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F.No.14/19/2012-DGAD

**Government of India
Ministry of Commerce & Industry
Department of Commerce
(Directorate General of Anti Dumping & Allied Duties)**

DATE: 06/09/2013

Preliminary findings

Sub: Anti-Dumping Investigation concerning import of “Methylene Chloride” originating in or exported from EU, USA and Korea RP – Preliminary findings.

Whereas the Designated Authority (hereinafter referred to as the Authority), under the Rules, received a written application from M/s Chemplast Sanmar Limited and M/s Gujarat Fluorochemicals Ltd (hereinafter also referred to petitioners or applicants) alleging dumping of Methylene Chloride (hereinafter referred to as subject goods) from European Union, South Korea and USA (hereinafter referred to as subject countries).

2. Whereas the Authority on the basis of sufficient evidence submitted by the applicant on behalf of the domestic industry, issued a public notice dated 4th April, 2013 published in the Gazette of India, Extraordinary, initiating anti-dumping investigations concerning imports of the subject goods, originating in or exported from the subject countries, in accordance with the sub-Rule 6(1) of the Rules, to determine the existence, degree and effect of alleged dumping and to consider recommendation of the anti-dumping duty.

A. PROCEDURE

3. The following Procedure described below has been followed with regard to this investigation:
 - i. The Authority notified the embassies of the subject countries in India about the receipt of dumping application before proceeding to initiate the investigation in accordance with sub-Rule 5(5) of the Anti-dumping Rules.
 - ii. The Authority issued a public notice dated 4th April, 2013, published in the Gazette of India, Extraordinary, initiating anti-dumping investigation concerning imports of the subject goods, originating in or exported from the subject countries.
 - iii. The Authority forwarded a copy of the public notice to all the known exporters (whose details were made available by the Applicant) and industry associations and

gave them opportunity to make their views known in writing in accordance with the Rule 6(2) of the Anti-dumping Rules.

- iv. The Authority also forwarded a copy of the public notice to all the known importers of the subject goods in India (whose details were made available by the Applicant) and advised them to make their views in writing within forty days from the date of the letter.
- v. The Authority provided a copy of the non-confidential version of the application to the known exporters and the embassies of the subject countries in India in accordance with Rule 6(3) of the Anti-dumping Rules. A copy of the Application was also made available other interested parties, upon request.
- vi. The Authority received a response from the embassy of Republic of Korea and M/s Samsung Fine Chemicals. However none of the exporters from the Korea have submitted any response to the exporters questionnaire.
- vii. The Authority sent questionnaires to elicit relevant information to the following known exporters in subject countries in accordance with Rule 6(4) of the Anti-dumping Rules:
 - a. DOW Chemicals
 - b. INEOS Chlor Limited
 - c. Solvay SA
 - d. Arkema SA
 - e. Occidental Chemical Corporation
 - f. Dow Texas Operations
 - g. Samsung Fine Chemicals
 - h. OCI Corporation

Response to questionnaire was filed by M/s. Akzo Nobel Industrial Chemicals B.V., Netherlands and Akzo Nobel Industrial Chemicals GmbH, Germany. Further, M/s Samsung Fine Chemicals responded to the initiation notification. However, it did not file any questionnaire response.

- viii. Questionnaires were sent to the following known importers/users of subject goods in India calling for necessary information in accordance with Rule 6(4) of the Anti-dumping Rules:
 - a. Vardhaman Trading Corporation
 - b. Harsh Kumar & Company
 - c. Ralchem Limited
 - d. Morpean LABS
 - e. Surya Medicare Limited
 - f. Indsol Drugs Limited
 - g. Meghmani Organics Limited
 - h. United Phosphorus Limited
 - i. KDL Biotech Limited
 - j. Sun Pharmaceuticals Industries Limited

- k. Rails India Limited
 - l. Alembic Limited
 - m. Hindustan Chemicals Industries
- ix. None of the importers/consumers responded to the initiation notification.
- 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 arrange details of imports of the subject goods for the past three years, including the period of investigation. The transaction wise import data received from the DGCI&S has been relied upon by the Authority in this finding.
- xii. The cost of production and cost to make and sell the subject goods in India based on the information furnished by the applicant on the basis of Generally Accepted Accounting Principles (GAAP) was worked out in accordance with Annexure III of the anti dumping rules so as to ascertain if anti-dumping duty lower than the dumping margin would be sufficient to remove injury to Domestic Industry.
- xiii. On the spot verification of the information provided by the applicants was carried out to the extent considered necessary for the preliminary findings.
- xiv. Investigation was carried out for the period starting from 1st January 2012 to 31st December 2012 (POI). The examination of trends, in the context of injury analysis, covered the period from April 2009-March 2010, April 2010-March 2011 April, April 2011-March 2012 and the POI.
- xv. The submissions made by the interested parties considered relevant by the Authority have been addressed in this preliminary finding.
- xvi. *** in this Notification represents information furnished by the interested parties on confidential basis and so considered by the Authority under the Rules.
- xvii. The exchange rate adopted for the POI is 1 US \$ =Rs 53.85

B. Product Under Consideration and Like Article

Views of the Domestic Industry

4. Methylene chloride is an organic compound with molecular formula CH_2Cl_2 . It is a colorless liquid with sweetish ether-like odor, and is used as a solvent, predominantly. It is essentially non-flammable under most conditions of use, however, can burn if strongly heated.
5. There are no known grades of the subject good. However, it can be traded in loose or packed, thereby, having direct effect on prices.

6. Methylene Chloride is classified under Chapter 29 (Organic Chemical) of the Customs Tariff Act under customs subheading 29031200. The Customs classification is, however, indicative only and in no way binding on the scope of the present investigation.
7. There is no known difference in the subject goods produced by the domestic industry and that imported from the subject countries. The subject goods produced by the domestic industry and the subject goods imported from subject countries are comparable in terms of characteristics such as physical and chemical characteristics, manufacturing process and technology, functions and uses, product specifications, distribution and market & tariff classification of the goods.

