltd.
- 37) Qidong Xuan Shang International Trade Co., Ltd.
- 38) Innoamx Ltd
- 39) Zhangjiagang Victor Textile Machinery Co., Ltd.
- 40) Weihai Swift Yacht Co., Ltd.
- 41) Hangzhou Jinhui Knitting Co., Ltd.
- 42) Hangzhou Qinghong Rubber & Plastic Footwear Co., Ltd
- 43) Fuzhou Haiber Trade Co., Ltd.
- 44) Changzhou Chenwei Machinery Co., Ltd.
- 45) Tianchang Fushi Safety Products Co., Ltd.
- 46) National Products (Group) Co., Ltd.
- 47) Jiangsu Xiangchuan Rope Technology Co., Ltd.
- 48) Dollar Mainland Electronics Limited.
- 49) Jovial Travel-Stuff Co., Ltd.
- 50) Zibo Xuanang FRP Co., Ltd.
- 51) Shandong Yuyuan Group Co., Ltd.
- 52) Dongguan City Bestway Sports Goods Co., Ltd.
- 53) Xiamen Nee & Co. Ltd
- 54) Laizhou Huanqiu Rope & Belt Factory
- 55) Dafeng City Xinyu Air Compressor Manufacturing Co., Ltd.
- 56) Nantong Sea Melody Industrial Co., Ltd.
- 57) Qingdao Leading Link Trading Co., Ltd.
- 58) Zhoushan Wanshida Marine Foods Co., Ltd.
- 59) Hunan Zhongtai Special Equipment Co., Ltd.
- 60) Asianeps Industrial(Fishing Net) Co., Ltd
- 61) Weihai Xinghaiyuan Fishing & Netting Tackle Co., Ltd.
- 62) Zhanjiang Zhum Heng Fishing Net Ltd.
- 63) Ming Yuan Fishing Net Further Processing Factory
- 64) Sunlee Fishing Implements Trade Company
- 65) Jieyang City Youyi Fishing Net Factory Co., Ltd
- 66) Zhanjiang Dongni Fishing Net Manufacturing Co. Ltd
- 67) Wenzhou Xinghai Fishing Tackle Co., Ltd
- 68) Taizhou Sailing Fishing Net Co., Ltd
- 69) Anhui Golden Sea Fishing Tackle Co., Ltd
- 70) Qingdao Datao Fishing Tackle Co., Ltd
- 71) Tianjin Fishing Net(Manufactory)Co., Ltd
- 72) Wenzhou Xinghai Fishing Tackle Co., Ltd.

- 73) Chaohu FangTai Fishing Gear Co., Ltd
- 74) Yancheng Sunleeco Trading Co., Ltd.
- 75) Chaohu Asianeps Fishing Net Manufacturing Co., Ltd.
- 76) Asiameos Industrial (Fishing net) Co., Ltd
- 77) Hunan Xinhai Net Industry Co.,Ltd.
- 78) Anhui Province Anguo Fishing Tackle Co., Ltd.
- 79) Zhanjiang Dongni Fishing Net Manufacturing Co., Ltd.
- 80) Chaohu Xiangyu Fishing Co., Ltd.
- 81) Nantong Zhongcheng Net Co.,Ltd
- 82) Shanghai Bigcarp Textile Co., Ltd.
- 83) Chaohu Juchao District Great River Fishing Net Factory
- 84) Anhui Leixiang Fishing Gear Co., Ltd.
- 85) Anhui Hezhong Fishing Tackle Co., Ltd.
- 86) Chaohu Gaolin Carton Plant
- 87) Yutian Goldnets Fishery Goods Co., Ltd.
- 88) Qingdao Mansheng Industry And Trade Co., Ltd.
- 89) Dongshan Yinghui Fishing Tackle Co., Ltd.
- 90) Weihai Dafang Fishing Tackle Co., Ltd.
- 91) Yongkang Whetone Industry & Trade Co., Ltd.
- 92) Jiangsu Poly Fishing Plastic Co., Ltd.
- 93) Y&X Winner Maritime Equipment Co., Ltd.
- 94) Hunan Xinhai Net Industry Co., Ltd.
- 95) Chaohu Victory Union Fishing Gear Co., Ltd.
- 96) Chaohu Huatai Fishing Tackle Co., Ltd.
- 97) Fujian Changle Hongmei Net Tool Co., Ltd.
- 98) Chaohu Lotus Fishing Net Co., Ltd.
- 99) Guan Honghai Fishing Tackles Co., Ltd.
- 100) Hebei Jiase Net Manufacture
- 101) Anhui Winta Import & Export Co., Ltd.
- 102) Wuchuan Taifeng Trading Co., Ltd.
- 103) Claymore Machineries And Tools Limited
- 104) Zhu Wuyong
- 105) Wuxi Taiyu Net & Twine Mfg. Co., Ltd.
- 106) Anhui Sun Netting Tackle Co.,Ltd
- 107) Wintech Group Co., Ltd.
- 108) Weihai Haihe Imp. & Exp. Co., Ltd.
- 109) Ningbo Shunyu Nets Manufacture Co., Ltd
- 110) Nantong Aoli Netting Industrial Co., Ltd.
- 111) Changzhou Jinzhi Plastic Net Supplies Co., Ltd.
- 112) Ren Yi Fishing Co., Ltd.
- 113) Shantou Sanye Fishing Utensils Factory
- 114) Weihai Yizhang Metal Products Co., Ltd.
- 115) Shan County Tianda Plastic Net Co., Ltd
- 116) Shantou Xiangfa Fishing Tackle Co., Ltd
- 117) Changzhou Wujin Xinhui Netting Factory
- 118) Chaohu Huifeng Fishing Co., Ltd.
- 119) Zhanjiang Developing Zone Yangfan Mesh Industry Co., Ltd.
- 120) Shantou Qile Silk Screen Co. Ltd.
- 121) Ningbo Meike Leisure Products Co., Ltd.
- 122) Nantong Newtec Textile & Chemical Fiber Co. Ltd

- 123) Fulri Fishing Tackle Co., Ltd.
- 124) Dalian New City Import And Export Co., Ltd.
- 125) Haian Huwei Net Co., Ltd.
- 126) Chaohu Shenlong Fishing Gear Co., Ltd.
- 127) Hailai Nylon Netting Company
- 128) Taian Prettlylion Light Industrial Products Co, Ltd
- 129) Taian Best Corporation Ltd.
- 130) Weihai Bota Fishing Tackle Co., Ltd.
- 131) Wenzhou Ocean-Pioneer Fishing Industries Co., Ltd.
- 132) Jieshou Jianggongle Fishing Tools Co., Ltd.
- 133) Beijing Hirun Hengda Technic Co., Ltd.
- 134) Zhongying Leader Leisure And Craft Manufacturer
- 135) Xinhai Net And Rope Manufacture Co., Ltd.
- 136) Hopewell Plastic Co., Ltd.
- 137) Hangzhou Falai Fishing Tackle Co., Ltd.
- 138) Changzhou Shunsheng Nets Weave Co. Ltd.
- 139) Hangzhou Qiandao Lake Fishing Tackle Manufacturing Co., Ltd.
- 140) Lianyungang Huayang Fishing Tackle Co., Ltd.
- 141) Zhanjiang Hongyuan Fishing Article Co., Ltd.
- 142) Dongshan Fuyong Fishery Implement Products Co., Ltd.
- 143) Jiwei Travelling Products Co., Ltd
- 144) Nantong Newtec Textile & Chemical Fiber Co.,Ltd
- 145) Xiamen Hong-Gi Fishing Tackle Co., Ltd.
- 146) Weihai Hongzhu Sports Co., Ltd.
- 147) Anji Mingwang Fishing Gear Factory
- 148) Sicom Shanghai Enterprises Ltd.
- 149) Zhangjiagang DOIT Imp. & Exp. Co., Ltd.
- 150) Long Xing Plastic Co., Ltd
- 151) Wuxi Taiyu Net&Twine Mfg. Co., Ltd.
- 152) Zhangjiagang Sanwei Machinery Co., Ltd.
- 153) Binzhou Jinhui Rope Net Limited Company
- 154) Wenling Ocean Rope & Cable Co., Ltd.
- 155) Shantou Special Economic Zone Guangao Light Industry Co., Ltd.
- 156) Yantai Samhae Industry Co., Ltd.
- 157) Anhui Jinchaohe Trade Co., Ltd.
- 158) Haian Haitian Threads Co., Ltd.
- 159) China Shipbuilding Trading(Shanghai)Co., Ltd
- 160) Tai An Rope Net Plastic Co. Ltd
- 161) Tangshan Luqi Economic Trade Co., Ltd.
- 162) Binzhou Yuanhengli Import & Export Trade Co., Ltd.
- 163) Taixing Xudong Shipping Safety Equipments Factory
- 164) GuangJin Group Co., Ltd
- 165) Jiangdu City Liqiumei Sports Net Co., Ltd.

