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**F. No. 06/06/2023-DGTR**  
**Government of India**  
**Ministry of Commerce & Industry**  
**Department of Commerce**  
**(Directorate General of Trade Remedies)**  
**Jeevan Tara Building, 5 Parliament Street, New Delhi – 110001**

Date: 26 December 2024

**FINAL FINDINGS**  
**Case No. AD (OI)-6/2023**

**A. BACKGROUND OF THE CASE**

1. **M/s Stylam Industries Limited** (hereinafter also referred to as “Applicant” or “Petitioner”) filed an application/petition seeking initiation of an anti-dumping investigation concerning imports of “**Acrylic Solid Surfaces**” (hereinafter also referred to as “Subject goods” or “Product Under Consideration” or “PUC”) originating in or exported from China PR and Japan before the Designated Authority (hereinafter also referred to as the “Authority”) in accordance with Customs Tariff Act, 1975 as amended from time to time (hereinafter also referred to as the “Act”) and Customs Tariff (Identification, Assessment and Collection of Antidumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter also referred to as the “Rules”).
2. The Authority, on the basis of sufficient *prima facie* evidences submitted by the applicant, issued a public notice vide notification file **no. 6/6/2023-DGTR dated 29<sup>th</sup> December, 2023**, published in the Gazette of India, Extraordinary, initiating the subject investigation in accordance with Section 9A of the Act read with Rule 5 of the Rules to determine the existence, degree and effect of the alleged dumping of the subject goods originating in or exported from **China PR** (herein after referred to as the subject country) and to recommend the amount of anti-dumping duty (ADD), which if levied, would be adequate to remove the alleged injury to the domestic industry. Though the applicant has filed the petition proposing China PR and Japan as the subject countries as noted above, the Authority has considered only “China PR” as the “subject country” since the dumping margin in case of Japan has been noted as negative at the time of initiation.

**B. PROCEDURE**

3. The procedure described herein below has been followed with regard to the subject investigation:
  - a. The Authority notified the embassy of the subject country in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance with Sub-Rule (5) of Rule 5 supra.
  - b. The Authority issued a public notice dated 29<sup>th</sup> December, 2023 published in the Gazette of India Extraordinary, initiating an anti-dumping investigation concerning imports of the subject goods from the subject country.

- c. The Authority sent a copy of the initiation notification dated 29<sup>th</sup> December, 2023, to the embassy of the subject country in India, the known producers and exporters from the subject country, known importers, importer/user associations, the domestic industry, other known Indian producers and any other interested parties, as per the addresses/email made available by the applicant. The interested parties were advised to provide relevant information in the form and manner prescribed and make their submissions known in writing within the prescribed time-limit, in accordance with Rules 6(2) and 6(4) of the Rules.
- d. The Authority provided a copy of the non-confidential version of the application to the known producers/exporters and to the Government of the subject country, through its embassy in India in accordance with Rule 6(3) of the Rules supra.
- e. The embassy of the subject country in India was also requested to advise the exporters/producers from their country 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 the subject country.
- f. The Authority issued economic interest questionnaire (EIQ) to all interested parties and the concerned ministry. Response to EIQ was submitted by the domestic industry and responding exporters. None of the users or importers filed any EIQ.
- g. The Authority sent questionnaires to the following known producers/exporters in the subject country in accordance with Rule 6(4) of the AD Rules;
  - i. Jumei Acrylic Manufacturing Co Ltd
  - ii. Anhui Xintao Photoelectric Technology Co.
  - iii. Foshan Opaly Composite Materia
  - iv. Solidtop Co Ltd
- h. In response, the following exporters/producers from the subject country filed exporter's questionnaire response and also Economic Interest Questionnaire;
  - i. Shandong Kelesi New Material Technology Co., Ltd (Producer/exporter)  
Shanghai Sailisi Industry Development Co., Ltd. Shandong Branch (trader)
- i. Apart from the above exporters, it has been intimated by Guangdong Hantai Decoration Material Co., Ltd that the Company is not engaged in the production or exportation of Acrylic Solid Surfaces vide their email dated 22.01.2024. Another party namely Xintao International Group sought clarifications on the scope of product under consideration.
- j. The Authority sent importer's questionnaire to the following known importers/users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rule.
  - i. Jain Timply LLP
  - ii. Prima Marketing Corporation
  - iii. Merino Industries Limited
  - iv. Jakan Impex Private Limited
  - v. Performance Specialty Products India Private Limited

- vi. Goche Interior Solutions
  - vii. Bansal Sales Corporation Private Limited
  - viii. Silver International Private Limited
  - ix. Santosh Timber Trading Co Limited
  - x. Globentis Internationals Private. Limited
  - xi. Patel Wood Syndicate
  - xii. Rehau Polymers Private Limited
  - xiii. National Plywood Industries Limited
  - xiv. Ambica Corporation Limited
  - xv. Performance Specialty Products India Pvt Ltd
  - xvi. Dupont Specialty Products India Private Limited
- k. In response, none of the importers/users have responded within the stipulated time and filed any user/importer's questionnaire response. However, the following party filed comments on the scope of PUC;
- i. Dupont Specialty Product India Pvt. Ltd.
- l. Another party namely Rehau Polymers Private Limited expressed its interest in the investigation. However, no submissions were filed eventually by this party.
- m. Apart from the above noted foreign producers/exporters and importers/users, interest in the subject investigation were expressed by Marbonex and Durlax Top Surface Ltd who have claimed themselves to be producers of subject goods in India. No questionnaire responses have been filed by these parties.
- n. The Authority vide para 8 of the initiation notification dated 29th December, 2023 sought comments on the scope of the product under consideration (or PUC) within 30 days of initiation. However, no proposals/comments on PCN have been filed by any of the interested parties including the applicant. Nevertheless, certain clarifications on the scope of the PUC have been sought by some of the interested parties. After a careful consideration of the comments as received from all the interested parties including the applicant on the scope of PUC, a clarification on the scope of PUC was communicated vide a notice published on the DGTR website on 13th February, 2024. It has also been clarified in the said notice that since none of the interested parties have made any proposals for any PCN, a decision has been taken not to adopt any PCN methodology in this investigation. Thereafter, two weeks' time was granted to all the interested parties to file the responses from the date of issuance of the above-stated notice i.e. 13<sup>th</sup> February, 2024.
- o. The Authority made available a non-confidential version of the evidence presented/made by the various interested parties to the other parties by directing the parties to exchange such submissions via e-mail based on the list of interested parties relevant for the subject investigation made available to all relevant parties on the website of the DGTR.
- p. The Authority has, relied upon the DGCI&S transaction-wise details of imports data for computation of the volume of imports and its analysis after due examination of the transactions.

- q. The Non-Injurious Price (NIP) has been determined based on the cost of production and the 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 so as to ascertain whether Anti-Dumping duty lower than the dumping margin would be sufficient to remove injury to the domestic industry.

The period of investigation (POI) adopted by the Authority for the present investigation is 1st April 2022 to 30<sup>th</sup> June 2023. The injury investigation period covers the periods 1st April 2019 – 31st March 2020, 1st April 2020 – 31st March 2021, 1st April 2021 – 31st March 2022 and the POI. POI in the present investigation covers fifteen months and such a period is considered appropriate in the facts of the present investigation.

- r. Desk verification of the information provided by the applicant, responding producer and exporter from the subject country and other interested parties to the extent deemed necessary, was carried out by the Authority. Only such verified information with necessary modification/rectification, wherever applicable, has been relied upon for the purpose of present notification.
- s. In accordance with Rule 6(6) of the Rules, the Authority also provided opportunity to all interested parties to present their views orally in the first oral hearing held on hybrid mode on 14<sup>th</sup> June, 2024. All the parties who had attended the oral hearing were provided an opportunity to file written submissions by 21<sup>st</sup> June, 2024 followed by rejoinders, if any by 28<sup>th</sup> June, 2024. The Authority convened another oral hearing due to the appointment of the new Designated Authority and another opportunity of oral hearing has been provided to all the interested parties to present their views orally followed by submissions in writing pursuant to the judgement of the Hon'ble Supreme Court in the matter of 'Automotive Tyre Manufacturers' Association (ATMA) vs. Designated Authority, delivered in Civil Appeal No. 949 of 2006 on 07-01-2011. Accordingly, the Authority held the second oral hearing on 21<sup>st</sup> October, 2024. The interested parties who presented their views in the 2<sup>nd</sup> oral hearing, were directed to file their written submissions of the views expressed orally by 24<sup>th</sup> October, 2024, followed by rejoinder submissions due by 29<sup>th</sup> October, 2024, if any. The interested parties were further directed to share the non-confidential version of the written submission submitted by them with the other interested parties.
- t. The Authority circulated the disclosure statement containing all essential facts under consideration for making the final recommendations to the Central Government to all interested parties on 18 December 2024. The Authority has examined all the post-disclosure comments made by the interested parties in these final findings to the extent deemed relevant. Any submission which was merely a reproduction of the previous submission and which had been adequately examined by the Authority has not been repeated for the sake of brevity.
- u. The submissions made by the interested parties during the course of this investigation so far, to the extent supported with evidence and considered relevant to the present investigation, have been appropriately considered and addressed by the Authority, in the final findings.