Views of the other interested parties

8. None of the exporters, importers or consumers has offered any views with regard to product under consideration.

Examination of the Authority

9. The product under consideration for the purpose of present investigation is "Methylene Chloride" also known as "Dichloromethane" and "Methylene Dichloride" (MDC).
10. Methylene chloride is an organic compound with molecular formula CH_2Cl_2 . It is a colorless liquid with sweetish ether-like odor, and is used as a solvent, predominantly. It is essentially non-flammable under most conditions of use, however, can burn if strongly heated. Methylene chloride may decompose at high temperatures forming toxic gases. It is completely miscible with a variety of solvents. MDC is a solvent and is used in the manufacturing of polycarbonate and phenolic resins, rayon yarn, pharmaceuticals, agro and fragrance. It is also used as an extractant for edible fats, cocoa, butter and essences.
11. There are two technologies for production of Methylene Chloride - Methane route and Methanol route. The product produced through the two routes has essentially similar technical specifications. Methylene Chloride is classified under Chapter 29 (Organic Chemical) of the Customs Tariff Act under customs subheading 29031200. The Customs classification is indicative only and in no way binding on the scope of the present investigation.
12. With regard to like article, Rule 2(d) of the Anti-dumping Rules provides as under:

"like article" means an article which is identical or alike in all respects to the article under investigation for being dumped in India or in the absence of such article, another article which although not alike in all respects, has characteristics closely resembling those of the articles under investigation."
13. After considering the information on record, the Authority has determined that there is no known difference in the subject goods produced by the domestic industry and that imported from the subject countries. The subject goods produced by the domestic industry and the subject goods imported from subject countries are comparable in

terms of characteristics such as physical and chemical characteristics, manufacturing process and technology, functions and uses, product specifications, distribution and market & tariff classification of the goods. The consumers are using the two interchangeably.

C. Domestic Industry and Standing

14. Rule 2(b) of the AD Rules defines domestic industry as under: -

“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”

15. The Application has been jointly filed by M/s. Chemplast Sanmar Ltd. and M/s Gujarat Fluorochemicals Ltd. There are two other producers, namely Gujarat Alkalies & Chemicals Limited and SRF Ltd. SRF Ltd has supported the petition. The Authority notes that the petitioners account for more than 50% of the total Indian production. Further, production of the petitioners including supporter constitutes 83% of Indian productions and therefore production by the petitioners constitutes a major proportion in total production of the like product produced in India. It is further noted that none of petitioners have imported the product under consideration, nor they are related to an importer or exporter of the product under consideration. While M/s. SRF Ltd. has supported the petition, the company has not provided information relevant to injury determination. It is thus determined that the application has been made by or on behalf of the domestic industry and the application satisfies the requirements of ‘standing’ under Rule 5 of the AD Rules. Therefore, the petitioners constitute ‘Domestic Industry’ in terms of Rule 2(b) of the AD Rules.

D. Miscellaneous Submissions

Views of the Domestic Industry

16. Miscellaneous submissions made by the domestic industry are as follows:

- i. It is volume of imports that alone is required to be considered for the purposes of de-minimis test. Volume of exports as recorded in the exporting country’s trade data is entirely irrelevant for the present purposes. The volumes of imports from Korea were 1811 MT which constituted 3.01 % of total imports
- ii. Exports made from the exporting country do not have direct impact on the price of the domestic industry in the market. It is the (a) resale price of the imported product, (b) volume of material lying at the port and (c) the resale price offered by the importers which are relevant for considering injury to the domestic industry.

Therefore, it is the volume of material imported into India that is relevant for the present purposes.

- iii. Imports from China are at a price higher than imports from subject countries. Volume of imports from China has steeply declined over the injury period, whereas the volume of imports from Korea RP has increased. Import price from Korea is however clearly reflective and has followed the import price from Europe and US.

View of the Importers/consumers and other interested parties

17. Submissions made on behalf of Govt. of Korea and Samasung Fine Chemicals are as follows:
 - i. Import volume from Korea is negligible in proportion to total imports. It composed about 2.5% of the total import volume in January – December, 2012 as per Indian customs data.
 - ii. Even according to petition the share is 3.01% of total imports much lower than the share of EU and US and even lower than the share of other countries not subject to investigation. Therefore according to Article 5.8 of AD Agreement, the Authority should immediately terminate the investigation.
 - iii. Imports from China PR is above 4% of total imports and is more than the share of Korea but it has not been considered as the subject country.

Examination by Authority

18. The submissions made by the interested parties have been analysed by the Authority as follows:
 - a. With regard to the argument on share of imports of Korea and China, it is noted that the Anti dumping Rules requires that the imports from the subject country should be more than negligible volume. It is noted that imports from Korea RP were above negligible volume (3.57%) and therefore investigation is not required to be terminated on this account. As regards China PR, it is noted that the import prices from China PR were much higher.

Normal Value, Export Price and Dumping Margin

Normal value

19. Under section 9A (1) (c) normal value in relation to an article means:
 - (i) The comparable price, in the ordinary course of trade, for the like article, when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6), or
 - (ii) When there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either

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

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

20. The Authority sent questionnaires to the known exporters from the subject countries, advising them to provide information in the form and manner prescribed. However, barring below mentioned producer and exporter from EU, none of the producer/exporter from subject countries have co-operated in this investigation by filing their Questionnaires' responses. The questionnaire response has been filed by the following companies

- M/s. Akzo Nobel Industrial Chemicals B.V., Netherlands
- Akzo Nobel Industrial Chemicals GmbH, Germany

Since the above mentioned companies have filed questionnaire response, dumping margin has been determined in respect of these companies on the basis of their questionnaire response.

21. In the absence of cooperation from the other producers/exporters in subject countries, the Authority has determines normal value, provisionally, on the basis of facts available in terms of Rule 6 (8) of AD Rules read with Article 6.8 of the Agreement.

22. Accordingly, the Authority has provisionally determined normal value, export price and dumping margin in respect of producers/exporters of the subject countries as follows.