➤ Exporter's of Bangladesh

- 1) Meghna Fabric Industries Ltd.
- 2) Hicotex Ltd.
- 3) M/s.Suma Impex International
- 4) Panama Industries(pvt)ltd
- 5) Oxfam Gb

- 6) Noor Business Enterprise Ltd
 - 7) Rupsha Fishing Net Industries
 - 8) Karltext Ltd.
 - 9) Eagle Fiber Ind. Ltd
 - 10) Tokyo Fishing net Co
 - 11) Overseae trading house
 - 12) F.R.Group
- vii. In response, the following producers/exporters from the subject country filed exporter's questionnaire in the prescribed format:
- a. Anhui Light Industries International Co. Ltd. China PR
 - b. Chaohu Tengda Fishing Gear Co. Ltd. China PR
- viii. 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. Calcutta Fishnet Co
 - b. Garware Wall Ropes Ltd
 - c. D. K. Enterprises
 - d. Nautilus Aqua Systems
 - e. Tata Bluescope Steel Limited
 - f. Nilkamal Limited
 - g. Anchor Offshore Services Ltd
 - h. Dcs Hair Products (India) Private Limited
 - i. Ge India Industrial Private Limited
 - j. Home Collective India Pvt. Ltd.
 - k. Garware Wall Ropes Ltd.
 - l. Planet Impex
 - m. Kamar Trading Co.(P) Ltd.
 - n. Ek Nisht
 - o. Packaging Associates
 - p. Phoenix Trade Ventures
 - q. Anchor Equipment And Spares Private Limited
 - r. Silverson Overseas Private Limited
 - s. M M Traders
 - t. M. M. Traders
 - u. Tejasvi Exports
 - v. Bothra Trading Private Limited
 - w. Samsung Candt India Private Limited
 - x. Fountainhead Retail Private Limited
 - y. A-1 Fence Products Co. Private Limited
 - z. Anmol Nonwoven
 - aa. Sagar Nets
 - bb. Keshav Universal Yogeshwar,
 - cc. V K Synthetics
 - dd. Saif Trading Co
 - ee. Naakwa Enterprises
 - ff. Garware Wall Ropes Limited
- ix. None of the importers listed above have filed the Importer's questionnaire response.

- 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, and relied upon the same in this finding.
- 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 Period of Investigation for the purpose of the present investigation is from 1st April, 2015 to 30th September, 2016 (18 Months). The injury investigation period has however, been considered as the period from 2012-13, 2013-14, 2014-15 and the POI.
- xiv. The Authority held oral hearing on 2nd January, 2018 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, exporter from China PR and representatives of High Commission of Bangladesh. The interested parties who presented their views orally at the time of oral hearing were advised to file written submissions of the views expressed orally. The interested parties were provided opportunity to offer rejoinder submissions to the views expressed by opposing interested parties.
- xv. On the spot verification of the data of the domestic industry and table study of the cooperating exporters, 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.
- 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 finding.
- 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 this finding on the basis of the facts available.
- xix. A Disclosure Statement was issued on 19.02.2018 containing essential facts under consideration of the Designated Authority, giving time up to 23.02.2018 to furnish comments, if any, on Disclosure Statement. The Authority has considered post disclosure comments received from interested parties appropriately.

- xx. *** In this Notification represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- xxi. The exchange rate adopted by the Authority for the subject investigation is 1 US \$= Rs 66.53

C. Product Under Consideration and Like Article

Submissions made by exporter, importer and other interested parties

5. The following are the submissions made by exporters/importers/other interested parties with regard to scope of the product under consideration and like article:
- i. Product under consideration covers mono and multi, which can be further classified on the basis of thickness. The petition has only one analysis which does not appear to be correct.
 - ii. Scope of present petition covers either 100% or, if blended, containing 50% or more nylon, but not fishing nets made of HDPE.
 - iii. HDPE Agricultural nets do not consist of Nylon and the present petition is not maintainable. The HS Code of the product of the answering exporter is 5608.11.90 and it was incorrectly typed as 5608.11.10.
 - iv. Since the present petition covers only Nylon Fishing nets and not HDPE Agricultural nets, no Anti-Dumping duty should be levied on Agricultural nets being exported to India by us.
 - v. The manufacturing of monofilament synthetic nylon fibre is banned in Bangladesh, so we are neither manufacturing nor exporting Fishing nets made of monofilament. The manufacturing, marketing, storing etc. of fishing nets (monofilament) is an offence in Bangladesh, we are manufacturing and exporting only agricultural nets to India, the petition is liable to be dismissed on this ground.

Submissions made by the Domestic industry

6. The following are the submissions made by the domestic industry with regard to product under consideration and like article:
- i. The product under consideration for the present investigation is “Fishing net”. The product under consideration is used for the purpose of catching fish. Nets are devices made from fibers woven in a grid - like structure. All other kinds of Fishing nets or other nets are outside the scope of present investigation.
 - ii. Fishnets can be produced from HDPE (High Density Poly Ethylene), Nylon (Nylon 6), PP (Poly Propylene) and Polyester Yarn. The PUC is however only of nylon or more than 50% nylon.
 - iii. Petition concerns Nylon Fishing nets only – whether 100% or blended. In case of blended, scope includes fishing nets containing 50% or more Nylon by weight.

- iv. There is no known difference in the product produced by the petitioner and exported from China and Bangladesh. The PUC produced by the Domestic Industry and imported from the subject country are comparable in terms of characteristics such as physical characteristics, manufacturing process & technology (there is no known significant difference in the technology employed by the domestic industry and producers in the subject countries), functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods.
- v. There are two types of the PUC, viz. fishing nets made of nylon multi filament yarn (described as multifilament fishing net) and fishing nets made of nylon mono filament yarn (described as monofilament fishing net)
- vi. The anti-dumping duty would be levied on description of the product concerned and custom classification is only indicative and not binding on the product scope
- vii. Imports are primarily (almost 96-97%) in monofilament fishing net, whereas the Indian producers are largely producing and selling multifilament fishing net.
- viii. The production process of producing fishing net involves synthetic filament which is chips, which are in turn made out of Caprolactam. Yarn produced is largely in two categories - Nylon Multifilament Yarn and Nylon Monofilament Yarn. Chips are also used to produce monofilament yarn. The yarn thus produced are directly used in the manufacture of fishing nets of monofilament type.

Examination by the Authority

7. The Product under Consideration in the present investigation is “Fishnet” or “Fishing Net”.
8. Fishing Nets are devices made from fibers woven in a grid-like structure. Fishing nets are usually meshes formed by knotting a relatively thin thread. Due to the technical characteristics of Nylon, Nylon fishnet constitutes more than 65-70% of the total fishnet consumption world over. Present petition includes Nylon Fishing nets only – whether 100% or blended. In case of blended, scope includes fishing nets containing 50% or more Nylon by weight.
9. The product does not have dedicated customs classification. The product is being imported under HS code, 560811 10 as per the data made available to us by DGC&IS. However, customs classification is indicative only and in no way it is binding upon the product scope.
10. The PUC can be further classified into monofilament yarn net and multifilament yarn net. Monofilament net is produced using monofilament yarn, in case of multifilament net, multifilament yarn is used and the yarn is first twisted. Thereafter, even though the production process is the same and involves netting with weft & warp knotting, heat stretching, dyeing, aging, normalizing, inspection and packing; the use of monofilament net and multifilament net is in totally different areas in fishing. Monofilament nets are largely used for inland/river/lake fishing and the catches are better due to its transparency as compared to multifilament net. The life of net is however maximum of 6 months and the net cannot be repaired once damaged. Multifilament nets, on the contrary, are used for coastal/deep sea fishing to catch large fish. Life of multifilament nets is in the region of 2 to 2.5 years and the nets can be repaired when damaged.
11. As regards HDPE Fishing Nets and Agriculture nets, it is noted that the present investigation is against dumping of Nylon Fishing nets – whether 100% or blended nets containing 50% or more Nylon by weight. All other kinds of Fishing nets or other nets are outside the scope of present investigation.

12. The petitioners have claimed that there is no known difference between the subject goods exported from subject countries and that produced by the domestic industry. As submitted by the petitioners, the product under consideration produced by the domestic industry and imported from subject countries are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers can use and are using the two interchangeably.
13. The applicant has further claimed that two are technically and commercially substitutable and, hence, should be treated as “like article” under the Rules. Therefore, for the purpose of the present investigation, the Authority treats the subject goods produced by the petitioners in India as “Like Article” to the subject goods being imported from the subject countries/territory

D. SCOPE OF DOMESTIC INDUSTRY & STANDING

Submissions by producers/exporters/importers/other interested parties

14. The following are the submissions made by exporters/importers/other interested parties have made any submissions in this regard:
 - i. The interested parties have made no submissions in this regard.