- v. Information provided by the interested parties on a confidential basis was examined with regard to the 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 a confidential basis were directed to provide sufficient non-confidential version of the information filed on a confidential basis.
- w. Wherever an interested party has refused access to, or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the views/observations on the basis of the facts available.
- x. ‘\*\*\*’ in the final findings represents information furnished by an interested party on a confidential basis and so considered by the Authority under the Rules.
- y. The exchange rate adopted by the Authority for the subject investigation is US\$1 = Rs.81.47.

### C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

- 4. At the stage of initiation, the product under consideration and like article were defined as:

#### A. *PRODUCT UNDER CONSIDERATION (PUC)*

3. *The product under consideration is “Acrylic Solid Surfaces” originating in or exported from China PR. Acrylic Solid Surfaces are non-porous, low-maintenance, manmade materials produced from Methyl Methacrylate resin (MMA), Aluminium Hydroxide and Pigments as the key raw materials and are used for surfaces such as countertops and can be inferred as a trendy building material with peerless hygiene and aesthetic properties. It can mimic the appearance of granite, marble, stone, and other naturally occurring materials, and can be joined nearly invisibly by a trained craftsman. The product under consideration is used in seamless countertop installations and also for a wide range of applications, for residential and commercial purposes such as in kitchen countertops, sinks, bathrooms, furniture fittings, wall cladding etc. Acrylic Solid Surfaces are also used in commercial spaces such as offices, retail outlets, malls, hotels and bars, hospitals and clinics etc.*

4. *Acrylic Solid Surfaces are typically manufactured in sheet form in sizes such as 760mmX2440mm, 760mmX3660mm etc. for fabrication into finished countertops, commonly in thicknesses such as 6mm, 12mm etc., they can also be cast into a variety of shapes, including sinks, shower pans and bathtubs. Subject goods in sheet form can also be heated and bent into three-dimensional shapes using a process called thermoforming, which adds to the versatility of the product. There are more colour and design options available in the subject goods in comparison to natural stones which has over the period contributed to the demand for subject goods.*

5. *The product descriptions as per the import information shows that the importers have used descriptions such as 100% Acrylic solid surfaces, Pure Acrylic solid surfaces, Corian Sheets, Hi Macs Acrylic Sheets, Montelli Sheets made of PMMA, PMMA Sheets, Staron Solid Surface, Krion Methyl Methacrylic Resin Solid Surface Sheet, Methyl Methacrylic Resin Sheets etc while importing the subject goods from subject country.*

6. *The product under consideration as considered in the application covers Acrylic Solid Surfaces irrespective of their thicknesses wherein the unit of measurement considered is weight of the product reported in Kilograms (Kg).*

7. *The product under consideration is classified under Chapter 39 of the Customs Tariff Act, 1975 and the code 3920. The product has been imported under the subheadings- 39205111, 39205119, 39205199, 39206390, 39219039, 39269069 and 35069999. However, it is possible that the subject goods may also be imported under other headings and therefore, the customs tariff heading is indicative only and is not binding on the scope of the product.*

#### **B. LIKE ARTICLE**

9. *The applicant has claimed that the subject goods, which have been alleged to be dumped in India, are identical to the goods produced by the domestic industry. There are no known differences in the technical specifications, quality, functions and end use of the two products. The Authority notes that the two are prima facie technically and commercially substitutable. Therefore, for the purpose of the present investigation, the subject goods produced by the applicant in India are being treated as 'Like Article' to the subject goods being imported from the subject country.*

5. Following the initiation, certain clarifications on scope of the PUC were sought by some of the interested parties. After a careful consideration of the comments as received from the interested parties, it was clarified vide notice dated 13<sup>th</sup> February, 2024 that the below products are not covered in the scope of the PUC for the purpose of present investigation;

- a) *Pure acrylic sheets.*
- b) *Acrylic laminates and PET/PVC films for furniture decoration and vehicle wrapping.*
- c) *Polyester solid surface sheets.*
- d) *Modified Acrylic Solid Surfaces.*

6. It was also mentioned in the notice dated 13<sup>th</sup> February, 2024 published on the DGTR website that the specifics of any exclusion(s) are subject to determination throughout the investigation process and will be communicated in the final findings as deemed appropriate by the Authority. Hence, the final findings cover all relevant facts gathered during the investigation concerning the scope of PUC and Like Article which shall form the basis of final determinations in this regard by the Authority.

#### **C.1. Submissions by the other interested parties**

7. The following submissions have been made by the other interested parties with regard to the product under consideration and like article:

- i. Clarifications on the scope of PUC have been sought by some of the interested parties. The parties sought a clarification on whether the following products are covered in the scope of PUC or not;
  - a) Pure acrylic sheet, claimed to be distinct from the described Acrylic Solid Surface (PUC) which is a composite material made from different substances.
  - b) Acrylic laminates and PET/PVC films for furniture decoration and vehicle wrapping claimed to be distinct due to physical properties and application scenarios.
  - c) Polyester solid surface sheets, claimed to be distinct due to their resin composition and market applications.
  - d) Modified Acrylic Solid Surfaces claimed to be distinct due to differences in raw material composition, physical properties, and performance characteristics etc.
- ii. Marbonex, claiming to be Indian producer of Unsaturated Polyester and Acrylic Solid Surface Sheets, requested that imposition of anti-dumping duties on the import of Unsaturated Polyester and Acrylic Solid Surface Sheets from China must be considered.
- iii. Marbonex also submitted "polyester solid surface sheets" and "modified acrylic solid surfaces" share the same characteristics as the product currently under consideration, namely "acrylic solid surface." Both products serve identical end-user applications related to interiors and architectural purposes. The substantial import of Polyester solid surface sheets and Modified Acrylic Solid Surfaces from China poses a significant challenge to domestic producers, making it increasingly difficult for us to cover our production costs. Hence, "polyester solid surface sheets" and "modified acrylic solid surfaces" also should be made part of the investigation.

## **C.2. Submissions of the domestic industry**

8. The domestic industry has submitted as follows with regard to the product under consideration and like article:
  - i. The product under consideration is "Acrylic Solid Surfaces" originating in or exported from China PR.
  - ii. Acrylic Solid Surfaces are non-porous, low-maintenance, manmade materials produced from Methyl Methacrylate resin (MMA), Aluminium Hydroxide and Pigments as the key raw materials and are used for surfaces such as countertops and can be inferred as a trendy building material with peerless hygiene and aesthetic properties. It can mimic the appearance of granite, marble, stone, and other naturally occurring materials, and can be joined nearly invisibly by a trained craftsman.
  - iii. The product under consideration is used in seamless countertop installations and also for a wide range of applications, for residential and commercial purposes such as in kitchen countertops, sinks, bathrooms, furniture fittings, wall cladding

etc. Acrylic Solid Surfaces are also used in commercial spaces such as offices, retail outlets, malls, hotels and bars, hospitals and clinics etc.

- iv. Acrylic Solid Surfaces are typically manufactured in sheet form in sizes such as 760 mm X 2440 mm, 760 mm X 3660 mm etc. for fabrication into finished countertops, commonly in thicknesses such as 6 mm, 12 mm etc., they can also be cast into a variety of shapes, including sinks, shower pans and bathtubs.
- v. Subject goods in sheet form can also be heated and bent into three-dimensional shapes using a process called thermoforming, which adds to the versatility of the product. There are more colour and design options available in the subject goods in comparison to natural stones which has over the period contributed to the demand for subject goods.
- vi. The product descriptions as per the import information shows that the importers have used descriptions such as 100% Acrylic solid surfaces, Pure Acrylic solid surfaces, Corian Sheets, Hi Macs Acrylic Sheets, Montelli Sheets made of PMMA, PMMA Sheets, Staron Solid Surface, Krion Methyl Methacrylic Resin Solid Surface Sheet, Methyl Methacrylic Resin Sheets etc while importing the subject goods from subject country. Authority may consider all such descriptions/names as part of the product under consideration.
- vii. The product under consideration as considered in the application covers Acrylic Solid Surfaces irrespective of their thicknesses wherein the unit of measurement considered is weight of the product reported in Kilograms (Kg).
- viii. The product under consideration is classified under Chapter 39 of the Customs Tariff Act, 1975 and the code 3920. The product has been imported under the subheadings- 39205111, 39205119, 39205199, 39206390, 39219039, 39269069 and 35069999. However, it is possible that the subject goods may also be imported under other headings and therefore, the customs tariff heading is indicative only and is not binding on the scope of the product.
- ix. With regard to the clarification on the scope of PUC sought by certain parties pertaining to a) Pure acrylic sheets, b) Acrylic laminates and PET/PVC films for furniture decoration and vehicle wrapping, c) Polyester solid surface sheets, d) Modified Acrylic Solid Surfaces, applicant submits that such product is not covered in scope of PUC provided in the application. Hence, it can be noted that such products are not part of PUC. The PUC covers Acrylic Solid Surfaces which has MMA/PMMA resin as its key input and the product for which clarification is sought apparently has other resins as the key input.
- x. With regard to the request of certain other domestic producers for the inclusion of polyester solid surface sheets/ unsaturated Polyester sheets and modified acrylic solid surfaces within the scope of PUC, it is our submission that such products are not 'like article' to the subject goods as per the contours of the Rules governing 'like article' and the products have differences in terms of basic raw materials, inherent product properties, and cost and price though the end uses may overlap to some extent along with comparable physical appearance of the product in some cases. Modified Acrylic Solid Surfaces is estimated to be much cheaper than subject goods (40-50% cheaper) and they are clearly different articles in

terms of technical and commercial terms. Subject goods have MMA/PMMA resin as its key raw material whereas Modified Acrylic Solid Surfaces uses other cheaper resins which impacts the overall product composition and properties. Even if MMA/PMMA is claimed to be used in Modified Acrylic Solid Surfaces, the concentration of the same may not be more than 1-10% whereas MMA/PMMA concentration in Acrylic Solid Surface is normally in the range of 40-45%. Inclusion of Modified Acrylic Solid Surfaces in the PUC will distort the product comparisons and also the dumping and injury margin determination since Modified Acrylic Solid Surfaces is a much cheaper product by its very nature in comparison to the subject goods.