Normal value and Export price in case of M/s. Akzo Nobel Industrial Chemicals B.V., Netherlands and M/s. Akzo Nobel Industrial Chemicals GmbH, Germany

23. It has been submitted that M/s Akzo Nobel Industrial Chemicals B.V. is a 100% subsidiary of Akzo Nobel Chemicals B.V., The Netherlands. Further, it is noted that M/s Akzo Nobel Industrial Chemicals B.V. has entered into a Manufacturing & Sales Services Agreement with Akzo Nobel Industrial Chemicals GmbH, Germany. In terms of the Manufacturing & Sales Services Agreement, Akzo Nobel Industrial Chemicals B.V. supplies all the raw materials required for manufacturing methylene chloride to Akzo Nobel Industrial Chemicals GmbH, Germany (with the exception of natural gas and electricity). Akzo Nobel Industrial Chemicals GmbH manufactures methylene chloride for Akzo Nobel Industrial Chemicals B.V. in its plant in Germany. For the manufacturing services rendered by Akzo Nobel Industrial Chemicals GmbH, it receives a fee from Akzo Nobel Industrial Chemicals B.V. It is also noted from the response that the product exported to India and sold in the home market is same in all respects. The exporter has claimed normal value based on sales made in the home market in EU.

24. It is further noted that M/s Akzo Nobel Industrial Chemicals GmbH is a 100% subsidiary of Akzo Nobel Chemicals Holding GmbH, Germany. Akzo Nobel Industrial Chemicals GmbH manufactures methylene chloride for Akzo Nobel Industrial Chemicals B.V. in its plant in Germany. Sales in home market as well as exports to India are performed by Akzo Nobel Industrial Chemicals B.V, Netherlands. From the exporters response, it is noted that M/s Akzo Nobel Industrial Chemicals B.V, Netherlands has exported the subject goods (all bulk) to India during the POI. A preliminary examination of response was carried out and a deficiency letter has been issued to the exporter asking them to comply with the deficiency. However, after examination of the response, it is considered appropriate to provisionally accept their response for the purpose of preliminary findings. Based on their response, it is noted that their domestic sales are in sufficient quantity in the domestic market (based on EU territory as a whole). It is also noted from the transaction wise information of domestic sales given in appendix 1 of the exporters questionnaire that the profit making sales in the domestic market are more than 80 % by the way of volume. Accordingly the total domestic sales have been taken into account for the purpose of determination of normal value. The adjustments claims by the exporter for sales in the domestic market i.e. inland freight, depot costs, credit costs and commissions have been allowed as per the response on the provisional basis subject to detailed on site verification. The normal value as determined is mentioned in the dumping margin table.
25. With regards to export price of subject goods from responding exporter to India, it is noted that M/s Akzo Nobel Industrial Chemicals B.V, Netherlands has exported the subject goods to India and has given the information in the appendix 2 of the response of the exporters' questionnaire. The exporter has claimed adjustments on account of ocean freight, insurance, commissions and credit costs which have been allowed for the purpose of preliminary findings subject to detailed onsite verification. The net export price as determined for Akzo Nobel Industrial Chemicals B.V, Netherlands is given in the dumping margin table.

Normal value and Export price in case of other producers and exporters from EU

26. In view of the non cooperation of other exporters in this investigations, the Export price for other exporters has been determined based on the lower export price of the cooperating exporter from EU as best facts available after allowing for adjustments as per exporters data. The normal value has been determined as same for the cooperating exporter. The export price so determined has been compared with the normal value determined for cooperating producer and exporter from EU. Accordingly, export price and dumping margin for all other exporters from EU has been worked out as mentioned in the dumping margin table. With regard to subject goods exported in packed or in drums, the cost of the drums as per the facts available have been added to determine the normal value and export price.

Normal value in case of all producers/exporters in USA.

27. It is noted that none of the exporters in USA have cooperated with the authority with questionnaire response. The petitioner had provided details of normal value in EU and

USA on the basis of price of subject goods as published in ICIS-LOR. It is noted that ICIS-LOR is the world's largest petrochemical market information provider and provides pricing data, high-value news, analysis and independent consulting, with over 30 years' experience of providing pricing information. In the absence of any response from the subject exporters (barring Akzo Nobel) in the form and manner prescribed, the Authority has provisionally determined normal value for all producers/exporters in USA in accordance with Rule 6(8) supra. The normal value so determined is mentioned in the dumping margin table.

Normal value in case of all producers/exporters in Korea

28. It is noted that none of the exporters in Korea have cooperated with the authority with questionnaire response. The petitioner had provided details of normal value in EU and USA on the basis of price of subject goods as published in ICIS-LOR. However, the petitioner has not made available ICIS-LOR price for Korea RP. Even though Samsung Fine Chemicals responded to the authority, the company has not filed response to questionnaire. The Authority notes that in the absence of any response from the subject exporters in the form and manner prescribed, the Authority has provisionally constructed the normal value for all producers/exporters in Korea RP in accordance with Rule 6(8) supra i.e by taking into account international raw material price, best consumption norm and reasonable profit margin. The normal value so determined is mentioned in the dumping margin table.

Export price for all producers/exporters in USA and Korea

29. It is noted that none of the exporters from USA and Korea have responded to the authority. It is also noted that the Petitioner has determined export price on the basis of imports of the product under consideration in India, as reported by data supplying agencies. The Designated Authority has considered information received from the DGCI&S and has determined export price considering all imports of the product under consideration in India. Information on record shows that there is significant difference in the price of loose/unpacked and packed material and therefore, separate export price has been determined for the two form of the product. The Authority has considered that the imported product was packed in GI drums. Price adjustments have been made on the basis of claims made by petitioner domestic industry in view of non cooperation from the exporters from USA and Korea RP. The net export price has been determined at ex-factory level.

DUMPING MARGIN

30. Considering the normal value and export price for subject goods packed as loose/bulk, and drums as determined above, the dumping margin for the subject goods as a whole has

been determined as follows. It is seen that the dumping margin for the subject goods is more than de-minimus and significant.