Submissions made by the Domestic industry

15. Following are the submissions made by the domestic industry with regard to scope of the domestic industry and standing:
 - i. The petition is filed by Indian Fishnet Manufacturers Association on behalf of the fishnet manufacturers in India. Eighteen members of the Association have provided costing and financial information for the present investigation. The petition has been supported by Sea Fabrics (P) Ltd and Paris Nets (P) Ltd
 - ii. The domestic industry constitutes many producers of product under consideration including supporters. Out of these, 11 producers of mono yarn fishing net and 3 producers of multi yarn fishing net have provided data for verification. Therefore, domestic industry along with supporters constitutes manufacturers of all types of product under consideration.
 - iii. The petitioner along with the supporters constitutes a major proportion of the total Indian production.
 - iv. The petitioners are not related to an importer in India or exporter from subject countries, nor have the petitioners imported the product under consideration within the meaning of Rule 2(b). The petitioners have satisfied the requirement of standing under the Rules and the petitioners constitute domestic industry within the meaning of the Anti-Dumping Rules.

Examination by the Authority

16. Rule 2(b) 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”

17. The petition has been filed by Indian Fishnet Manufacturers Association on behalf of the fishnet producers in India representing as the domestic industry of the subject goods. The number of units registered with the above said association is 203.
18. As per the evidence available on record, the production of the applicant constitutes “a major proportion” of the domestic production. The production of the product under consideration is largely in the unorganized sector in the country. Majority of the Indian producers of subject goods are members of the Association.
19. The applicant has certified that there are no imports of the product under consideration by the petitioner companies from the subject countries. Since the production of the petitioners account for “a major proportion” in the total production of the product under consideration in India, the applicant satisfies the standing and constitutes Domestic Industry within the meaning of the Rules. The Authority, therefore, determines that the applicant constitutes eligible domestic industry within the meaning of Rule 2 (b) of the Anti-Dumping Rules and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra.

E. CONFIDENTIALITY

Submissions by exporter, importer and other interested parties

20. The exporter, importer and other interested parties made the following submissions:
 - i. Excess confidentiality has been claimed by the Domestic Industry.
 - ii. Domestic industry has provided production in the Indian production statement but the same is withheld as confidential in the proforma IVA. Indian demand is kept confidential which has no justification.

Submissions by Domestic industry

21. The Domestic Industry made the following submissions:
 - i. Chinese exporters have resorted to excessive confidentiality in responding to the exporter’s questionnaire response.
 - ii. Petitioners have claimed confidentiality wherever required and have also provided non-confidential summary wherever feasible. The interested party has failed to establish even a single instance where petitioners have claimed confidentiality where information was available publicly and which cannot be permitted by the Authority as a matter of need of the present case.
 - iii. The confidentiality claims of the petitioners are consistent with the practice of Authority. The domestic industry has provided trends of all injury parameters which is sufficient for the opposing interested parties to argue on merits of the case.

EXAMINATION BY AUTHORITY

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

Confidential information: (1) Notwithstanding anything contained in sub-rules 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.

23. Submissions made by the interested parties with regard to confidentiality and considered relevant by the Authority are examined and addressed accordingly. Information provided by the interested parties on confidential basis was examined with regard to 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.
24. 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.

Annexure-II

Market Economy Treatment (MET), Normal Value, Export Price and Dumping Margin

Submissions by exporter, importer and other interested parties

25. The following are the submissions made by exporters/importers/other interested parties in this regard:
- i. Responding exporters are required to be assessed for individual margins as per Rules.

Submissions by Domestic industry

26. The domestic industry inter alia submitted as follows:
- ii. China PR was considered non-market economy at the stage of initiation.
 - iii. One of the provisions of Accession protocol has expired on 11th December, 2016. The Designated Authority should proceed with present investigation considering Chinese producers as producers operating in non-market economy conditions due to reasons given below.
 - iv. Article 15(b) of China's Accession Protocol implies that provisions of Clause 15(a)(ii) shall expire 15 years from date of China's Accession, i.e., provisions of this paragraph shall be available for 15 years, i.e., upto Dec., 2016. This implies that Authority will have to consider the costs and process for determination of normal value.
 - v. The relevant consideration in this regard must be the investigation period. The purpose of fixing the investigation period is to consider a period when the existence of dumping causing injury is established and that the developments occurring after the POI are not relevant for the determination. Since the POI in the present case is 1st April, 2015 to 30th September, 2016 (18 Months), the provisions of Article 15 of China's Accession Protocol shall be fully applicable to the present investigation period. The normal value in China should be determined on the basis of Para-7 of Annexure-I.
 - vi. Market economy status cannot be given unless:
 - a. the responding Chinese exporters establish that the prices of major inputs substantially reflect market values;
 - b. process of transformation has been completely established through documentary evidence;
 - c. the responding Chinese exporters pass the test in respect of each and every parameter laid down under the rules. Contrarily, while examining material injury existence of a single parameter is considered sufficient to establish such injury. In other words, where one parameter is sufficient to establish existence of injury, failure to pass one single parameter is sufficient to reject the claim of market economy status;
 - d. the responding company and its group as a whole make the claim. If one or more companies forming part of the group have not filed the response, market economy status must be rejected.

- vii. Market economy treatment must be rejected in such situations where Chinese exporters are unable to establish that their books are consistent with International Accounting Standards (IAS). The requirement on insisting compliance with International Accounting Standards is to ensure accuracy and adequacy of revenues and expenses, assets and liabilities expressed in the annual report.
- viii. The burden of proof lies on the responding Chinese exporters to prove that they are operating under market economy condition and are entitled to get market economy treatment.
- ix. Normal value for China in such a case can be determined only in accordance with the provisions of para 7 of the Annexure I to Anti-dumping Rules without invoking proviso to 8(2) in view of the facts and circumstances of the case.
- x. Chinese producers can only be granted individual margins to the extent of their export price. The cost and selling price of the responding Chinese exporters cannot be accepted due to their non-market economy status.
- xi. The response filed by the exporters ought to be rejected on the ground of undue confidentiality claimed, suppression of facts such as existence of related entities involved in the production and sale of subject goods, suppression of facts with regard to captive inputs and subsidies received.

Examination by the Authority-

27. 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:

- i. *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.*
- ii. *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.

- iii. 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.*
- iv. 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.”*

- 28. 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 on 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 – September 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.
- 29. 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.
- 30. 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.

a) Normal value determination for China PR

- 31. In view of the above, the Authority has determined normal value having regard to para-7 of Annexure-I for the purpose of present investigation. The normal value for the subject products imported from China PR into India has been constructed considering optimum consumption norms of the domestic industry for major raw materials, cost of raw materials as per domestic industry prices, conversion cost, interest, SGA etc. at the levels allowed for the domestic industry. 5% of cost of sales excluding interest has been allowed towards reasonable profit.

b) Export Price for responding exporters in China

32. The Authority notes that the following Chinese producers/ exporters have filed exporter questionnaire response in the present investigation:
- a) Anhui Light Industries International Co. Ltd.
 - b) Chaohu Tengda Fishing Gear Co. Ltd. (Producer)
33. After examination of the responses, the exporter's data was verified by the Authority. The DGCI&S data has been examined. The data submitted by the exporters were verified and the appendix wise response to the exporter's questionnaire was taken up for examination.
34. In view of the above, the Authority has accepted the data submitted by the producers/exporters and verified subsequently by the Authority for determination of export price and dumping margin.
35. For the responding exporter whose export prices and Price adjustments have been verified, the export price has been determined after taking into account their prices to India given in their appendix wise information and all adjustments claimed by them and verified by the Authority. For other exporters, the CIF price determined from DGCI&S transaction wise data has been adjusted for ocean freight, marine insurance, commission, inland freight, port expenses and bank commission, as per the information provided by these cooperating exporters.
36. The dumping margin thus arrived has been given group wise in the tabular form below.

Normal value of Bangladesh

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

Export price from Bangladesh

38. None of the exporters from Bangladesh have provided any information giving details of export price. Therefore, the Authority has determined the export price for producers/exporters of Bangladesh 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 Bangladesh 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 as mentioned in the dumping margin table.