- xi. With regard to the claim of certain Indian producers for the inclusion of modified solid surfaces also in the scope of PUC, any of the parties claiming Modified Acrylic Solid Surfaces as like article to the subject goods must demonstrate beyond doubt that Modified Acrylic Solid Surfaces are like article to the subject goods. In the absence of such demonstration, the claim has no meaning though the applicant has no reservations in its inclusion or exclusion as such. Likewise, there are no comparability between subject goods and polyester or unsaturated polyester which also cannot be included in the scope of PUC.
- xii. It is also submitted that even though Modified Acrylic Solid Surfaces is not a like article to the PUC in the present matter as per the understanding of the applicant, instances of any importer mis-declaring subject goods as Modified Acrylic Solid Surfaces to evade any duties on Acrylic Solid Surfaces cannot be ruled out, and in that case, the applicant reserves its right to approach the authorities to seek appropriate actions against any such attempts to circumvent the duties, if any.

### **C.3. Examination by the Authority**

9. The product under consideration in the present investigation is “Acrylic Solid Surfaces” originating in or exported from China PR. Acrylic Solid Surfaces are non-porous, low-maintenance, manmade materials produced from Methyl Methacrylate resin (MMA), Aluminium Hydroxide and Pigments as the key raw materials and are used for surfaces such as countertops and can be inferred as a trendy building material with peerless hygiene and aesthetic properties. It can mimic the appearance of granite, marble, stone, and other naturally occurring materials, and can be joined nearly invisibly by a trained craftsman. The product under consideration is used in seamless countertop installations and also for a wide range of applications, for residential and commercial purposes such as in kitchen countertops, sinks, bathrooms, furniture fittings, wall cladding etc. Acrylic Solid Surfaces are also used in commercial spaces such as offices, retail outlets, malls, hotels and bars, hospitals and clinics etc.
10. It is clarified that the below products are not covered in the scope of PUC for the purpose of the present investigation;
  - a) *Pure acrylic sheets.*
  - b) *Acrylic laminates and PET/PVC films for furniture decoration and vehicle wrapping.*
  - c) *Polyester solid surface sheets.*
  - d) *Modified Acrylic Solid Surfaces.*

11. Acrylic Solid Surfaces are typically manufactured in sheet form in sizes such as 760mmX2440mm, 760mmX3660mm etc. for fabrication into finished countertops, commonly in thicknesses such as 6mm, 12mm etc., they can also be cast into a variety of shapes, including sinks, shower pans and bathtubs. Subject goods in sheet form can also be heated and bent into three-dimensional shapes using a process called thermoforming, which adds to the versatility of the product. There are more colour and design options available in the subject goods in comparison to natural stones which has over the period contributed to the demand for subject goods.
12. The product descriptions as per the import information shows that the importers have used descriptions such as 100% Acrylic solid surfaces, Pure Acrylic solid surfaces, Corian Sheets, Hi Macs Acrylic Sheets, Montelli Sheets made of PMMA, PMMA Sheets, Staron Solid Surface, Krion Methyl Methacrylic Resin Solid Surface Sheet, Methyl Methacrylic Resin Sheets etc while importing the subject goods from subject country. Such alternative names used are part of the description of the subject goods.
13. The product under consideration as considered in the application covers Acrylic Solid Surfaces irrespective of their thicknesses, length, width, color and design and the unit of measurement considered is weight of the product reported in Kilograms/Tons (Kg/MT).
14. The product under consideration is classified under Chapter 39 of the Customs Tariff Act, 1975 pertaining to Plastics and articles thereof and further under subheading 392051 which pertains to poly (methyl methacrylate) sheet which is not a dedicated classification for the subject goods. Imports of the subject goods have been reported under subheadings 39205111, 39205119, 39205199, 39206390, 39219039, 39269069 and 35069999 as claimed in the application. The customs tariff heading is indicative only and is not binding on the scope of the product.
15. The Authority has also considered the arguments of the interested parties regarding the scope of the PUC and has examined the same based on the relevant information available on record and by calling further from the interested parties as found necessary.
16. With regard to the clarifications on the scope of PUC as has been sought by some of the interested parties concerning Pure acrylic sheets, Acrylic laminates and PET/PVC films for furniture decoration and vehicle wrapping, Polyester solid surface sheets and Modified Acrylic Solid Surfaces, it is confirmed that such products are not part of the PUC. As clarified by the applicant, while subject goods have Methyl Methacrylate (MMA)/ poly-Methyl Methacrylate (PMMA) resin also called acrylic resin as the key raw material, the facts available do not show that Pure acrylic sheets, Acrylic laminates and PET/PVC films for furniture decoration and vehicle wrapping and Polyester solid surface sheets also have MMA/PMMA as its key raw material. Thus, such products do not fall within the scope of subject goods.
17. Also, the facts available suggest that Modified Acrylic Solid Surfaces have differences in terms of basic raw materials, inherent product properties, and cost and price though the end uses may overlap with the subject goods to some extent. Modified Acrylic Solid Surfaces are estimated to be much cheaper than subject goods (40-50% cheaper). This is for the primary reasons that subject goods have MMA/PMMA resin as their key raw material whereas Modified Acrylic Solid Surfaces uses other cheaper resins which impacts the overall product composition and properties and also the cost and price of the product. As ascertained by the applicant, even if MMA/PMMA is claimed to be used in

Modified Acrylic Solid Surfaces, the concentration of the same may not be more than 1-10% whereas MMA/PMMA concentration in Acrylic Solid Surface is normally in the range of 40-45%. Subject goods are unique in their bendability and can be cast into many shapes, Modified Acrylic Sheets have nil to very low bendability. Thus, modified acrylic solid surfaces are not within the scope of PUC.

18. With regard to the request to include Modified Acrylic Solid Surfaces also in the scope of PUC by some parties, the Authority notes that such claim is not substantiated. Per contra, facts available suggest fundamental differences between subject goods and Modified Acrylic Solid Surfaces as noted herein above. Hence, the request to include Modified Acrylic Solid Surfaces also in scope of PUC is not accepted.
19. With regard to the request for inclusion of unsaturated Polyester and polyester solid surface sheets also in the scope of PUC, the Authority notes that the claimant Indian producer has not substantiated such claims and the request lacks merit. It is noted that unsaturated Polyester and polyester solid surface sheets are apparently polyester based product whereas the subject goods are MMA/PMMA resin-based product.
20. 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;*

21. After considering the information on record, the Authority holds that the product under consideration produced by the domestic industry and imported from the subject country are comparable in terms of physical & chemical characteristics, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The goods produced by the domestic industry and that imported from the subject country are like articles in terms of the Rules. The two are technically and commercially substitutable. Thus, the Authority holds that the subject goods produced by the domestic industry are like article to the product under consideration imported from the subject country within the scope and meaning of Rule 2(d) of Anti-Dumping Rules.

#### **D. SCOPE OF THE DOMESTIC INDUSTRY AND STANDING**

##### **D.1. Submission of the other interested parties**

22. The submissions on the aspect of the domestic industry and the standing as filed by other interested parties are as follows;
  - i. Initiation notification says that the petitioner continues 80% of the Indian production of the subject goods. This statement is not correct.
  - ii. Petitioner's production is nowhere close to 75-80% of the total production of Acrylic Solid Surface in India. Instead, Durlax Top Surface Ltd. (Mumbai) is the biggest player in solid surface business. Durlax has the capacity of 200000 sheets which is almost the double of the petitioner's capacity.
  - iii. The petitioner has provided misleading information to the Authority to consider the petitioner as eligible Domestic Industry. The Authority is required to call the

necessary information from Durlax Top Surface Ltd. and examine the standing of the Domestic Industry accordingly.

- iv. The Authority must ask the Domestic Industry to provide the total production of the subject goods in India to the other parties.