<u>Dumping Margin</u>	<u>Unit in US\$ per Kg</u>				
Particular	Unit	EU		USA	Korea RP
		M/s. Akzo Nobel Industrial Chemicals B.V, Netherlands.	Other Producers and Exporters	All producers and exporters	All producers and exporters
<u>Loose/Bulk</u>					
Normal Value	US\$/kg	***	***	***	***
Net Export Price	US\$/kg	***	***	***	***
Dumping Margin	US\$/kg	***	***	***	***
Dumping Margin %	%	***	***	***	***
Dumping Margin %	% Range	220-230%	250-260%	300-310%	60-70%
<u>Packed/Drum</u>					
Normal Value	US\$/kg	-	***	***	***
Net Export Price	US\$/kg	-	***	***	***
Dumping Margin	US\$/kg	-	***	***	***
Dumping Margin %	%		***	***	***
Dumping Margin %	% Range		170-180%	190-200%	70-80%
<u>Product under consideration as a whole</u>					
Normal Value	US\$/kg	***	***	***	***
Net Export Price	US\$/kg	***	***	***	***

Dumping Margin	US\$/kg	***	***	***	***
Dumping Margin %	%	***	***	***	***
Dumping Margin %	% Range	220-230%	230-240%	300-310%	60-70%

E. Injury Determination

Views of the Domestic Industry

31. The submissions made by domestic industry with regard to injury and casual link are as follows:

- i. Imports of the product under consideration have shown significant increase over the years with a significant increase in POI;
- ii. Imports have increased in relation to production and consumption in India;
- iii. Market share of the subject countries in demand has remained significant. Market share of the domestic industry has also increased. The same is however due to significant addition to the capacities;
- iv. With reduction in the prices either by the foreign producers or by these traders, either the Indian producers must realign their prices with the changes in the import prices or traders' resale prices, or the petitioners must loose orders;
- v. domestic industry prices reflect the combined effect of the prices which have been reported in the trade journals and the prices that are being offered by the traders;
- vi. imported goods have been undercutting the prices of the domestic industry in both loose and packed form. Price undercutting in respect of the product under consideration as a whole is quite significant;
- vii. the domestic industry has been forced to reduce the prices too steeply and too frequently;
- viii. The domestic industry was able to achieve good capacity utilization in the period 2010-11, but the same declined thereafter;
- ix. Inventories with the domestic industry decreased slightly in 2010-11, but, have thereafter shown increase throughout the injury period;
- x. Performance of the domestic industry has steeply deteriorated in terms of profits, return on investments and cash profits to a very significant extent;
- xi. The decline in profitability of the domestic industry was due to reduction in the import prices without any justifiable reasons. Further, the decline in price and consequently profit was not inconsequential. It was too significant, too steep and too sudden;
- xii. A leading market reporter stated that European producers conceded that the prices fell below the assessed range of the Journal, with India being one of the lower-priced destinations for methylene chloride exports.

View of the Importers/consumers and other interested parties

32. The submissions made by the interested parties with regard to injury and casual link are as follows:

- i. Authority should not accept the petitioner's argument that production, domestic sales and inventories must be considered irrelevant for the purpose of assessing injury. These factors are most relevant and should be carefully reviewed.
- ii. Production, domestic sales, market share, employment, wages and productivity all increased during POI, therefore there is no case of material injury.
- iii. As regards, profitability careful investigation should be made of whether this alleged injury is on account of dumped imports or not. Enhancement of capacities may be the reason for the financial losses.
- iv. Careful analysis should be done of the MDC market as decline in profitability may be a global phenomenon.

Examination by the Authority

33. Rule 11 of the AD Rules read with its Annexure-II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, "...taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles...." While considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.
34. Annexure-II of the AD Rules provides for an objective examination of both, (a) the volume of dumped imports and the effect of the dumped imports on prices, in the domestic market, for the like articles; and (b) the consequent impact of these imports on domestic producers of such articles. With regard to the volume effect of the dumped imports, the Authority is required to examine whether there has been a significant increase in dumped imports, either in absolute term or relative to production or consumption in India. With regard to the price effect of the dumped imports, the Authority is required to examine whether there has been significant price undercutting by the dumped imports as compared to the price of the like product in India, or whether the effect of such imports is otherwise to depress the prices to a significant degree, or prevent price increases, which would have otherwise occurred to a significant degree.
35. As regards the impact of the dumped imports on the domestic industry. Para (iv) of Annexure-II of the AD Rules states as follows:

"The examination of the impact of the dumped imports on the domestic industry concerned shall include an evaluation of all relevant economic factors and indices having a bearing on the state of the Industry, including natural and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of margin of dumping actual and potential negative effects on cash flow, inventories,

employment wages growth, ability to raise capital investments.”

36. For the examination of the impact of imports on the domestic industry in India, the Authority has considered such indices having a bearing on the state of the industry as production, capacity utilization, sales quantum, stock, profitability, net sales realization, the magnitude and margin of dumping etc. in accordance with Annexure II(iv) of the Rules supra.

Cumulative Assessment

37. Annexure II (iii) of the Anti Dumping Rules provides that in case imports of a product from more than one country are being simultaneously subjected to anti dumping investigations, the Designated Authority will cumulatively assess the effect of such imports, in case it determines that: -
- a) the margin of dumping established in relation to the imports from each country/ territory 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 imports of the like article or where the export of the individual countries is less than three percent, the imports cumulatively accounts for more than seven percent 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.

In the present case,

- a) the margin of dumping from each of the subject countries is more than the limits prescribed above;
 - b) the volume of imports from each of the subject countries is more than the limits prescribed;
 - c) cumulative assessment of the effects of imports is appropriate since the exports from the subject countries directly compete with the like goods offered by the domestic industry in the Indian market. It is noted that there is no submission made by any interested party disputing cumulative assessment in the present case.
38. In view of the above, the authority considers it appropriate to cumulatively assess the effects of imports.