Dumping Margin

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

Dumping margin							
SN	Producers	Exporter	Normal value USD/KG	Net Export Price RS/KG	Dumping margin RS/KG	Dumping margin %	Dumping margin Range

1.	Chaohu Tengda Fishing Gear Co. Ltd. (Producer)	Anhui Light Industries International Co. Ltd.	***	***	***	***	40-50
2.	All Producers from China other than SN1	All Exporters from China other than in SN1	***	***	***	***	80-90
3.	All Producers from Bangladesh	All Exporters from Bangladesh	***	***	***	***	120-130

INJURY AND CAUSAL LINK

Submissions by exporter, importer and other interested parties

40. The following submissions were made by producers/exporters/importers/other interested parties with regard to injury to the domestic industry:
- i. DA should not have initiated the present investigation & should be accordingly terminated forthwith as the information and documents submitted by the Petitioners are incomprehensible and misleading with regard to various parameters.
 - ii. There is no injury and dumping and there is no threat of material injury, if measures are not imposed.
 - iii. POI as in the Initiation Notification is from April 2015 to March 2016 (12 months), whereas four year data has been given in addition to POI, treating FY 2015-16 as immediate previous year. In absence of accurate and exact data of POI on what basis Authority has initiated the investigation and has sought comments from other interested parties. Authority should instruct the DI to provide all injury parameters for the POI as in the Initiation Notification.
 - iv. Injury analysis stands vitiated, not as per Trade Notice No. 2/2004 dated 12.4.2004. Four years data has been given in addition to POI, treating FY2015-16 as immediate previous year would give distorted and incorrect results. Domestic industry is to provide injury data of 2012-13, 2013-14, 2014-15 and then POI.
 - v. Claims of dumping, injury and causal link seriously suffer because of lack of apple to apple comparison. All the volume parameters showed a clear increase and price parameters stands seriously vitiated because of consideration of 2015-16 as the previous year and also in POI. Once the infirmities in the claims of dumping and injury are rectified, it will show that there is no injury to the domestic industry.
 - vi. Petitioners claims 100 to 110% price undercutting, how Domestic Industry has increased

its sales at profitable prices and maintained its operating level at reasonable marks. If Domestic Industry reiterates that such price undercutting is true then further examination is required. And if undercutting is due to the types involved, an apple to apple comparison with emphasis on the type should have been provided.

- vii. Due to cyclone (Ockhi), Fishermen have lost their fishing gears which are fishing net primarily and they would be in a need to procure the same and the Central and State governments are understood to be mulling large financial packages for the same. Any ADD will add difficulties to the fishermen. Producer will use ADD as tool to increase the price when the demand is high.
- viii. The claims of dumping, injury and causal link in the case are not in order and suffers because of lack of apple to apple comparison. All the volume parameters showed a clear increase and price parameters stands seriously vitiated because of consideration of 2015-16 as the previous year and also in POI. Once the infirmities in the claims of dumping and injury are rectified, it will show that there is no injury to the domestic industry.
- ix. For Price undercutting the petitioners claims 100 to 110% price undercutting, how DI has increased its sales at profitable prices and maintained its operating level at reasonable marks. Reference is made to Bridgestone Tyre Manufacturing (Thailand) Vs Designated Authority. If DI reiterates that such price undercutting is true then further examination is required. And if undercutting is due to the types involved, an apple to apple comparison with emphasis on the type should have been provided.
- x. DI to provide injury data of 2012-13, 2013-14, 2014-15 and then POI.
- xi. Four year data has been given in addition to POI, treating FY2015-16 as immediate previous year would give distorted and incorrect results.
- xii. Trend analysis and comparison of economic parameters stands defective as the Domestic Industry has not provided information for previous three years and POI as per Trade Notice No.2/2004 (dated 12.4.2004).

Submissions made by the Domestic Industry

41. Following are the submissions made by Domestic industry :
 - i. The petitioners have initially provided information for the POI, April 2015 to March 2016 on the basis of the investigations were initiated by the Authority. The Authority considered it necessary to examine the data for period closer to the initiation and accordingly, period of investigation (POI) April 2016 to Sept 2016 was filed by the domestic industry for the extended Period as above.
 - ii. Petitioners have provided all revised information post initiation for the period April 2015 to September 2016 (18 Months) for investigation. The injury investigation period will however, cover the period 2012-13, 2013-14, 2014-15 and April 2015 to September 2016 (POI).
 - iii. Total imports as well as imports from the subject countries have increased from base year till the POI. Almost 96-97% of the imports and resultantly, the increase in imports is in the monofilament fishing net category. Imports in relation to consumption as well as production have increased throughout the injury period.
 - iv. The import of the product has already occurred in monofilament category while there is a threat of injury in multi filament category, where there were about 7% imports during

the POI. Further, 32.38% production of the petitioning companies is in monofilament category, whereas 67.62% production is in multifilament category.

- v. The landed price of imports has been significantly below the selling prices of the domestic industry, thus resulting in significant price undercutting during the POI.
- vi. A comparison of unit cost of sales and domestic selling price over the injury period shows that the cost of sales and the selling price of the subject goods have increased throughout the injury period. But increase in selling price is below the increase in cost of sales. The import of subject goods are significantly suppressing and depressing the prices of domestic industry.
- vii. Petitioners have already segregated their financial and economic performance in respect of each and every economic parameters between mono and multi filaments.
- viii. Production and sales of the domestic industry have increased from the base year till POI. Capacity utilisation has been stagnating due to dumping in the Country. Further, the increase in production and sales volume is much below the increase in demand for the product in the Country and the level of capacities available with the domestic industry and in the Country. The industry is losing market share even when the industry is holding capacities.
- ix. The capacity of the domestic industry has increased during the period. Despite increase in capacities, the imports are increasing rapidly.
- x. There is positive growth in demand which is being captured by the dumped imports. The price difference is so significant that domestic industry will not recover even its cost of inputs at import price.
- xi. The overall profitability of the domestic industry improved over the period, the profitability of monofilament fishing net first improved till 2015-16 and then declined significantly in April to September 2016 that the domestic industry suffered financial losses in this period. Further, the profits in monofilament fishing net are much below (not even 1/10th) of the profits in multifilament fishing net. The vast difference between monofilament fishing net and multifilament fishing net profits on one hand and between 2015-16 and Apr-Sept., 2016 itself establishes that the adverse impact of dumping on the domestic industry.
- xii. Return and cash profits have followed the same trend as that of profits. ROI in monofilament fishing net is very low as compared to multifilament fishing net. The performance of the domestic industry is getting severely impacted and is adverse.
- xiii. Both the numbers of employees and the wages paid have increased from the base year till the period of investigation.
- xiv. The growth of the domestic industry in terms of volume parameters (except market share) has been positive, whereas in terms of market share and price parameter was negative.
- xv. The dumping margin from subject country is not only more than de minimis but also very substantial. The impact of dumping on the domestic industry is significant. In fact, dumping is gradually intensifying.
- xvi. Material injury is being caused to domestic industry from dumped imports from Bangladesh and China PR. The technology adopted by domestic industry is comparable to the technology being adopted by producers of subject country. There is no significant difference in the manufacturing process. Availability of dumped imports in the market

is the sole reason for the present injury being suffered by the domestic industry. Injury to the domestic industry has been caused by the dumped imports.

- xvii. The Ockhi Cyclone took place in 2015 and the demand of the product under consideration has increased steadily since 2012-13. Therefore, the argument of the opposing interested party on so called increase in demand due to Ockhi Cyclone is baseless.
- xviii. As regards public interest 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 at fair prices. The foreign exporters need not worry about the public interest in India.

Examination by the Authority

- 42. The Authority has taken note of the submissions made by the interested parties. The Authority has examined the injury to the domestic industry in accordance with the Anti-dumping Rules and considering the submissions made by the other interested parties.
- 43. As regards the submissions of absence of injury, the injury analysis carried out hereunder is self explanatory to establish that dumping has caused injury to the domestic industry.
- 44. The submissions made by the domestic industry and other interested parties during the course of investigations with regard to injury and causal link and considered relevant by the Authority are examined and addressed as below:
- 45. The AD Rules require the Authority to examine injury by examining both volume and price effect. A determination of injury involves an objective examination of both (a) the volume of the dumped imports and the effect of the dumped imports on prices in the domestic market for the like article and (b) the consequent impact of these imports on domestic industry. With regard to the volume of dumped imports, the Authority is required to consider whether there has been a significant increase in the dumped imports, either in absolute terms or relative to production or consumption in India. 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 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.
- 46. As regards the consequent impact of dumped imports on the domestic industry, Para (iv) of Annexure II of Anti-dumping rules states as under:-
 - (iv) 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 the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments.*
- 47. It is not necessary that all parameters of injury show deterioration. Some parameters may show deterioration; while some may show improvement. The Designated Authority considers all injury parameters and thereafter concludes whether the domestic industry has suffered injury

due to dumping or not. The Authority has examined the injury parameters objectively taking into account the facts and arguments in the submissions.

48. The Authority has also, received a letter from Tamil Nadu Industrial Investment Corporation Limited, which talks about the setbacks to the domestic industry and injury being suffered by them. It states that the fishnet manufacturer's business performance has declined in last couple of years only due to steep increase in imports of Chinese nets into India at a cheaper price.