#### **D.2. Submissions made by the domestic industry**

23. The submissions made by the domestic industry with regard to scope of the domestic industry & standing are as follows:

- i. The applicant namely Stylam Industries Ltd is the largest producer of subject goods in India and holds major proportion in total Indian production of subject goods. The applicant did not import the subject product from subject country during the period of investigation nor it is related to any of the exporters/importers of the subject product. Hence, the Authority may treat applicant as the eligible domestic industry under Rule 2 (b) of the anti-dumping rules for the purpose of present investigation.
- ii. There are five other producers of the subject goods in India namely 1) Durlax Top Surface Limited, 2) Marbonex, 3) Baroda Monosol Surface India LLP, 4) Recorian Shagun Polymers India Private Limited and 5) Denolex Polymers Pvt Ltd. Marbonex declared itself as the producer of subject goods in India in a letter to the Authority post initiation though this producer was not in the knowledge of the applicant at the time of application.
- iii. Out of the 5 other Indian producers, Durlax Top Surface Limited and Marbonex have supported the application and levy of anti-dumping duties on subject goods.
- iv. Applicant has estimated total Indian production as per its market information since information on production of subject goods by other known Indian producers is not available from any other official or published sources. The share of the applicant in total Indian production so assessed is in the range of 70-80% and fulfills the requirements of Rule 2(b) read with Rule 5 (3).
- v. There is no alternative information on total Indian production furnished by any of the other parties. In the absence of any such information, the total Indian production as claimed by the applicant stands reliable evidence.
- vi. The responding exporter have disputed the standing claimed by the applicant but have not provided any information on total Indian production of “Acrylic Solid Surfaces” in terms of tonnage/kg. The exporter initially claimed that another producer namely Durlax Top Surface Limited has 2 Lakh capacity and later it has been stated that the same producer has capacity of 120000 pieces to produce “Solid Surfaces”. It must be noted that Durlax Top Surface Private Limited has supported the present investigation. Also, standing under Rule 2(b) of the Anti-dumping rules is not a function of capacity and standing needs to be determined based on production by Indian producers during the POI. Even with regard to capacity of Durlax Top Surface Private Limited, it can be noted from their website that the capacity reported on their website is for Acrylic Solid Surfaces and also for Modified Acrylic Solid Surfaces which is a non-PUC item but the exporter tried to insinuate that such entire capacity is of Acrylic Solid Surfaces.

- vii. Following the second hearing and based on the discussion points in this regard with the Authority, the applicant has rechecked whether Indian production of subject goods is available from some governmental or other sources. Applicant also revisited its estimations to ensure correctness of the estimates. It is submitted after all such efforts that there are no such published or compiled information available and the applicant is constrained to rely on its estimates to gauge the total Indian production.
- viii. It must be appreciated that it has been almost 10 months since initiation of the present investigation and claims by the applicant have been widely circulated to all other parties but to date, no other party could provide any credible information to rebut the claims of the applicant on total Indian production. Even the contentions in this regard came up from a foreign producer is inconsistent and the exporter could not provide production details of subject goods.
- ix. Also, the supporting producers or other Indian producers have not disputed the estimates of Indian production made by the applicant which shows the estimates made by the applicant are reliable.
- x. Thus, the petitioner fulfils the criteria under Rule 2 (b) to be considered as the domestic industry concerning the subject goods.

### **D.3. Examination by the Authority**

24. Rule 2 (b) of the AD rules defines the “domestic industry” as under:

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

- 25. It is noted that the application has been filed by M/s Stylam Industries Limited. It is further noted that the applicant did not import the subject goods from the subject country during the period of investigation/injury period and is also not related to any of the exporters/importers of the subject product.
- 26. Applicant has claimed that the production of subject goods by them constitute a major proportion in the total domestic production of subject goods in India as envisaged in Rule 2(b) read with Rule 5(3) of the Anti-dumping rules. Applicant also claimed that they are the largest producer of subject goods in India.
- 27. It has also been submitted by the applicant that there are 5 more other producers of subject goods in India other than the applicant making the number of total Indian producers for the subject goods in India at total 6.
- 28. The applicant submitted as follows with regard to the details of other known Indian producers, their production on an estimated basis, production by the applicant on actual basis, share of each known producer in total domestic production of subject goods and status of support or opposition to the application/investigation as follows;

<b>Domestic Production of subject goods- Volume in KG</b>						
S. No.	Name of Company	2019-20	2020-21	2021-22	POI (April 2022 to June 2023)	Status of the Producer
1	Stylam Industries Ltd.	***	***	***	***	Applicant
2	Durlax Top Surface Limited	***	***	***	***	Supporter
3	Marbonex	***	***	***	***	Supporter
4	Baroda Monosol Surface India LLP	***	***	***	***	Neutral
5	Recorian Shagun Polymers India Private Limited	***	***	***	***	Neutral
6	Denolex Polymers Pvt Ltd	***	***	***	***	Neutral
7	Total	***	***	***	***	
8	Share of Applicant in Total Indian Production-%	***	***	***	***	Above the thresholds required
9	Range	60-70%	65-75%	70-80%	75-85%	Above the thresholds required
10	Share of Applicant along with supporters in Total Indian Production-%	***	***	***	***	Above the thresholds required
11	Range	75-85%	80-90%	85-95%	85-95%	Above the thresholds required

29. Out of the 5 other producers as noted above, Durlax Top Surface Limited and Marbonex have intimated their support for the application/present investigation to the Authority and requested for levy of anti-dumping duties on imports of subject goods from China PR and cited that such imports have impacted their performance. However, it is noted that the expression of support is not in the form and manner prescribed by the Authority nor there is any information submitted to gauge the injury caused to them. The other 3 producers namely Baroda Monosol Surface India LLP, Recorian Shagun Polymers India

Private Limited and Denolex Polymers Pvt Ltd neither supported nor opposed the present investigation.

30. The Authority has written to all the known other Indian producers of the subject goods to submit all the information relevant for the present investigation in the form and manner prescribed. But no information is received from such producers. While the responding exporters have disputed the claims of standing made by the applicant, no information on total domestic production is supplied by such parties. Exporters have contended that the Indian producer namely Durlax Top Surface Limited has the capacity to produce 2 lakh pieces of subject goods. However, no information on production of subject goods by the said party during the POI is provided by the exporters. The submission made by the exporters based on information available on the website of Durlax Top Surface Limited reads as follows;

*“Durlax Top Surface Ltd has been involved in Solid Surface Business for more than 10 Years. Having Established two Popular Brands LUXOR (ACRYLIC UV SOLID SURFACE) & ASPIRON (MODIFIED SOLID SURFACE) with Excellent Satisfaction Rating with our end customer & Channel Partners. .... We have annual capacity to produce 200000 Sheets”.*

31. The above information shows that Durlax Top Surface Limited is a multi-product company and it is not shown by the claimant exporters that the capacity referred on the website of the Company pertains to subject goods only. As noted, Durlax Top Surface Limited has supported the investigation though not in the form and manner prescribed as noted. In the absence of any other information on total domestic production of subject goods, the Authority relies on the information submitted by the applicant to gauge the domestic production of subject good and also for determination of standing in this investigation. The available information shows that the applicant hold major proportion in the domestic production of subject goods and the share is \*\*\*% which is above the thresholds required under Rule 2 (b) read with Rule 5(3) of the Rules. It is further noted that the Applicant is not related to any exporter or producer of the subject goods in the subject country or to any importer of the product under consideration in India.
32. Therefore, considering the information on record, the Authority holds the applicant/petitioner as eligible domestic industry within the meaning of Rule 2(b) of the Rules, and that the application satisfies the criteria of standing in terms of Rule 5(3) of the Rules.

## **E. ISSUES ON CONFIDENTIALITY**

### **E.1. Submissions made by other interested parties**

33. The following submissions have been made by other interested parties with regard to confidentiality issues:
- i. The non-confidential version of the petition does not give a reasonable understanding of the allegations contained in the petition.
  - ii. The non-confidential version of the petition fails to meet the standards laid down in Rule-7 of the Rules and Trade Notice No 1/2013 dated December 09, 2013, issued by the Director General.

- iii. The petitioner has claimed excessive confidentiality by not disclosing even the name of the source of import information used as a basis for the initiation of the present investigation. The petitioner has neither mentioned the source of imported data nor cited any reason for claiming the same as confidential.
- iv. Despite relying on the project report heavily, the domestic industry has claimed the entire project report confidential. It has also not provided any meaningful non-confidential summary of the project report to allow the interested parties to provide any effective rebuttal or comments to the same.
- v. The petitioner has claimed excessive confidentiality by not disclosing the total production in India which is required to be disclosed as per Trade Notice 10/2018 dated 7th September 2018.
- vi. The petitioner abusively withheld and manipulated information related to the allegations of injury.
- vii. The domestic industry has claimed excessive confidentiality and filed an incomplete petition.