Demand and market share

39. For the purpose of assessment of the domestic consumption/demand of the subject goods, the sales volume of domestic industry and other Indian producers have been added to the total imports into India and the same has been summarized below:

Particulars	Units	2009-10	2010-11	2011-12	POI
Sales of Domestic Industry and Supporter	MT	51,345	58,050	75,200	89,305
Sales of Other Producers	MT	19,024	19,134	19,712	19,037

Subject countries-Imports	MT	42,033	55,847	60,975	51,952
Other Countries-Imports	MT	13,787	10,111	23,469	5,866
Total demand/consumption	MT	126,189	143,142	179,356	166,160

40. It is noted that the demand has shown a positive trend throughout the injury period till 2011-12, but the same has declined during the POI. Overall, demand of the subject goods has increased during the injury period.

F. Volume Effects of Dumped Imports

Import Volume and Market Share

41. With regard to the volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports, either in absolute terms or relative to production or consumption in India. For the purpose of injury analysis, the Authority has relied on the import data procured from DGCI&S. The volume of imports of the subject good from the subject countries have been analyzed as under:

Particulars	Units	2009-10	2010-11	2011-12	POI
Subject Countries	MT	42,033	55,847	60,975	51,952
EU	MT	31,878	32,762	42,418	38,002
USA	MT	9,359	22,499	14,283	11,886
Korea RP	MT	796	586	4,274	2,064
Other Countries	MT	13,787	10,111	23,469	5,866
Total Imports Volume	MT	55,820	65,958	84,444	57,818
Market share in Imports					
Subject Countries	%	75.30	84.67	72.21	89.85
Other Countries	%	24.70	15.33	27.79	10.15
Market share in demand					
Subject Countries	%	33.31	39.01	34.00	31.27
Other Countries	%	10.93	7.06	13.09	3.53
Domestic industry & Supporter	%	40.69	40.55	41.93	53.75
Other Indian producers	%	15.08	13.37	10.99	11.46
Indian industry as a whole	%	55.76	53.92	52.92	65.20
Total Imports in relation to production of domestic industry	%	76.21	77.08	67.80	41.69

42. It is noted from the above table that imports of the subject goods from subject countries have increased in absolute terms from the base year till 2011-12, but the same has declined during the POI. Overall, the volume of the imports of subject goods have marginally increased during the POI as compared to the base year. Further, the share of

the subject countries in total imports into India has increased whereas the share of other countries has declined. It is noted that one of the domestic producer (who is part of the present domestic industry) enhanced capacities significantly, which has led to significant increase in availability of domestic product. This could have resulted in some decline in the imports of the subject goods in the POI as compared to previous years. Further, the imports from subject countries as well as total imports of subject goods have declined in relation to consumption in India, which may be the reflective of additions of capacities by the domestic industry.

G. Price effect of imports

43. With regard to the effect of the dumped imports on prices, the Designated Authority is required to consider whether there has been a significant price undercutting by the dumped imports as compared with the price of the like products 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. The impact of dumped imports on the prices of the domestic industry has been examined with reference to the price undercutting, price suppression and price depression, if any.

Evolution of prices over the period

44. In the injury period, average CIF prices of the imports originated in subject countries have been as under:

Subject Country	Import price		Landed Price	
	US\$/MT	Rs./kg	US\$/MT	Rs./kg
2009-10	477	23.04	509	24.59
2010-11	783	36.15	836	38.59
2011-12	754	36.30	805	38.74
Jan'12-Dec'12 (POI)	467	25.16	499	26.85

45. It is seen from the above table that the CIF import price of subject goods declined from Rs. 36.30 Per/Kg. in 2011-12 to Rs. 25.16 in POI.

Price undercutting

46. In order to determine whether the imports are undercutting the prices of the domestic industry in the market, the Authority has compared landed price of imports with net sales realization of the domestic industry.

Particulars	Unit	2009-10	2010-11	2011-12	POI
EU					
Landed price of imports	Rs./Kg	26.46	39.80	38.39	27.98

Net Sales Realisation	Rs./Kg	***	***	***	***
Price Undercutting	Rs./Kg	***	***	***	***
Price Undercutting (%)	%	***	***	***	***
Price Undercutting (%)	% Range	10-20	5-15	0-10	0-10
USA					
Landed price of imports	Rs./Kg	***	***	***	***
Net Sales Realisation	Rs./Kg	***	***	***	***
Price Undercutting	Rs./Kg	***	***	***	***
Price Undercutting (%)	%	***	***	***	***
Price Undercutting (%)	% Range	35-45	10-20	Negative	10-20
Korea RP					
Landed price of imports	Rs./Kg	***	***	***	***
Net Sales Realisation	Rs./Kg	***	***	***	***
Price Undercutting	Rs./Kg	***	***	***	***
Price Undercutting (%)	%	***	***	***	***
Price Undercutting (%)	% Range	Negative	5-15	Negative	Negative
Subject Countries as a whole					
Landed price of imports	Rs./Kg	***	***	***	***
Net Sales Realisation	Rs./Kg	***	***	***	***
Price Undercutting	Rs./Kg	***	***	***	***
Price Undercutting (%)	%	***	***	***	***
Price Undercutting (%)	% Range	15-25	10-20	0-10	5-15

47. The Authority notes that the landed prices of the subject goods were below the selling price of the domestic industry showing significant price undercutting being caused by the dumped imports from subject countries except Korea RP.

Price-underselling

48. The Authority has also examined price underselling suffered by the domestic industry on account of dumped imports from the subject countries, as follows:

Country/exporter	Unit	EU	USA	Korea RP
Non Injurious Price	Rs./kg	***	***	***
Landed Price	Rs./kg	***	***	***
Price underselling	Rs./kg	***	***	***
Price underselling %	%	***	***	***
Price underselling %	% Range	45-55	40-50	30-40

49. It is noted from the above table that the domestic industry has suffered significant price underselling during the investigation period on account of imports of the subject goods from the subject countries.