Cumulative assessment

49. With regard to cumulative assessment Annexure II (iii) to the Rules provides as follows:

In cases where imports of a product from more than one country are being simultaneously subjected to anti-dumping investigation, the designated authority will cumulatively assess the effect of such imports, only when it determines that (a) the margin of dumping established in relation to the imports from each country is more than two percent expressed as percentage of export price and the volume of the imports from each country is three percent of the import of the like article or where the export of individual countries less than three percent, the imports collectively accounts for more than seven per cent of the imports of like article and (b) cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported article and the like domestic articles.

50. The Authority notes that the dumped imports are entering the Indian market simultaneously from the subject countries. Therefore, the issue of cumulative assessment of the injury caused to the domestic industry due to dumped imports from these sources has been examined with respect to parameters in Annexure II (iii) to the Rules. It was observed that:
- a. The margins of dumping of product under consideration from each of the subject countries are more than the de-minimis limit;
 - b. The volume of imports of product under consideration from each of the subject countries is more than de minimis;
 - c. Imports from the subject countries are undercutting the prices of the domestic industry in the market.
51. In view of the above, the Authority holds that it would be appropriate to cumulatively assess the effects of dumped imports of the subject goods from the subject countries on the domestic industry in the light of conditions of competition between imported product and like domestic product.
52. Authority notes that information has been provided in respect of like article to the extent feasible and separately available. The Authority has relied on the information with regard product under consideration and on the basis of records maintained by the Petitioner companies.
53. It is noted that the examination of injury parameters have been done separately i.e. monofilament yarn net and multifilament yarn net and in consolidated manner to have a better understanding of the data and of injury being suffered by the domestic industry.

Volume Effect of Dumped Imports and Impact on Domestic Industry

Assessment of Demand

54. The demand of the product under consideration in India has been determined as the sum of sales of the Indian producers and imports from all sources. The Authority notes that the demand of the product under consideration has increased throughout the injury period.

Particulars	Unit	2012-13	2013-14	2014-15	POI (Annualised)
Sales of domestic Industry	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>115</i>	<i>125</i>	<i>138</i>
Sale of Other Indian producers	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>121</i>	<i>138</i>	<i>151</i>
Total Domestic Sales	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>120</i>	<i>134</i>	<i>148</i>
Imports- Subject Country	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>134</i>	<i>181</i>	<i>275</i>
Imports- Other Countries	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>76</i>	<i>107</i>	<i>177</i>
Total Demand	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>120</i>	<i>136</i>	<i>152</i>
Monofilament	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>120</i>	<i>132</i>	<i>136</i>
Multifilament	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>120</i>	<i>138</i>	<i>164</i>

Import Volume and Market Share

55. With regard to volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports either in absolute terms or relative to production or consumption in India. The volume of imports of the subject good from the subject country have been analyzed as under:

Import Volume	Unit	2012-13	2013-14	2014-15	POI (Annualised)
Subject Countries	MT	***	***	***	***
	<i>Indexed</i>	<i>100</i>	<i>134</i>	<i>180</i>	<i>274</i>
Bangladesh RP	MT	-	***	***	***
	<i>Indexed</i>	<i>-</i>	<i>100</i>	<i>257</i>	<i>541</i>
China	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>120</i>	<i>144</i>	<i>202</i>
Monofilament category	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>136</i>	<i>187</i>	<i>284</i>
<i>Bangladesh RP</i>	<i>MT</i>	<i>-</i>	<i>***</i>	<i>***</i>	<i>***</i>

Import Volume	Unit	2012-13	2013-14	2014-15	POI (Annualised)
	Indexed	-	100	257	541
<i>China</i>	MT	***	***	***	***
	Indexed	100	120	147	216
Imports in relation to Consumption	%	8%	9%	11%	16%
Imports in relation to Indian Production	%	31%	38%	46%	60%
Multifilament category	MT	***	***	***	***
<i>Trend</i>	<i>MT</i>	<i>100</i>	<i>110</i>	<i>109</i>	<i>177</i>
<i>Bangladesh</i>	<i>MT</i>	-	-	-	-
<i>China</i>	<i>MT</i>	***	***	***	***
	Indexed	100	111	109	179
Other Countries	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>76</i>	<i>107</i>	<i>176</i>
Total Imports	MT	***	***	***	***
	Indexed	100	118	161	248
Imports in relation to Consumption	%	3%	4%	5%	6%
Imports in relation to Indian Production	%	10%	12%	14%	19%

56. It is noted that

- i. Volume of imports from subject countries has increased in absolute terms throughout the injury period. Further, the increase in imports is largely in monofilament category.
- ii. Imports from the subject countries have increased in relation to production and consumption throughout the injury period. Further, since the imports of PUC were largely in monofilament category, the volume of imports were examined by considering market for monofilament category only.

Price Effect of the Dumped imports on the Domestic Industry

Price Undercutting

57. With regard to the effect of dumped imports on prices, the Designated Authority is required to consider whether there has been a significant price undercutting by the dumped imports when compared with the price of like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increase, which otherwise would have occurred, to a significant degree.

58. 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 price of the domestic industry was determined at the ex-factory level. For the purpose, the Authority notes that there is significant difference in the price of Mono yarn fishing net and multi yarn fishing net. Therefore, the Authority has compared landed price of imports with the selling price of the domestic industry for comparable types. Thus, weighted average price undercutting has been determined after considering associated import volumes. This comparison showed that during the period of investigation, the subject goods originating

in the subject countries were imported into the Indian market at prices which were lower than the selling price of the domestic industry. It is thus noted that imports of subject goods were undercutting the domestic prices and margin of undercutting is shown as per the table below:

Particulars	Unit	China	Bangladesh	Subject Countries
Landed price of Imports	Rs./Kg.	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	76	94
Net Sales Realization	Rs./Kg.	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	100	100
Price Undercutting	Rs./Kg.	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	124	106
Price Undercutting	%	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	164	114
Price Undercutting	% Range	95-115	160-170	110-120

59. Since 95 % of the imports occurred in monofilament category, the price undercutting was determined only by considering separate prices for monofilament and multifilament. Table below shows that the price undercutting was quite significant

Monofilament	Unit	China	Bangladesh	Subject Countries
Landed price of Imports	Rs./Kg.	***	***	***
		***	***	***
Net Sales Realization	Rs./Kg.	***	***	***
Price Undercutting	Rs./Kg.	***	***	***
Price Undercutting	%	***	***	***
Price Undercutting	% Range	30-40	160-170	130-140

Multifilament	Unit	China	Bangladesh	Subject Countries
Landed price of Imports	Rs./Kg.	***	***	***
Net Sales Realization	Rs./Kg.	***	***	***
Price Undercutting	Rs./Kg.	***	***	***
Price Undercutting	%	***	***	***
Price Undercutting	% Range	100-110	-	100-110

60. It is noted that the landed price of imports has been significantly below the selling prices of the domestic industry, which has resulted into significant price undercutting during the POI.

Price underselling

61. The Authority has also examined price underselling suffered by the domestic industry on account of dumped imports from China PR. For this purpose, the NIP determined for the domestic industry has been compared with the landed price of imports for each product type (mono and multi yarn fishing net). Comparison of weighted average NIP of the domestic industry with weighted average landed price of imports shows as follows:

Bangladesh	Total		Indexed
	₹/Kg	US\$/KG	
NIP	***	***	100
Landed Price	***	***	37.94
China PR			
		Total	
		₹/Kg	US\$/KG
NIP	***	***	100
Landed Price	***	***	58.27

62. It is seen that the landed price of the subject goods from China and Bangladesh were significantly lower than the NIP determined for the domestic industry. The price underselling is significant.

Price Suppression/Depression

63. 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:

Particulars	Unit	2012-13	2013-14	2014-15	POI (Annualised)
Average/consolidated					
Cost of sales	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>110</i>	<i>113</i>	<i>109</i>
Selling price	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>108</i>	<i>114</i>	<i>115</i>
<i>Landed Price- Subject Countries</i>	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>102</i>	<i>89</i>	<i>85</i>
Multifilament					
Cost of sales	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>118</i>	<i>125</i>	<i>130</i>
Selling price	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>117</i>	<i>125</i>	<i>130</i>
<i>Landed Price- Subject Countries</i>	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>56</i>	<i>61</i>	<i>65</i>
Monofilament					
Cost of sales	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>105</i>	<i>105</i>	<i>95</i>

Particulars	Unit	2012-13	2013-14	2014-15	POI (Annualised)
Selling price	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>103</i>	<i>108</i>	<i>107</i>
Landed Price- Subject Countries	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>111</i>	<i>95</i>	<i>90</i>

64. Authority notes that even though on overall basis, cost of sales and the selling price have increased throughout the injury period, the increase in selling vis-à-vis cost of production was materially lower in case of monofilament as compared to multifilament. Thus, while de-facto absence of imports in multifilament enabled the domestic industry to raise prices over the injury period, the presence of dumped imports in monofilament has prevented the domestic industry from raising prices to the extent where the domestic industry could earn reasonable profits. It is also noted that the production of the PUC is largely in small scale unorganized sector.