### **E.2. Submissions made by the domestic industry**

34. The following submissions have been made by the domestic industry with regard to confidentiality issues:
- i. The opposing parties have resorted to excessive confidentiality in this matter which has limited the ability of the applicant to offer adequate rebuttals on their claims. The claims of confidentiality are in violation to Rule 7 of the anti-dumping rules. The parties failed to provide tenable reasons or meaningful summary of the information claimed as confidential which violates the confidentiality principle in letter and spirit. The Authority may direct the opposing parties to comply with the requirements of Rule 7.
  - ii. Shandong Kelesi New Material Technology Co., Ltd. has kept even the names of affiliated companies confidential and this has affected our ability to comment on the response filed by the Company on its completeness.
  - iii. Shanghai Sailisi Industry Development Co Ltd has not given any details of its shareholders and also the details of the affiliation of the company are also held confidential. This has also impacted our comments on the completeness of the response. It is not clear whether all parties concerned with the subject goods have come before the Authority or not.
  - iv. Contentions on confidentiality claims concerning project report has no merit. Complete confidentiality on the document has been claimed as preparation of any non-confidential summary of the same without disclosing the essential details was found unviable and the information is confidential and business sensitive in nature.
  - v. The contention that the applicant resorted to excessive confidentiality and filed an incomplete petition is bereft of any merit. The application clearly demonstrates

dumping and consequential injury to the domestic industry and the information have been submitted as per the requirement of the rules and also prescribed proformas by the Authority. Also, certain information including the project report has been claimed confidential by adducing ample reasons as permissible in the Rule and summaries to the extent possible have also been provided.

### **E.3. Examination by the Authority**

35. With regard to confidentiality of information, Rule 7 of the Rules provides as follows:

*“Confidential information: (1) Notwithstanding anything contained in sub-rules (2), (3) and (7) of rule 6, sub-rule(2) of rule 12, sub-rule(4) of rule 15 and sub-rule (4) of rule 17, the copies of applications received under sub-rule (1) of rule 5, or any other information provided to the designated authority on a confidential basis by any party in the course of investigation, shall, upon the designated authority being satisfied as to its confidentiality, be treated as such by it and no such information shall be disclosed to any other party without specific authorization of the party providing such information.*

*(2) The designated authority may require the parties providing information on confidential basis to furnish non-confidential summary thereof and if, in the opinion of a party providing such information, such information is not susceptible of summary, such party may submit to the designated authority a statement of reasons why summarization is not possible.*

*(3) Notwithstanding anything contained in sub-rule (2), if the designated authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in a generalized or summary form, it may disregard such information.”*

36. As required under Rule 6 (7), the Authority made available the evidence presented to it by one interested party to the other interested parties, participating in the investigation. Such information was circulated among the participating interested parties with directions to exchange such evidence among the interested parties participating in the investigation.

37. The information provided by the interested parties on a confidential basis was examined regarding sufficiency of such claims. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted and such information has been considered confidential and not disclosed to the other interested parties. Wherever possible, the parties providing information on a confidential basis were directed to provide sufficient non-confidential versions of the information filed on a confidential basis. The Authority also notes that all interested parties have claimed their business-related sensitive information as confidential.

38. With regard to the source of import data used by the applicant for the purpose of application, the Authority notes that the applicant has specified the source of data as

market information. The Authority has considered DG System transaction-wise data for the purpose of the present investigation.

39. With regard to the contention that despite relying on the project report heavily, the domestic industry has claimed the entire project report confidential, the Authority notes that the applicant claimed confidentiality on the project report on the grounds of business sensitivity.
40. With regard to the submission that actual information on total domestic production must be disclosed in the context of determination of standing, it is noted that a range of shares in Indian total production held by the applicant is provided which is noted as a meaningful summary of the information relevant for determination of standing.

## **F. MISCELLANEOUS SUBMISSIONS**

### **F.1. Submissions made by the other interested parties**

41. The following submissions have been made by the exporter/ producer/ other interested parties with regard to various miscellaneous issues:
  - i. No updated petition has been furnished by the applicant post initiation.
  - ii. Import data considered by the petitioner is from unreliable sources.
  - iii. DGTR should not have initiated the present investigation on the basis of the information contained in the petition.
  - iv. Levy of anti-dumping duty will establish a monopoly of domestic producer and will not be in the public interest.

### **F.2. Submission made by the domestic industry**

42. The following miscellaneous submissions/rebuttals have been made by the domestic industry:
  - i. The contention of the exporters that no updated petition has been furnished by the applicant post initiation have no merit as a submission on relevant updates in the petition following the change in the subject country at the time of initiation has been furnished by the domestic industry on 27th February, 2024. And the same have also been circulated among the interested parties on 12th March, 2024. Such information has been once again provided along with written submission post first oral hearing.
  - ii. The contention that the import data considered by the petitioner is from unreliable sources has no basis. It is a known fact that the transaction wise import information as per DGCI&S is not accessible by general public or a Company and the applicant could not procure such data in view of the regulations put in place by the concerned authorities, and such difficulties have been documented in the application itself. Hence, the applicant had to rely on other source.

- iii. With regard to the contention that DGTR should not have initiated the present investigation on the basis of the information contained in the petition, it may be noted that the application clearly demonstrates dumping and consequential injury to the domestic industry and the information has been submitted as per the requirement of the rules and also prescribed proformas by the Authority.
- iv. With regard to the contention that levy of anti-dumping duty will establish a monopoly of domestic producer and will not be in the public interest, the Authority may note that there are about 6 known producers of the subject goods in total in India. It is a settled principle that ADD will not lead to monopoly. Rather, it will only arrest dumped imports enabling the domestic industry to operate under level playing and fair market conditions. India now has the capacity to meet the Indian demand on its own and the country can be self-reliant on this product.

### **F.3. Examination by the Authority**

43. The Authority has considered the views of the interested parties, as follows;
  - i. With regard to the contention that no updated petition has been furnished by the applicant post initiation, it is noted that such information has been circulated by the applicant among all interested parties.
  - ii. With regard to the contention that the import data considered by the applicant is from unreliable sources, it is noted that the applicant relied upon secondary source for import data as it could not procure the said data from DGCI&S. However, the Authority has relied upon DGS data at the time of initiation itself and such data is used for this statement also.
  - iii. With regard to the contention that DGTR should not have initiated the present investigation on the basis of the information contained in the petition, the Authority notes that the case was initiated based on prima facie satisfaction of all parameters relevant for such initiation. Claims in the application have been subjected to verification and detailed scrutiny, and only such verified data is considered for the final findings.
  - iv. With regard to the contention that anti-dumping duty will lead to monopoly of the petitioner and any such measures shall be against the public interest, it is recognized that the imposition of anti-dumping duty might affect the price levels of the downstream users. However, fair competition in the Indian market will not be reduced by the anti-dumping measure, particularly since the levy of the anti-dumping duty is restricted to an amount necessary to address the injury to the domestic industry. Imposition of anti-dumping measure would remove the unfair advantages gained by dumping practices and will not restrict fair imports in any manner. Anti-dumping duties will also prevent injury being caused to the domestic industry and help maintain availability of wider choice to the consumers of the subject goods.

## **G. DETERMINATION OF NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN**

### **G.1. Submission of other interested parties**

44. The following submissions have been made by the other interested parties concerning determination of normal value, export price and dumping margin: -
- i. Market economy status should be given to peoples' republic of China PR.
  - ii. As per Section 15 (a) (ii) of the Protocol on the Accession of the People's Republic of China to the World Trade Organization expired on December 11, 2016. After that date, India no longer has a legal basis under the agreements of the World Trade Organization to calculate normal value in anti-dumping investigation of Chinese products using the non-market economy methodology. Any such action by India would be inconsistent with the requirements of the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the "Anti-Dumping Agreement") and other covered agreements.
  - iii. Authority may conduct any normal value calculation in accordance with Article 2 of the Anti-Dumping Agreement.
  - iv. At the very least, apply the data on costs and prices provided by the exporting Companies in the response for the determination of the normal value rather than applying analogue country data in this instigation.