Price suppression and depression

50. 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. Authority has considered the average price of loose and packed material for the purpose of this analysis. Table below shows the factual position:

Particulars	Unit	2009-10	2010-11	2011-12	POI
Landed price of imports	Rs./Kg	25.05	39.31	39.46	27.35
Cost of Sales	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>99</i>	<i>112</i>	<i>117</i>
Selling Price	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>139</i>	<i>125</i>	<i>90</i>

51. The selling prices of the subject good in the domestic market have declined during the injury period. Thus, the domestic industry has suffered a price depression.
52. It is also noted from the table above that the cost of sales has increased the injury period except that it marginally declined in 2010-11. The selling price increased till 2010-11 but started declining thereafter and has declined significantly in the POI. It is also noted that the landed price shows a sharp decline in the POI as compared to the previous year but the

same has marginally increased as compared to the base year. Overall, it is noted that cost of sales have increased significantly during the injury period, however, the selling price of the domestic like product declined during the same period. Though there is a marginal increase in landed value of the subject goods from subject countries, it is noted that the dumped imports of subject goods from subject countries have suppressed the domestic industry prices.

H. Economic parameters of the domestic industry

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

i. Production, capacity and capacity utilization of the Domestic Industry

55. The production, domestic sales, capacity & capacity utilization of the domestic industry has been stated as follows:

Particulars	Unit	2009-10	2010-11	2011-12	POI
Plant Capacity	MT	75,750	75,750	117,000	117,000
Plant Production	MT	73,245	85,566	124,548	138,689
Plant Capacity Utilization	%	96.69%	112.96%	106.45%	118.54%
Production-MDC	MT	35,324	42,422	62,788	73,966
Sales volume					
Domestic	MT	35,191	42,361	60,286	71,338
Exports	MT	189	60	2094	2638
Total Sales	MT	35,380	42,421	62,380	73,976

56. The Authority notes that the product under consideration is jointly produced with Chloroform and Carbon Tetrachloride comes out as a byproduct. Since the production facilities are common and the products are coproduced, capacity utilization has been examined by considering combined production of Methylene chloride and chloroform.

57. It is noted that one of the petitioner companies has enhanced capacity within the present injury period. The domestic industry has submitted that the capacity enhancement in the product was made in view of the demand-supply gap in the Country and the investment involved significant capital expenditure by the company. Since the domestic industry enhanced capacities, the domestic industry submitted that the increase in production and domestic sales volumes was an inevitable and a result of such capacity enhancement.
58. It is noted from the above table that the domestic sales, production and capacity utilization of the domestic industry has increased during POI as compared to the base year as well as the previous year. The domestic industry has contended that a natural outcome of increase in capacities should have been higher profits to the company.

ii. Market share

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

	Unit	2009-10	2010-11	2011-12	POI
Market Share in Demand					
Sales of Domestic Industry & Supporter	%	40.69	40.55	41.93	53.75
Sales of Other Producers	%	15.08	13.37	10.99	11.46
Subject countries-Imports	%	33.31	39.01	34.00	31.27
Other Countries-Imports	%	10.93	7.06	13.09	3.53
Total	%	100.00	100.00	100.00	100.00

60. It is noted that market share of the domestic industry has increased over the injury period.

iii. Profits, return on investment and cash flow

61. The cost of sales, selling price and profit/loss of the domestic industry has been analysed as follows:

Particulars	Unit	2009-10	2010-11	2011-12	POI
Cost of sales	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>99</i>	<i>112</i>	<i>117</i>
Selling price	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>139</i>	<i>125</i>	<i>90</i>
Profit/Loss	Rs./Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>1,185</i>	<i>443</i>	<i>(605)</i>

Profit/Loss	Rs.Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>1,426</i>	<i>759</i>	<i>(1,227)</i>
PBIT	Rs.Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>491</i>	<i>290</i>	<i>(275)</i>
Cash Profit	Rs.Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>713</i>	<i>433</i>	<i>(464)</i>
ROI	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>418</i>	<i>213</i>	<i>(157)</i>

62. It is noted from the above table that the costs of sales have increased over the injury period, where as the selling price increased in 2010-11 and declined consistently thereafter with steep decline in the POI. Resultantly, the profits of the domestic industry increased up to 2010-2011 and started declining thereafter. Profitability declined to such an extent that the domestic industry suffered significant financial losses in the POI.
63. As a result of decline in profits, the return on investment and cash profits declined significantly during POI as compared to the base year as well as previous year. The profitability of domestic industry has declined significantly during the POI and it has suffered cash losses and negative return on investment in the POI.

iv. Inventories

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

Particulars	Unit	2009-10	2010-11	2011-12	POI
Opening stock	MT	***	***	***	***
Closing Stock	MT	***	***	***	***
Average Stock	MT	174	137	331	411
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>79</i>	<i>191</i>	<i>236</i>

65. It is noted from the above table that the average stock during POI has increased as compared to the base year as well as the previous year.

v. Employment and wages

66. The position with regard to employment and wages is as follows:

Particulars	Unit	2009-10	2010-11	2011-12	POI
Number of employees	No.	***	***	***	***

<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>105</i>	<i>127</i>	<i>134</i>
Wages	Rs. Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>96</i>	<i>125</i>	<i>145</i>

67. Since the domestic industry does not have dedicated employment for the product under consideration, situation of the domestic industry with regard to employment and wages paid by the domestic industry was examined by considering information for the company for all operations. It is seen that both employment and wages shows increase over the period.

vi. Productivity

68. Data relating to productivity shows as follows:

Particulars	Unit	2009-10	2010-11	2011-12	POI
Productivity per day	No.	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>120</i>	<i>177</i>	<i>209</i>
Productivity per Employee	No.	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>114</i>	<i>140</i>	<i>156</i>

69. It is noted that productivity in terms of production per employee as well as production per day has increased in the POI over the injury period.

vii. Magnitude of Dumping

70. Magnitude of dumping as an indicator of the extent to which the dumped imports can cause injury to the domestic industry shows that the dumping margin determined against the subject countries are above de minimis and significant.