J. Economic Parameters Relating to The Domestic Industry

65. 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.
66. Accordingly, various economic parameters of the Domestic Industry are analyzed herein below.

Sales, Capacity, Production, and Capacity Utilization

67. The performance of the domestic industry with regard to production, domestic sales, capacity & capacity utilization was as follows:

Capacity Utilisation	Unit	2012-13	2013-14	2014-15	**POI
Total for PUC					
Capacity	MT	***	***	***	***
	Indexed	100	109	127	144
Production	MT	***	***	***	***
	Indexed	100	110	129	143
Capacity Utilization	%	***	***	***	***
	Indexed	100	100	101	98
Domestic Sales	MT	***	***	***	***
	Indexed	100	114	124	137
Monofilament					
Capacity	MT	***	***	***	***
	Indexed	100	103	117	124

Production	MT	***	***	***	***
	Indexed	100	109	125	145
Capacity Utilization	%	***	***	***	***
		100	105	107	115
Domestic Sales	MT	***	***	***	***
		100	109	121	145
Multifilament					
Capacity	MT	***	***	***	***
		100	112	133	156
Production	MT	***	***	***	***
		100	110	130	142
Capacity Utilization	%	***	***	***	***
		100	97	97	91
Domestic Sales	MT	***	***	***	***
		100	118	127	131

68. Authority notes that even when overall production, sales and capacity utilization of the domestic industry have improved over the period, the capacity utilization continues to be lower in case of monofilament as compared to multifilament. Thus, presence of dumped imports in monofilament category has prevented the domestic industry from utilizing its production capacities to the extent it has utilized in case of multifilament. It is also noted that whereas 95% of imports are in monofilament category, 30% of production in India is in monofilament and 70% is in multifilament category, thus clearly showing that the dumping of the PUC in the Country has impacted the domestic industry in monofilament category. It is also noted that the capacities created by the domestic industry are dedicated for monofilament and multifilament category and the two cannot be interchangeably used. Thus, the producers of multifilament category have not been impacted whereas the producers of monofilament have been impacted due to dumping of the PUC in India. It is noted that the industry has enhanced capacity, which is clearly in response to the increase in demand for the PUC in the Country. Thus, industry on its part has been responding to the rising demand for the PUC in the Country.

II. Market Share in Demand

69. The effects of the dumped imports on the market share of the domestic industry have been examined as below:

Market Share	Unit	2012-13	2013-14	2014-15	POI*
Total for PUC					
Subject Countries	%	***	***	***	***
	Indexed	100	112	132	180
Other Countries	%	***	***	***	***
	Indexed	100	63	78	115
DI Domestic Sales	%	***	***	***	***
	Indexed	100	95	91	96
Other Indian Producers	%	***	***	***	***
	Indexed	100	101	101	99
Domestic producers as a whole		***	***	***	***
	Indexed	100	100	99	96
Total	%	100	100	100	100

Market Share	Unit	2012-13	2013-14	2014-15	POI*
Monofilament					
Subject Countries	%	***	***	***	***
	Indexed	100	113	141	208
Other Countries	%	***	***	***	***
	Indexed	100	63	81	112
DI Domestic Sales	%	***	***	***	***
	Indexed	100	91	91	107
Other Indian Producers	%	***	***	***	***
	Indexed	100	103	98	83
Domestic producers as a whole		***	***	***	***
	Indexed	100	100	97	90
Total	%	100%	100%	100%	100%
Multifilament					
Subject Countries	%	***	***	***	***
	Indexed	100	91	77	108
Other Countries	%	0.01%	0.00%	0.00%	0.31%
DI Domestic Sales	%	***	***	***	***
	Indexed	100	99	92	80
Other Indian Producers	%	***	***	***	***
	Indexed	100	100	102	106
Domestic producers as a whole	%	***	***	***	***
	Indexed	100	100	100	99
Total	%	100%	100%	100%	100%

70. It is noted that market share of the domestic industry and domestic producers as a whole for monofilament has declined steeply over the period and market share the domestic industry and domestic producers as a whole for multifilament remained at the similar level.

III. Profit/Loss, Cash Flow, Return on Capital Employed

71. The profit/loss, cash profits and return on investment of the domestic industry has been analysed as follows:

Particulars	Unit	2012-13	2013-14	2014-15	POI*
Total for PUC					
Profit/(Loss)	Rs./Kg	***	***	***	***
	Indexed	100	97	127	175
Profit/(Loss)	Rs. Lacs	***	***	***	***
	Indexed	100	110	155	355
Cash Profit	Rs./Kg	***	***	***	***
	Indexed	100	100	122	157
Profit before Interest and Tax	Rs. Lacs	***	***	***	***
	Indexed	100	108	149	323
Return on Capital Employed	%	***	***	***	***
	Indexed	100	85	102	131
Monofilament					
Profit/(Loss)	Rs./Kg	***	***	***	***

	Indexed	100	83	75	144
Profit/(Loss)	Rs. Lacs	***	***	***	***
	Indexed	100	91	91	210
Cash Profit	Rs./Kg	***	***	***	***
	Indexed	100	109	120	125
Profit before Interest and Tax	Rs. Lacs	***	***	***	***
	Indexed	100	101	123	167
Return on Capital Employed	%	***	***	***	***
	Indexed	100	78	80	96
Multifilament					
Profit/(Loss)	Rs./Kg	***	***	***	***
	Indexed	100	94	126	181
Profit/(Loss)	Rs. Lacs	***	***	***	***
	Indexed	100	112	160	238
Cash Profit	Rs./Kg	***	***	***	***
	Indexed	100	95	120	161
Profit before Interest and Tax	Rs. Lacs	***	***	***	***
	Indexed	100	110	155	227
Return on Capital Employed	%	***	***	***	***
	Indexed	100	88	111	146

72. Whereas overall profitability of the domestic industry improved over the period and even when the profitability in monofilament category also shows some increase, it is noted that (a) profitability of monofilament is far lower (Rs. 8.95 per kg only) as compared to multifilament (Rs. 103.31 per kg), (b) whereas the profits in multifilament increased by Rs. 43 per kg., profits in monofilament increased by only Rs. 2.75 per kg. Significantly lower profitability of monofilament and significantly lower increase in profits in monofilament as compared to multifilament clearly shows adverse impact of dumped imports on the domestic industry. Segregated data for POI, as verified shows that the domestic industry suffered financial losses in monofilament in Apr.-Sept., 2016 period.
73. The Authority thus notes that the profitability of the domestic industry had an impact with respect to monofilament where 95% imports occurred in POI.

IV. Employment and Wages

74. Authority notes that numbers of employees and the wages paid have increased from the base year till the period of investigation. The position with regard to employment, wages and productivity is as follows:

Particulars	Unit	2012-13	2013-14	2014-15	POI*
No of Employees	Nos	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>100</i>	<i>106</i>	<i>113</i>
Wages	Rs. Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>147</i>	<i>186</i>	<i>214</i>
Wages per Unit	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>133</i>	<i>144</i>	<i>149</i>
Monofilament	Unit	2012-13	2013-14	2014-15	POI*

Particulars	Unit	2012-13	2013-14	2014-15	POI*
No of Employees	Nos	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>104</i>	<i>114</i>	<i>119</i>
Wages	Rs. Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>186</i>	<i>207</i>	<i>319</i>
Wages per Unit	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>169</i>	<i>165</i>	<i>219</i>
Multifilament	Unit	2012-13	2013-14	2014-15	POI*
No of Employees	Nos	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>98</i>	<i>102</i>	<i>110</i>
Wages	Rs. Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>130</i>	<i>177</i>	<i>171</i>
Wages per Unit	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>118</i>	<i>135</i>	<i>120</i>

V. Inventories

75. The data relating to inventory of the subject goods are shown in the following table:

Particulars	Unit	2012-13	2013-14	2014-15	POI*
Stock (Volume)	Nos	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>134</i>	<i>177</i>	<i>213</i>
Monofilament					
Stock (Volume)	Nos	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>189</i>	<i>263</i>	<i>319</i>
Multifilament					
Stock (Volume)	Nos	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>126</i>	<i>165</i>	<i>198</i>

76. It is seen that inventories with the domestic industry in case of monofilament have increased far steeply as compared to multifilament.