### **G.2. Submissions made by the domestic industry**

45. The following submissions have been made by the domestic industry:
- i. The Petition contain all relevant information pertaining to normal value, export price and working of dumping margin as per the claims of the applicant. Such data shows significant dumping margin in case of imports of subject goods from China PR. The dumping margin is not only above the de-minimis threshold but is also very significantly positive for PUC.
  - ii. Determination of normal value for China PR as per Para 7 of Annexure I of the AD Rules is still relevant as it is still incumbent on the producers from China PR to establish that market economy conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product
  - iii. China PR must be treated as a non-market economy country for the purpose of normal value determination and the basis of normal value thereafter is elaborated in the application. Also, the Authority may note that the responding exporters has not claimed MET by filing applicable questionnaire replies and in this context, determination of normal based on paras 7 and 8 of Annexure-I to the AD Rules is very essential in this matter.
  - iv. The facts of the present case clearly show that the exporters of subject goods from China PR are using dumping of subject goods in India as a strategy to gain more market share in India by decimating the Indian producers and such design of the exporters is evident in the way they sell the subject good in their own market, to India and to other countries. The information available in the response of Shandong Kelesi New Material Technology Co., Ltd shows the below trend;

Particulars	Unit	3rd Previous Year - 2020	2nd Previous Year (2021)	1st Previous Year (2022)	POI
Installed Capacity (PUC)	Indexed	100	200	200	250
Capacity Utilization Percentage	Indexed	100	164	182	211
Sales Quantity (PUC):					
Domestic Sales	Indexed	100	151	222	293
Exports to India	Indexed	100	588	1590	2349
Other Countries	Indexed	100	277	373	458
Sales Realisations per unit (PUC):					
Domestic Sales	Indexed	100	85	84	83
Exports to India	Indexed	100	78	89	88
Other Countries	Indexed	100	89	103	105

- v. The following is very evident from the above table;
- a. The exporter has increased their capacity very aggressively and the capacity utilization also doubled by the POI. It is clear that manifold growth in exports to India has augmented such aggressive growth in capacity and capacity utilization.
  - b. Highest volume growth is evident in exports to India wherein the increase is from though the exporter sold the goods in domestic and other markets also. Such increase in volume from 100 indexed points to 2349 points has been achieved by reduction in price by about 12% by the POI over the base year and 1% over the immediate previous year. Thus, price reduction was used as a strategy to increase the volume of exports to India.
  - c. The import data relied upon in the application shows massive growth in imports from China PR by the POI and the above data underscores the fact that the exporters from China PR have been aggressively exporting the subject goods to India and to increase the volume, dumped prices have been offered and prices to India were reduced whereas the exports to other countries registered increases.
  - d. It is clear that the exporter has adopted discriminatory pricing and as result, while the price to India declined significantly by the POI by about 12%, the price to other countries increased by 5%. It is clear that the exporter has a low-price strategy for India resulting in dumping.

- e. The above facts collectively shows that the exporter has adopted dumping as a strategy to gain more market share for the subject goods in India and the situation can only be corrected by levying appropriate levy of ADD.
- vi. The Authority may determine net export price based on the claims in the application.
- vii. Dumping of subject goods is evident and it is significant enough to cause material injury to the domestic industry.

### **G.3. Examination by the Authority**

#### **Normal value**

46. 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 subsection (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):*

*Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transshipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.*

#### **Market Economy Status for Producers from China PR**

47. Article 15 of China's Accession Protocol in WTO provides as follows: “Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (“Anti-Dumping Agreement”) and the SCM Agreement shall apply in proceedings involving imports of Chinese origin into a WTO Member consistent with the following:

*(a) “In determining price comparability under Article VI of the GATT 1994 and the Anti-Dumping Agreement, the importing WTO Member shall use either Chinese prices or costs for the industry under investigation or a methodology*

*that is not based on a strict comparison with domestic prices or costs in China based on the following Rules:*

*(i) If the producers under investigation can clearly show that market economy conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product, the importing WTO Member shall use Chinese prices or costs for the industry under investigation in determining price comparability;*

*(ii) The importing WTO Member may use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product.*

*(b) In proceedings under Parts II, III and V of the SCM Agreement, when addressing subsidies described in Articles 14(a), 14(b), 14(c) and 14(d), relevant provisions of the SCM Agreement shall apply; however, if there are special difficulties in that application, the importing WTO Member may then use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. In applying such methodologies, where practicable, the importing WTO Member should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.*

*(c) The importing WTO Member shall notify methodologies used in accordance with subparagraph (a) to the Committee on Anti-Dumping Practices and shall notify methodologies used in accordance with subparagraph (b) to the Committee on Subsidies and Countervailing Measures.*

*(d) Once China has established, under the national law of the importing WTO Member, that it is a market economy, the provisions of subparagraph (a) shall be terminated provided that the importing Member's national law contains market economy criteria as of the date of accession. In any event, the provisions of subparagraph (a)(ii) shall expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO Member, that market economy conditions prevail in a particular industry or sector, the nonmarket economy provisions of subparagraph (a) shall no longer apply to that industry or sector."*

48. It is noted that while the provision contained in Article 15 (a) (ii) have expired on 11.12.2016, the provision under Article 2.2.1.1of WTO read with obligation under 15 (a) (i) of the Accession protocol require criterion stipulated in para 8 of the Annexure I of the Rules to be satisfied through the information/data to be provided in the supplementary questionnaire on claiming the market economy status.

49. At the stage of initiation, the Authority proceeded by constructing the normal value as per the information furnished by the applicant based on the cost of production of subject goods in India with due addition of SGA and profits. Upon initiation, the Authority advised the producers/ exporters in China PR to respond to the notice of initiation and

provide information relevant to determination of their market economy status. The Authority sent copies of the supplementary questionnaire to all the known producers/exporters for rebutting presumption of non-market economy in accordance with criteria laid down in Para 8(3) of Annexure-I to the Rules and furnish relevant detailed information. The Authority also requested Government of China PR to advise the producers/exporters in China PR to provide the relevant information.

50. None of the exporters/producers from China PR contested the NME presumption of China PR. Thus, in view of the above position and in the absence of rebuttal of the non-market economy presumption by any exporting company from China PR, the Authority considers it appropriate to treat China PR as a non-market economy country in the present investigation and proceed with para 7 of Annexure-I to the Rules for determination of normal value in case of China PR.
51. Accordingly, the normal value for all the producers/exporters from China PR have been determined as given below.

#### **Normal Value for all Producers in China PR**

52. Annexure I of the Rules which reads as under:

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

53. Para 7 lays down a hierarchy for determination of normal value and provides that normal value shall be determined on the basis of the price or constructed value in a market economy third country, or the price from such a third country to other country, including India, or where it is not possible, on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted, if necessary, to include a reasonable profit margin. Since there is no claim on record with regard to the price or constructed value in the market economy third country, or the price from such a third country to other countries, including India made by any of the interested parties including the applicant, normal value could not be determined on any of such basis. Therefore, the Authority has constructed normal value for the subject goods from China PR as price actually payable in India as stipulated in para 7 of Annexure – I to the Anti-dumping Rules. It has been computed based on the cost of production of the domestic industry, with reasonable addition for selling, general and administrative expenses, and

profits. The constructed normal value so determined is given below in the dumping margin table.

#### **Determination of Export Price for cooperating producers and exporters**

##### **i. Export Price**

###### **a) Shandong Kelesi New Material Technology Co., Ltd (Producer)**

54. From the exporters' questionnaire response of Shandong Kelesi New Material Technology Co., Ltd who is the producer cum exporter of the subject goods, it is noted that during the POI the Company has exported \*\*\* MT of subject goods to India. The producer / exporter has claimed adjustments on account of inland transportation, ocean freight, insurance, bank charges, and port and other related expenses, and the same have been allowed. Accordingly, the export price is provided in the dumping margin table.
55. **Shanghai Sailisi Industry Development Co., Ltd (Trader)-** From the exporters' questionnaire response of Shanghai Sailisi Industry Development Co., Ltd who is the exporter/trader of the subject goods, it is noted that during the POI the Company has exported \*\*\* MT of subject goods produced by Shandong Kelesi New Material Technology Co., Ltd, to India. The producer/exporter has claimed adjustments on account of inland transportation, ocean freight, insurance, bank charges, and port and other related expenses, and the same have been allowed. Accordingly, the export price is provided in the dumping margin table.

#### **Determination of Normal Value and Export Price for all non-cooperating Producers and Exporters in China PR**

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

#### **Dumping Margin**

57. Considering the normal value and export price for the subject goods, the dumping margins for the subject goods from the subject country is as follows. It is seen that the dumping margin for the participating producer is *de minimus*.

**Dumping Margin Table**

<b>S. No</b>	<b>Country</b>	<b>Producer</b>	<b>Normal Value US\$/Kg</b>	<b>Net Export Price US\$/Kg</b>	<b>Dumping Margin US\$/Kg</b>	<b>Dumping Margin %</b>	<b>Dumping Margin (Range %)</b>
<b>1</b>	China PR	Shandong Kelesi New Material Technology Co., Ltd and Shanghai Sailisi Industry Development Co., Ltd. Shandong Branch	***	***	***	***	0-10
<b>2</b>	China PR	Any other producer	***	***	***	***	5-15

## **H. ASSESSMENT OF INJURY AND CAUSAL LINK**

### **H.1. Submissions made by other interested parties**

58. The submissions made by the other interested parties have been as follows:

- i. The production and profits projected by the petitioner cannot be taken into account due to the unforeseen and unprecedented crisis occurred in India as well as the whole world in the form of COVID-19 flu pandemic that derailed the socio-economic life of people globally as well as trade and commerce for months and years to come.
- ii. The project report which was based on grossly different market situation should not be relied upon in the extant investigation for analysis of material retardation claim without making due adjustments to account for the impact of the pandemic.
- iii. Imports from subject country is coming only to fill the demand and supply gap in India as the petitioner cannot fulfil the Indian demand. Accordingly, imports from the subject country have been increasing with the increase in demand.
- iv. With the present capacity available with the petitioner and other domestic producers, it cannot fulfil the Indian demand. Therefore, imports are imperative only to fill the demand and supply gap in India and not to cause any injury to the domestic industry.
- v. The per unit cost of sales has declined during the POI to 49 as compared to 100 during the base year 2019-20. Whereas, the net sales realization has increased by 49%, from 100 during the base year 2019-20 to 149 during the POI. This must have resulted into

profitability to the domestic industry as their selling price is much more than their cost of sales. Thus, there is no price effect during the POI.