Ability to raise capital investment

71. It is also noted that the petitioner companies are multi product companies and one of petitioner companies has enhanced capacities during the injury period. The domestic industry has invested significant amount during the current injury period. It is thus noted that dumping of the product under consideration has not adversely impacted the ability of the domestic industry to raise capital investment.

viii. Factors affecting domestic prices

72. Consideration the import prices from subject countries, change in the cost structure, competition in the domestic market, factors other than dumped imports that might be affecting the prices of the domestic industry in the domestic market show that the landed value of imported material from subject countries are significantly below the selling price and non injurious price of the domestic industry, causing significant price undercutting and underselling in the Indian market. The domestic industry contended that benchmark for the domestic prices are the import prices from subject countries. The domestic industry also contended that despite the present capacity enhancement, there is still significant demand-supply gap in the Country and therefore imports are inevitable.. The domestic industry however contended that in a situation where the imports are inevitable, there is no reason for the foreign producers to depress the prices for the product in the Indian market, that too discriminately for the Indian market. The domestic industry further contended that there are large scale traders aggressively operating in the market and these traders are aggressively offering the imported product to the consumers and therefore, with reduction in the prices either by the foreign producers or by these traders, either the Indian producers must realign their prices with the changes in the import prices or traders' resale prices, or the petitioners must loose orders. The domestic industry further contended that it decides its prices based on prices being reported in the trade journals for exports to India, inventory of the material at Kandla port. Thus, the domestic industry prices reflect the combined effect of the prices which have been reported in the trade journals and the prices that are being offered by the traders. There are no significant imports of the product under consideration from other countries. There is no viable substitute to this product. Demand for the product was showing increase and could not have been a factor responsible for price depression faced by the domestic industry. It is thus evident that the only factors responsible for the domestic industry prices are the import prices of the product from subject countries and the cost of production of the domestic industry. As the information shows, whereas the cost of production increased, the import prices much lower than the costs of the domestic industry depressed the prices of the subject goods produced by the domestic industry. Thus, the landed price of the subject goods from subject countries are major factors affecting the domestic industry prices.

ix. Growth

73. There was positive growth of the domestic industry in terms of sales and production. However, growth of the domestic industry in respect of profits, cash profit, and return on investment was significantly negative in the POI despite significant increase in demand. The domestic industry contended that with increase in capacity, the domestic industry had expected robust growth in profits, cash flow and increase in return on investments. However, the domestic industry was not able to achieve the same due to the presence of the dumped imports.

I. Conclusion on material injury

74. After examining the volume and price effects of imports of subject goods from subject countries and its impact on the domestic industry, it is noted that though there is an absolute increase in the volume of imports of subject goods from subject countries during

the injury period, the market share of the domestic industry in the total demand has increased during the injury period. After examining other volume parameters like sales, production and capacity utilization of the domestic industry, it is provisionally noted that the domestic industry has not suffered volume injury on account of dumped imports of subject goods from subject countries. However, with regard to price effect on account of imports of subject goods from subject countries, it is noted that imports of the subject goods from subject countries are significantly undercutting the prices of domestic industry. Further, the domestic industry has suffered price depression on account of imports of subject goods from subject countries. The domestic industry has also suffered price suppression on account of imports of product under consideration from subject countries as sales price of subject goods have declined while cost of production of subject goods have increased during the injury period. With regard to consequent impact of the dumped imports on the domestic industry, it is concluded that even though the performance of the domestic industry has improved in respect of production, capacity utilization, domestic sales, market share, the performance deteriorated in respect of profit, cash flow, return on investment, and inventories. The decline in profits, return on investment and cash flows is quite significant and material. Thus, the Authority provisionally concludes that the domestic industry has suffered material injury.

J. Other Known Factors & Causal Link

75. Having examined the existence of material injury, volume and price effects of dumped imports on the prices of the domestic industry, in terms of its price undercutting, underselling and price suppression, and depression effects, other indicative parameters listed under the Indian Rules and Agreement on Anti-Dumping have been examined by the Authority to see whether any other factor, other than the dumped imports could have contributed to injury to the domestic industry.

(a) Volume and prices of imports from third countries

76. It is noted that imports of product under consideration from other countries are at higher price or are negligible in terms of volume. As regards imports from China PR as shown in the table, it is noted that the import price from China was much higher than import price from subject countries. Further, the volume of imports from China PR has shown declining trend, whereas volume of imports from each of the subject countries has shown rising trend.

Particulars	Units	2009-10	2010-11	2011-12	POI
Import Volume	MT	55,820	65,958	84,444	57,818
Subject Countries	MT	42,033	55,847	60,975	51,952
China	MT	10,561	5,384	16,084	2,631
Other Countries	MT	3,226	4,727	7,385	3,235
Share in Import Volume	%	100	100	100	100
Subject Countries	%	75.30	84.67	72.21	89.85
China	%	18.92	8.16	19.05	4.55
Other Countries	%	5.78	7.17	8.75	5.59

Import Price	Rs/Kg	24.25	36.67	37.90	25.65
Subject Countries	Rs/Kg	23.04	36.15	36.30	25.16
China	Rs/Kg	28.07	39.10	43.92	36.71
Other Countries	Rs/Kg	27.47	39.95	38.08	24.60

(b) Contraction of demand and changes in the pattern of consumption.

77. There has been a constant rise in demand of the product concerned throughout the injury period. Possible decline in demand is not as a possible reason of injury to the Domestic Industry.

(c) Developments in technology:

78. Technology for production of the product concerned has not undergone any change. Thus, development in technology is not a factor causing injury to the domestic injury.

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

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

(e) Export performance of the domestic industry

80. The exports of the domestic industry constitute an insignificant share in their total sales. However, it is added that the injury information examined by the Authority is for domestic operations and therefore possible decline in exports volume have not caused injury to the Domestic Industry.