VI. Growth

Growth year on year	Unit	2012-13	2013-14	2014-15	**POI
Production (MT)	%	-	10.30	17.09	11.13
Domestic Sales Volume (MT)	%	-	14.73	8.85	10.18
Cost of Sales (Rs/Kg)	%	-	9.70	2.76	(3.16)
Selling Price (Rs/Kg)	%	-	8.46	4.98	1.11
Profit/ Loss (Rs/Kg)	%	-	(3.41)	29.11	38.03
ROI	%	-	(14.49)	19.85	28.70
Growth year on year- Monofilament					
Production (MT)	%	-	9.94	14.48	15.49
Domestic Sales Volume (MT)	%	-	9.28	11.09	20.26
Cost of Sales (Rs/Kg)	%	-	17.59	6.65	3.37
Selling Price (Rs/Kg)	%	-	16.99	6.44	4.33

Growth year on year	Unit	2012-13	2013-14	2014-15	**POI
Profit/ Loss (Rs/Kg)	%	-	(16.36)	(9.79)	91.32
ROI	%	-	(21.87)	2.50	20.31
Growth year on year- Multifilament					
Production (MT)	%	-	10.46	18.21	6.54
Domestic Sales Volume (MT)	%	-	18.43	7.45	(1.66)
Cost of Sales (Rs/Kg)	%	-	4.81	(0.06)	(8.35)
Selling Price (Rs/Kg)	%	-	3.42	4.14	2.40
Profit/ Loss (Rs/Kg)	%	-	(5.22)	33.05	57.92
ROI	%	-	(11.83)	26.83	23.96

77. It is noted that the growth of the domestic industry was adverse in respect of monofilament. The industry is significantly into production and sales of multifilament whereas 95% of imports are in the category of monofilament.

Ability to raise capital investment

78. The Authority notes that the production of the PUC has shifted more towards multifilament due to significant dumping of monofilament in the country. While the industry has added capacities, the capacity addition is much higher in multifilament category. Dumping has impacted investment in monofilament category.

Level of dumping & dumping margin

79. It is noted that dumping margin in respect of imports from subject countries is quite significant. Significant dumping of monofilament net is adversely impacting the Indian industry.

IX. Conclusion on Injury

80. It is thus seen that there has been a significant increase in the volume of dumped imports from subject countries in absolute terms and in relation to consumption and production of the product in India. Further, 95% of imports were in monofilament net category, where increase in imports in absolute terms and in relation to production & consumption was more significant. The dumped imports were undercutting the prices of the domestic industry in the market. The domestic industry is suffering significant price underselling. Even when the domestic industry has been able to increase its prices in proportionate to the increase in cost of production, the selling price of the domestic industry in case of monofilament net is too low as compared to the costs & selling price of multifilament net category. The dumping margin determined are quite significant. With regard to consequent impact of dumped imports on the domestic industry, it is noted that dumped imports from subject countries have adversely impacted the performance of the domestic industry in respect of monofilament net, where 95% of the imports have occurred, in respect of parameters such as production, capacity utilization, inventories, market share, profits, cash profits and ROI.
81. It can be seen that the domestic industry is suffering injury in monofilament yarn net but the Authority has examined injury with regard to both mono and multi filament yarn net. The same is done because the Authority is of the view that it is not a case where imports of multifilament from China are zero. In fact, there are continued imports of multifilament from China.
82. It is noted that while the domestic industry has already suffered material injury in case of monofilament yarn, dumping of multifilament yarn is threatening material injury to the domestic industry in multi filament category. Further, injury to the domestic industry in case

of monofilament yarn is continuing and is intensifying. Thus, in monofilament yarn, the industry has not only suffered material injury, but also is threatened with intensified injury.

K. CAUSAL LINK

83. The Authority has examined other factors listed under the Antidumping Rules which could have contributed to injury to the domestic industry for examination of causal link between dumping and material injury to the domestic industry.

I. Imports from third countries

84. The Authority has examined the imports data of the subject goods from DGCI&S. It is noted that imports from third countries are negligible and could not have caused claimed injury to the domestic industry

II. Contraction in demand

85. There has been rise in demand of the product concerned over the injury period. Possible decline in demand could not have caused injury to the domestic industry.

III. Changes in the patterns of consumption

86. The pattern of consumption with regard to the product under consideration has not undergone any material change. Therefore, changes in the pattern of consumption cannot be considered to have caused injury to the Domestic Industry.

IV. Trade restrictive practices of and competition between the foreign and domestic producers

87. There is no trade restrictive practice, which could have contributed to the injury to the Domestic Industry.

V. Developments in technology

88. Technology for production of the product concerned has not undergone any change. Thus, developments in technology cannot be regarded as a factor causing injury to the domestic injury.

VI. Export performance

89. The performance of the domestic industry and injury thereto has been examined with respect to the domestic performance to the extent possible. Possible deterioration in the export performance of the domestic industry is, therefore, not a possible cause of injury to the domestic industry.

VII. Performance of the domestic industry with respect to other products

90. The Authority notes that the performance of other products being produced and sold by the domestic industry has not affected the assessment made by the Authority of the domestic

industry's performance. The information considered by the Authority is with respect to the product under consideration only.

VIII. Productivity of the domestic industry

91. The Authority notes that the productivity of the domestic industry has followed the same trend as production. Productivity of the domestic industry has increased.

L. Factors establishing causal link

92. Analysis of the performance of the domestic industry over the injury period shows that the performance of the domestic industry has deteriorated due to dumped imports from subject countries. Causal link between dumped imports and the injury to the domestic industry is established on the following grounds:

- a) Imports are undercutting the prices of the domestic industry. The volume of imports have increased significantly.
- b) The price undercutting has led to significant increase in market share of imports and decline in market share of the Indian industry.
- c) The subject imports are underselling the product sold by the domestic industry.
- d) As a result of significant price undercutting, production, sales and capacity utilisation of the domestic industry has not increase in proportion to increase in demand
- e) The inventories with the domestic industry has increased significantly.

M. Magnitude of Injury Margin

93. The non-injurious price of the subject goods produced by the domestic industry determined has been compared with the landed value of the exports from the subject countries for determination of injury margin during POI. The injury margin determined are as under:

SN	Injury margin						
	Producers	Exporter	NIPUSD/KG	Landed Value RS/KG	Injury margin RS/KG	Injury margin %	Injury margin Range
1.	Chaohu Tengda Fishing Gear Co. Ltd. (Producer)	Anhui Light Industries International Co. Ltd.	***	***	***	***	40-50

2.	All Producers from China other than SN1	All Exporters from China other than in SN1	***	***	***	***	70-80
3.	All Producers from Bangladesh	All Exporters from Bangladesh	***	***	***	***	120-130

N. Post disclosure Comments

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

Views of Exporters, Importers, Consumers and other Interested Parties

- i. HDPE fishing nets are not included in the PUC and the same should be specifically mentioned in the final findings issued and the duty table as well
- ii. Domestic industry’s submission with regard to Ockhi Cyclone has no nexus with the submission made by the interested parties. The cyclone happened in 2017 and imposition of ADD at this juncture will impact fisherman as the chances of DI spiking the prices with the ADD cannot be ruled out.
- iii. All the injury parameters have shown improvement ruling out any injury.
- iv. DI has been able to increase its sales in spite of alleged dumping.
- v. A logical question was asked in CESTAT in Bridgestone matter that how the DI managed to increase its sales despite such undercutting and why have the users not preferred imported product .
- vi. The fact that the domestic industry has been able to increase its selling price with increase in cost proves that there is no adverse impact of imports on price of the domestic industry.
- vii. There is no causal link between alleged injury and alleged dumping.

Views of the Domestic Industry

- i. Disclosure regarding detailed calculation of non-injurious price, verification reports of exporters / producers and communications sent to the interested parties and replies filed by them was requested for.
- ii. The product under consideration has been correctly defined, and divided into two types, that is monofilament net and multifilament net, for injury analysis. However, the duty should be imposed on the product as a whole, that is, “fishing nets”.