- vi. The capacity of the petitioner remained unchanged throughout the injury period and period of investigation. Production and capacity utilization of the petitioner have increased sharply respectively showing that there is no injury to the domestic industry.
- vii. With the increase in the production of the petitioner, their domestic sales have also increased during the period of investigation by more than 6 times. The export sales of the petitioner have increased exponentially.
- viii. Average Inventory as no. of days of production and sales are showing decline. This depicts that the petitioner was able to sell whatever they produced.
- ix. The petitioner was facing losses during the entire injury period and POI. However, such losses have come down significantly during the POI which shows that the performance of the Domestic Industry has improved significantly showing that there is no injury to the Domestic Industry
- x. Annual Report of the petitioner for the FY 2022-23 depicts profitability of the applicant. It is to be noted that PBT of the petitioner was the highest during the POI showing that no injury is being caused to the Domestic Industry.
- xi. No. of employees and wages are showing an upward trend which clearly depicts that there is no injury to the Domestic Industry.
- xii. Productivity of the petitioner has improved during the period of investigation as compared to the base year 2019-20, showing that there is no injury to the domestic industry.
- xiii. Overall performance of the Domestic Industry has improved. All the economic parameters of the petitioner depict that there is no injury to the domestic industry and if any, that cannot be attributed to the imports of subject goods from China PR. The observations made by the Authority in the initiation lacks factual and legal basis.
- xiv. Any injury allegedly suffered by the domestic industry is due to factors other than imports from the country concerned. The petition deliberately fails to address a number of crucial issues which had an impact on the domestic industry independently from the imports originating in the country concerned.
- xv. Chinese products are better in terms of quality. the quality of imported products is better than the Indian Acrylic Solid Surfaces. Chinese & Korean producers provide high quality products which enhance durability and widen the area of application.
- xvi. Fluctuations in raw material prices have a significant impact on the global acrylic solid surface market. The prices of raw materials, such as alumina trihydrate and

acrylic resin, fluctuate due to various factors, such as supply and demand, geopolitical tensions, and natural disasters.

- xvii. The COVID-19 pandemic has had a profound impact on businesses worldwide. From disruptions in supply chains and shifts in consumer behavior to remote work arrangements and financial challenges, the pandemic has forced businesses to adapt quickly to unprecedented circumstances. Many industries have faced significant setbacks including the petitioner.
- xviii. Other reasons may include internal problems, depressed market conditions globally, Russia Ukraine War etc. that might have played a role in the deterioration of the performance of the domestic industry, which is attributed to alleged dumping of subject goods.
- xix. The petitioner has done calculations considering 22% return on gross fixed assets, which is highly inflated and not in accordance with the Law. It is submitted that the Hon'ble Director General Trade Remedies should not adopt reasonable profit as 22% return on capital employed for computing the non-injurious price.
- xx. Hon'ble Director General Trade Remedies should adopt the actual profit earned by the Domestic Industry during the period when there was no allegation of dumping as a basis for calculating reasonable return.
- xxi. Project report cannot be a parameter for making assessment of actual performance. The petitioner projected a rosy picture of the production volume and profits in the project report that cannot be treated as a parameter for making assessment of the applicant's actual performance.

## **H.2. Submissions made by the domestic industry**

59. The following submissions have been made by the domestic industry:

- i. The positive evidences on dumping, injury and causal link submitted by the applicant in the application shows that the domestic industry suffered material injury from dumped imports as envisaged in the AD Rules. The information contains details of the volume of the dumped imports and the effect of the dumped imports on prices in the domestic market for like article and also, the consequent impact of such dumped imports on domestic industry as envisaged in Annexure II to the AD Rules read with Rule 11.
- ii. The information in the application also shows the performance has been much lower than what the industry projected to achieve and in that sense, the establishment of the industry was also materially retarded. Thus, coexistence of material injury and also material retardation to the establishment of the industry is very evident in the present matter. Without prejudice, material injury is very evident in this matter even if the Authority decides not to conduct examination of claims of material retardation.

- iii. Rule 11 of the AD Rules read with the Annexure II shows injury can be material injury or threat of material injury to the domestic industry or material retardation of the establishment of such an industry. The facts of injury of the present matter would show presence of injury in the form of material injury and also material retardation and the same may be examined by the Authority. As far as the applicant is concerned, it has suffered injury on account of dumped imports and its nature is a matter of determination by the Authority as envisaged in the Rule.
- iv. To support the projected levels of performance, project report of the applicant has been provided which is relevant in case of many parameters. The applicant commenced commercial production in FY2018-19 (Oct-2018) which shows that the applicant started production in the recent period. However, had there been no dumped imports, the applicant could have established itself fully by this time and achieved the projected levels of capacity utilization, production, profits etc. by the POI.
- v. It is apparently a settled jurisprudence by this time in India that material injury and material retardation can co-exist in an investigation and explicit views taken by the Authority in the past in several investigations may be made applicable in this matter also. Views taken in a) Final Finding- Anti-dumping investigation concerning imports of Veneered Engineered Wooden Flooring originating in or exported from China PR, Malaysia, Indonesia and the European Union dated 13.2.2018, Antidumping investigation concerning imports of O-Acid originating in or exported from China PR dated 19<sup>th</sup> December, 2017 etc. may be made applicable in this matter also. It has been clearly noted in Veneered Engineered Wooden Flooring case that *“as regards the contention that material retardation and materials injury cannot co-exist, the Authority notes that there is no bar under the law for examination of more than one form of injury”*
- vi. Imports of the subject goods from subject country have increased in absolute terms as well as in relation to consumption in India by the POI. In fact, dumped import was at the highest level during the POI.
- vii. Market share of dumped imports increased by the POI and have been holding very significant share in the Indian demand during the POI. Though market share of the domestic industry also increased by the POI, the market share in absolute terms remained very abysmal and the capacity of the domestic industry remained largely underutilized during the POI as a result of such abysmal market share.
- viii. The real injury lies in the fact that while the dumped imports could increase their market share from 5-10% in the base year to 25-35% in the POI, the share of domestic industry moved from 0-2% in the base year to 3-6% in the POI only. Resultantly, the domestic industry could only increase its capacity utilization from 2-10% in the base year to 25-35% in the POI. In fact, the domestic industry expected to reach a capacity utilization level of 70-80% by the 4<sup>th</sup> or 5<sup>th</sup> year of operation but the same was prevented by dumped imports.

- ix. This is a case where dumped imports from China PR grabbed the market share and pushed the domestic industry to operate at lower-than-expected levels of capacity utilization which then impacted overall performance and triggered injury.
- x. Information shows that capacity utilization, production and sale of the domestic industry was so low even by the POI and such actual performance on these parameters were far lower than the projected or expected numbers on these parameters. Increases in these parameters by the POI over the injury period would have been far higher had there been no dumping and the growth achieved on these parameters were all abysmal and namesake.
- xi. Below par capacity utilization, much lower than the projected levels, even when the country has been showing a robust demand is a direct fall out of presence of dumped imports in India and the injury and material retardation evident on this parameter underscores dumped imports as the actual trigger point of injury to the domestic industry.
- xii. The domestic industry was left with significant unutilized capacities as the major market share was held by dumped imports. This is when there have been increases in demand for the product in the country.
- xiii. The landed price of dumped imports created positive price undercutting, underselling and price suppression effects as the domestic industry was prevented from price increases which otherwise would have occurred, to a significant degree, so as to recover full cost and earn reasonable profits.
- xiv. The domestic industry suffered financial losses as reflected in negative PBT, negative PBIT, negative PBDIT and negative ROI and such core parameters were negative during the POI and in the entire injury period. Apart from these negative figures, actual performance in terms of cash profits and PBDIT were very low though has been slightly positive during the POI.
- xv. Though the profitability parameters have shown some increases by the POI in comparison to the previous years, the actual performance on these parameters were far lower than the projected or anticipated numbers and no way show healthy situation of the domestic industry. Increases in these parameters by the POI over the injury period would have been far higher had there been no dumping.
- xvi. Inventory with the domestic industry increased and such increase is attributable to huge presence of dumped material in the market. Increase in inventory shows volume injury since the increase in inventory shows there was less offtake of product of the domestic industry though production increased at very low rates.
- xvii. Growth was negative in terms of inventory level. Actual growth in terms of all core parameters by the POI have been abysmal and have been lower than the projections concerning such parameters. Thus, dumped imports have prevented the domestic industry from achieving robust growth showing signs of injury and such dumped

imports further prevented the domestic industry from establishing itself as evident in the lower-than-expected growth registered by the domestic industry on all key injury parameters.