(f) Productivity of the Domestic Industry

81. It is noted that the productivity of the domestic industry in terms of production per employee as well as production per day has increased over the period.
82. It is thus noted that listed known other factors do not show that the domestic industry could have suffered injury due to these other factors. The Authority examined whether the dumping of the product has caused injury to the domestic industry. The following parameters show that injury to the domestic industry has been caused by dumped imports:
- a) The imports of subject goods from subject countries were significantly undercutting the prices of the domestic industry in the market. Resultantly, the domestic industry was forced to reduce its prices significantly. The price depression and price suppression suffered by the domestic industry is primarily because of dumping of the product in the Country.
 - b) The domestic industry was forced to reduce its prices even below cost of production

causing financial losses. The price depression caused by the imports thus resulted in significant deterioration in profits of the domestic industry to such an extent that the domestic industry suffered significant financial losses.

- c) Performance of the domestic industry with regard to profits, cash flow and return on investments deteriorated as a result of price depression. Thus, dumping of the product has led to deterioration in performance of the domestic industry in terms of profits, cash flow and return on investments.

83. It is therefore, provisionally concluded that the domestic industry suffered material injury due to dumped imports.

K. Magnitude of Injury Margin

Injury Margin

84. 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:-

<u>Injury Margin</u>				<u>Unit in</u> <u>US\$ per</u> <u>Kg</u>	
<u>Country/exporter</u>	<u>Unit</u>	<u>EU</u>		<u>USA</u>	<u>Korea RP</u>
		M/s. Akzo Nobel Industrial Chemicals B.V, Netherlands.	Other Producers and Exporters	All producers and exporters	All producers and exporters
<u>Loose/Bulk</u>					
Non Injurious Price	US\$/kg	***	***	***	***
Landed Price	US\$/kg	***	***	***	***
Injury Margin	US\$/kg	***	***	***	***
Injury Margin %	%	***	***	***	***
Injury margin %	% Range	60-70%	85-95%	65-75%	30-40%
<u>Packed/Drum</u>					

Non Injurious Price	US\$/kg		***	***	***
Landed Price	US\$/kg		***	***	***
Injury Margin	US\$/kg		***	***	***
Injury Margin %	%		***	***	***
Injury margin %	% Range		70-80%	30-40%	40-50%
<u>Product under consideration as a whole</u>					
Non Injurious Price	US\$/kg	***	***	***	***
Landed Price	US\$/kg	***	***	***	***
Injury Margin	US\$/kg	***	***	***	***
Injury Margin %	%	***	***	***	***
Injury margin %	% Range	60-70%	80-90%	70-80%	30-40%

L. Indian industry's interest & other issues:

85. The Authority recognizes that the imposition of anti-dumping duties might affect the price levels of the product in India. However, fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures. On the contrary, imposition of anti-dumping measures would remove the unfair advantages gained by dumping practices, prevent the decline of the domestic industry and help maintain availability of wider choice to the consumers of the subject goods. 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 duties, therefore, would not affect the availability of the product to the consumers. The Authority notes that the imposition of the anti-dumping measures would not restrict imports from the subject countries in any way, and therefore, would not affect the availability of the product to the consumers. The consumers could still maintain two or even more sources of supply.

M. Recommendation

86. After examining the submissions made by the interested parties and issues raised therein; and considering the facts available on record, the Authority concludes that:

- a. The product under consideration has been exported to India from the subject countries below normal values.

- b. The domestic industry has suffered material injury on account of subject imports from subject countries.
- c. The material injury has been caused by the dumped imports of subject goods from the subject countries.

87. The Authority notes that the investigation was initiated and it was notified to all interested parties. Adequate opportunity was given to the exporters, importers and other interested parties to provide information on the aspects of dumping, injury and causal link. Having initiated and conducted a investigation into dumping, injury and the causal link thereof in terms of the AD 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 duty is required to offset dumping causing injury. Domestic industry has requested for imposition of anti dumping duty to address injury being suffered. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of definitive anti-dumping duty equal to the lesser of margin of dumping and margin of injury, so as to remove the injury to the domestic industry. For the purpose of determining injury margin, the landed value of imports of product under consideration has been compared with the non-injurious price of the domestic like product produced by domestic industry determined for the period of investigation.

88. Having regard to the lesser duty rule followed by the authority, the Authority recommends imposition of provisional 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, provisional antidumping duty equal to the amount indicated in Column-8 of the table below is recommended to be imposed from the date of notification to be issued in this regard by the Central Government, on all imports of subject goods originating in or exported from the subject countries.

Duty Table

1	2	3	4	5	6	7	8	9	10
S N	Heading / Sub-	Description of goods	Country of origin	Country of export	Producer	Exporter	Amount	Unit	Currency
1	290312	Dichloromethane (Methylene Chloride)	European Union	European Union	M/s. Akzo Nobel Industrial Chemicals B.V, Netherlands.	M/s. Akzo Nobel Industrial Chemicals B.V, Netherlands.	0.32	Per Kg	US \$
2	- do -	- do -	European Union	European Union	Any other than combination at Sl. No. 1		0.36	Per Kg	US \$

3	- do -	- do -	Any other than subject countries	European Union	Any	Any	0.36	Per Kg	US \$
4	- do -	- do -	European Union	Any other than subject countries	Any	Any	0.36	Per Kg	US \$
5	- do -	- do -	United States of America	United States of America	Any	Any	0.33	Per Kg	US \$
6	- do -	- do -	Any other than subject countries	United States of America	Any	Any	0.33	Per Kg	US \$
7	- do -	- do -	United States of America	Any other than subject countries	Any	Any	0.33	Per Kg	US \$
8	- do -	- do -	Korea RP	Korea RP	Any	Any	0.21	Per Kg	US \$
9	- do -	- do -	Any other than subject countries	Korea RP	Any	Any	0.21	Per Kg	US \$
10	- do -	- do -	Korea RP	Any other than subject countries	Any	Any	0.21	Per Kg	US \$

N. Further Procedures

89. The following procedure would be followed subsequent to notifying the preliminary findings: -

- a. The Authority invites comments on these findings from all interested parties and the same would be considered in the final finding. Interested party may also make known its views within forty days from the date of publication of these findings;
- b. The Authority would conduct further verification to the extent deemed necessary;
- c. The Authority would disclose essential facts before announcing final findings.

(J S Deepak)
Designated Authority