- iii. It should be clearly specified in the duty table that only nylon fishing nets are subject to anti dumping duty, to ensure that there is clarity regarding the products excluded from the scope of the levy and that there are no issues in implementation.
- iv. It should be indicated in the duty table that customs classification is indicative, and that the subject goods shall attract duty irrespective of the customs classification under which they are imported.
- v. As compared to their Chinese counterparts, the producers in the India use less machines and mostly belong to the MSME sector. Further, with a lower investment, the domestic producers are generating more employment and export earning, besides ensuring timely supply of fishing nets to the fishermen.
- vi. Factors relevant for threat of material injury should be considered as under:
 - a) The imports have increased significantly in the first half of 2016-17, and the imports within these six months are much higher than in 2012-13 and 2013-14.
 - b) The producers in the subject country are export oriented and they have freely disposable capacities.
 - c) The price undercutting is significant, and the imports are entering at prices which would suggest strong likelihood of further importation.
 - d) The producers in the subject country are receiving benefits from their government, to promote growth of the industry and export of the subject goods.
- vii. The product under consideration is Fishnet or fishing net. The PUC is made up of fiber woven in grid like structure. Fishing nets are usually meshes formed by knotting a relatively thin thread. Present petition includes Nylon Fishing nets only – whether 100% or blended. In case of blended, scope includes fishing nets containing 50% or more Nylon by weight.
- viii. The PUC can be further classified into monofilament yarn net and multifilament yarn net. Monofilament net is produced using monofilament yarn, in case of multifilament net, multifilament yarn is used and the yarn is first twisted. Even though production process is same for both kinds of fishing net but the end use of both are different from each other.
- ix. Regarding HDPE fishing net, the present investigation includes only Nylon fishing net whether 100% or blended nets containing 50% or more Nylon by weight. All other kinds of Fishing nets or other nets are outside the scope of present investigation.
- x. The subject product produced by the applicant domestic industry is like article to the Product under consideration, in accordance with the AD Rules;
- xi. The petition has been filed by Indian Fishnet Manufacturers Association on behalf of the fishnet producers in India representing as the domestic industry of the subject goods. As per the evidence available on record, the production of the applicant constitutes “a major proportion” of the domestic production.
- xii. The applicant constitutes eligible domestic industry within the meaning of Rule 2 (b) of the Anti-Dumping Rules and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra.
- xiii. 95% of imports were in monofilament net category, where increase in imports in absolute terms and in relation to production & consumption was more significant.

- xiv. The dumped imports were undercutting the prices of the domestic industry in the market.
- xv. The domestic industry is suffering significant price underselling. Even when the domestic industry has been able to increase its prices in proportionate to the increase in cost of production, the selling price of the domestic industry in case of monofilament net is too low as compared to the costs & selling price of multifilament net category.
- xvi. Dumped imports from subject countries have adversely impacted the performance of the domestic industry in respect of monofilament net, where 95% of the imports have occurred, in respect of parameters such as production, capacity utilization, inventories, market share, profits, cash profits and ROI.
- xvii. Injury to the domestic industry is due to dumped imports from subject countries.
- xviii. The domestic industry has already suffered material injury in case of monofilament yarn, dumping of multifilament yarn is threatening material injury to the domestic industry in multi filament category.
- xix. The dumping margin and injury margin is quite significant.
- xx. While the domestic industry is majorly suffering injury in monofilament yarn, it has suffered low injury in multifilament yarn. However, the scope of product under consideration cannot be restricted to the former, as it would allow circumvention of duty.
- xxi. The dumped imports were undercutting the prices of the domestic industry in the market
- xxii. With the increase in imports of monofilament yarn during H1 of 2016-17, the domestic industry has suffered losses, and its cash profits, PBIT and return on investment have declined. The dumped imports are suppressing and depressing the prices of the domestic industry.
- xxiii. As regards multifilament yarn, while the extent of injury is not as severe, the imports thereof have increased and are undercutting the prices of the domestic industry. Such imports are threatening to cause material injury to the domestic industry.
- xxiv. The dumping margin determined for goods produced by M/s Chaohu Tengda Fishing Gear Co. Ltd. and exported by M/s Anhui Light Industries International Co. Ltd. was significantly low. It was requested that the product type exported, channels of distribution and the adjustments to export price should be disclosed, as an exporter would usually not be selling a particular product type at a price higher than that of other exporters.
- xxv. Fixed form of duty should be imposed in the present case, considering the history of evasion of duties in case of benchmark form of duty. Moreover, in view of the depreciation in INR, the duty should be imposed in terms of US \$.

Examination by the Authority

- 95. It is noted that the issues raised at post disclosure stage have already been examined by the Authority in above relevant paragraphs. However, for the sake of the clarity on the submissions they are addressed as below:

- i. As regards the argument that the domestic industry is not suffering any injury, the Authority notes that a detail examination with regard to injury parameters have been done in the above paragraphs. The Authority is of the view that the domestic industry is suffering material injury in the monofilament yarn net and that is the reason Indian producers have almost stopped manufacturing monofilament net and have switched to multifilament net which clearly shows the losses are being suffered by the monofilament fishing net manufactures. The Authority cannot impose duty only on Monofilament net because it is not a case where there are no imports of Multifilament net. China is exporting a huge quantity of multifilament yarn. The post period of investigation import data shows that there is increase in imports of multifilament net and that too at dumped prices. It is noted that exclusion of multifilament yarn net from the product scope will lead to circumvention and that will make the present exercise futile.
- ii. With regard to the submission made about Ockhi cyclone, the Authority notes that there is no correlation between the effect of cyclone and imposition of Anti-dumping duties. The purpose of imposition anti-dumping duty is to provide a level playing field to the manufacturers; it is not any kind of additional benefit to anyone. The product should be imported at fair price.
- iii. It is noted that HDPE fishing nets are not included in the scope of the PUC and the same shall be specifically mentioned in the duty table.

O. Indian Industry's Interest & other issues

96. The Authority holds 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 reestablish a situation of open and fair competition in the India market, which is in the general interest of the country. Imposition of antidumping measures is not to restrict the imports from the subject country in any way, and to affect the availability of the products to the consumers.
97. The Authority holds that though in the event of imposition of anti-dumping duties the price level of product in India may be affected but fair competition in the Indian market will not be reduced by such anti-dumping measures. On the contrary, the anti-dumping measures may mitigate the unfair advantage gained by dumping practices, which would arrest the decline of the domestic industry and help maintain availability of wider choices to the consumers of subject goods. Consumers could still maintain two or more sources of supply.

P. CONCLUSIONS

- i. The product under consideration has been exported to India from the subject country below its normal value, resulting in dumping.
- ii. The Domestic Industry has suffered material injury due to dumping of the product under consideration from the subject country.
- iii. The material injury has been caused by the dumped imports from the subject country.

Q. RECOMMENDATION

98. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the exporters, importers and other interested parties to provide positive information on the aspects of dumping, injury and causal link. Having initiated and conducted the investigation into dumping, injury and the causal link thereof in terms of the Anti-Dumping Rules and having established positive dumping margins as well as material injury to the Domestic Industry caused by such dumped imports, the Authority is of the view that imposition of antidumping duty is required to offset dumping and injury. Therefore, the Authority considers it necessary to recommend imposition of definitive antidumping duty on imports of subject goods from the subject country in the form and manner described hereunder for a period of 5 years.
99. Having regard to the lesser duty rule, the Authority recommends imposition of definitive anti-dumping duty equal to the lesser of margin of dumping and margin of injury, so as to remove the injury to the Domestic Industry. Accordingly, the Authority recommends imposition of provisional anti-dumping duties on the imports of the subject goods, originating in or exported from the subject country, from the date of notification to be issued in this regard by the Central Government, equal to the amount indicated in Col No.9 of the duty table appended below. The landed value of imports for this purpose shall be the assessable value as determined by the customs under Customs Tariff Act, 1962 and applicable level of custom duties except duties levied under Section 3, 3A, 8B, 9, 9A of the Customs Tariff Act, 1975.

DUTY TABLE

SN	Sub Heading or Tariff Item*	Description of Goods	Country of origin	Country of Export	Producer	Exporter	Duty Amount in USD	UOM
1.	56081110	Fishing Net **	China	China	Chaohu Tengda Fishing Gear Co. Ltd	Anhui Light Industries International Co. Ltd.	1.51	KG
2.	56081110	Fishing Net	China	China	Any combination other than mentioned in (1)		2.19	KG
3.	56081110	Fishing Net	China	Any	Any	Any	2.19	KG
4.	56081110	Fishing Net	Any	China	Any	Any	2.19	KG
5.	56081110	Fishing Net	Bangladesh	Bangladesh	Any	Any	2.69	KG
6.	56081110	Fishing Net	Bangladesh	Any	Any	Any	2.69	KG
7.	56081110	Fishing Net	Any	Bangladesh	Any	Any	2.69	KG

** Product under consideration for this notification means: Fishnet” or “Fishing Net”.

- i. Fishing Nets are made up of Nylon only – whether 100% or blended. In case of blended, scope includes fishing nets containing 50% or more Nylon by weight.
 - ii. Product under consideration **does not include** HDPE fishing net.
 - iii. The product does not have dedicated customs classification. The product is being imported under HS code, 560811 10 as per the data made available to us by DGC&IS. However, customs classification is indicative only and in no way it is binding upon the product scope.
100. Landed value of imports for the purpose of this Notification shall be the assessable value as determined by the Customs under the Customs Act, 1962 (52 of 1962) and includes all duties of customs except duties under sections 3, 3A, 8B, 9 and 9A of the said Act.
101. An appeal against the order of the Central Government arising out of this final finding shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act.

(Sunil Kumar)

Additional Secretary & Designated Authority