- xviii. The ability of the domestic industry to raise capital investment has been significantly impacted and the projected increases in capacity could not be completed.
- xix. Imports have been taking place at dumped levels and dumping margin is significantly positive in case of subject country. Trend of imports do not show that there will have any change in the situation with the current rate of dumping and dumping will only get aggravated if no ADD is levied.
- xx. The pace at which the domestic industry operated in the injury period and during the POI shows that dumping will continue to prevent the domestic industry from performing well and establishing itself as expected.
- xxi. Thus, the domestic industry has suffered material injury and there are evidences that the establishment of the industry as expected could not be achieved.
- xxii. While the parameters of injury in the petition read with the post initiation addendum demonstrate that the Domestic Industry suffered injury as envisaged in the Rule, the petition further shows that the injury to the Domestic Industry has been caused on account of dumped imports.
- xxiii. The price at which the product under consideration has been imported into India from subject country has been below its normal value resulting in significant dumping.
- xxiv. Imports from subject country increased substantially by the POI in absolute terms and also in relative terms to consumption in India. As a result, market share of such dumped imports increased and remained significantly high by POI and have been on an increasing trajectory in the injury period and POI. Consequently, market share of the domestic industry remained at below par and insignificant levels.
- xxv. Increase in market share of dumped imports and abysmal market share of the domestic industry had a cascading effect on volume parameters of the domestic industry and as a result, production, capacity utilization and sales of the domestic industry remained very low and have been much lower than the projected levels even after some increases over the injury period. It is evident that injury from dumped imports has created material retardation effects on the establishment of the industry.
- xxvi. The adverse effects of dumped imports on the price of the domestic industry prevented the domestic industry from even passing on full cost and the domestic industry had to sell below its cost. As a result, the domestic industry suffered financial losses and negative ROI situation. Domestic industry would have increased the prices to profitable levels in the absence of dumped imports.

- xxvii. The importers/users apparently preferred the imported material for the reason that prices offered by the exporters were at dumped level. The dumped prices alone caused market share gain by dumped imports. Resultantly, the domestic industry was left to suffer injury on all fronts.
- xxviii. Had there been no dumping, the situation of the domestic industry would have been that of better performance and profitability with significant market share and moderate capacity utilization.
- xxix. It is also evident that performance of the domestic industry has been much lower than the projected levels. This shows the dumped imports have prevented the domestic industry from establishing itself and such facts show material retardation in the establishment of domestic industry.
- xxx. Productivity of the domestic industry has been continuously increasing and the industry could bring down its cost substantially and the cost in terms of interest, depreciation has been at the lowest level during the POI showing the efficient operation by the applicant. Still the domestic industry could not sell at profitable levels as the dumped imports has been lower than its cost and price.
- xxxi. Imports from other countries have been at higher or at un-dumped or non-injurious level and such imports from other countries has not been the cause of injury. Also, it has been shows in the application that factors such as exports, any decline on demand, change in technology also has not been any cause of injury to the domestic industry. It is notable that import price from China PR have been much lower than other major exporting countries like Korea RP, Japan etc. and the cause of such lower price is not explained.
- xxxii. Exporters from China PR are trying to undercut and get into the share of other imports also along with domestic industry and to give effect to such motivated designs, dumped price is being offered and as a result, market share of China PR have been sky rocketing.
- xxxiii. A comparison of imports from China PR and other countries shows China PR has kept its price so low and as a result, imports from China PR increased while the others decreased or remained stagnant;

Row Labels	Volume MT				Rate Rs/ KG			
	2019-20	2020-21	2021-22	POI (A)	2019-20	2020-21	2021-22	POI (A)
<b>China</b>	<b>691</b>	<b>281</b>	<b>1214</b>	<b>2650</b>	<b>174.18</b>	<b>168.25</b>	<b>190.67</b>	<b>187.10</b>
Japan	242	189	142	439	205.93	237.71	220.05	220.07

South Korea	7414	4656	6327	5984	211.91	209.65	223.12	255.07
USA	513	255	540	339	240.59	237.84	197.99	316.95

- xxxiv. Actual performance and the expected performance during by the POI- Domestic industry clearly emphasize that the actual performance during the POI has been much lower than the expected level and this factor also must be considered as a parameter while examining the injury.
- xxxv. The applicant expected to operate in the level of 70-80% capacity utilization by the POI which would have been easily possible with the given growth in demand, had there been no dumping. However, the DI was forced to operate at a capacity utilization level of 25-35% even by the POI. DI expected a market share in the range of 25-35% by the POI, but was sidelined to less than 3-5% market share by the POI. DI expected to register profits by the POI along with ROCE in the region of 15-25%. However, the DI incurred losses and the ROCE was negative.
- xxxvi. DI had plans to expand its capacity even prior to the POI but the adverse market situation delayed the capacity additions beyond the POI period. The DI could have employed more people but the stagnancy in volume growth prevented such any such addition in employment and in fact, there was an increase in inventory level which forced the DI to keep its production and employee level to the minimum. Thus, the overall performance during the POI have been much lower than the projected levels and this aspect may be considered while examining the injury.
- xxxvii. Legal standards and the contention of improvement in injury parameters- It has been contended by some of the opposing parties that the performance of the domestic industry has improved on all key parameters of injury by the POI in comparison to the base year and, hence, there is no injury. This contention has no basis in law and the contention must be rejected while examining the injury as required under the rule.
- xxxviii. Annexure II to the Rules under Rule 11 says that (i) A determination of injury shall involve 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 like article and (b) the consequent impact of these imports on domestic producers of such products. Thus, the requirement under the Rule is objective examination of evidence of injury presented and not an end point to end point (base year to POI) comparison as suggested by the opposing parties. An increase over the base year does not rule out injury and what is required is objective examination.
- xxxix. Similar is the position of law as set out in Article 3.1 of the WTO-AD Agreement. It has been clarified by the WTO Panel in the European Communities – Anti-Dumping Duties On Malleable Cast Iron Tube Or Pipe Fittings From Brazil- WT/DS219/R dated 7 March 2003 that an examination to capture the current state of the industry is essential rather than just a comparison of end-points as claimed by the exporters here. The WTO Panel observed “7.316 *We first recall the importance in the process of this*

*evaluation of placing data relating to developments with respect to each injury factor in context, both in terms of their own individual development and vis-à-vis developments in other factors examined. Thus, a meaningful investigation must also take into account the actual intervening trends in each of the injury factors and indices -- rather than just a comparison of "end-points". There must a streamlined, genuine and undistorted picture drawn from the facts before the investigating authority. Only on the basis of such a thorough and dynamic evaluation of data capturing the current state of the industry in the determination would a reviewing panel be able to assess whether the conclusions drawn from the examination are those of an unbiased and objective authority”.*

- xl.* It has also been clarified by WTO in Thailand – Anti-Dumping Duties On Angles, Shapes And Sections Of Iron Or Non-Alloy Steel And H-Beams From Poland-WT/DS122/R dated 28 September 2000 that positive trends in a number of factors do not preempt the investigating authority from determining any injury and it is just that such positive trends would require explanations. Rather, injury can be found even after positive trends in a number of factors and its again a matter of objective examination and explanation. Thus, the need is objective examination of evidences and determination of injury is not a function of mere trend analysis between past years and POI as suggested by the exporters. The WTO report says “7.248. *Moreover, Exhibit Thailand-37 contains or refers to non-confidential data in indexed form pertaining to SYS, including: capacity; production capacity; capacity utilization; sale quantity (including domestic and export sales); market share; inventory, net profit/loss, return on investment and employment. This factual evidence before the Thai investigating authorities indicated that from 1995 to the IP, SYS' capacity remained constant while numerous factors indicative of the state of the industry moved positively, including production, capacity utilization, sales (both domestic and export sales), market share, inventories and employment. 7.249. While we do not consider that such positive trends in a number of factors during the IP would necessarily preclude the investigating authorities from making an affirmative determination of injury, we are of the view that that such positive movements in a number of factors would require a compelling explanation of why and how, in light of such apparent positive trends, the domestic industry was, or remained, injured within the meaning of the Agreement. In particular, we consider that such a situation would require a thorough and persuasive explanation as to whether and how such positive movements were outweighed by any other factors and indices which might be moving in a negative direction during the IP.*
- xli.* The principles as above set out by WTO is also well reflected in many Anti-dumping findings by India and in none of such cases, improvement in key parameters by the POI lead to a conclusion that there is no injury. Rather, the Authority found injury even when most of the key parameters improved by the POI.
- xlii.* In Anti-dumping investigation concerning imports of “New/unused pneumatic radial tyres with or without tubes and/or flap of rubber (including tubeless tyres) having nominal rim dia code above 16” used in buses and lorries/trucks”, originating in or

exported from China PR- No. 14/14/2015-DGAD- 1st August, 2017, both key volume and price parameters have shown increases between base year and POI but injury was found by the Authority.

- xliii. In Anti-dumping investigation concerning imports of “Printed Circuit Boards (PCB)” originating in or exported from China PR and Hong Kong- F No. 06/16/2022-DGTR dated 29<sup>th</sup> December 2023, the case had core parameters improved by the POI viz. the base year but injury was found. It was noted *that the profitability parameters of the domestic industry have increased from the base year to the POI*. It was also noted *that though there is a positive growth in volume as well as price parameters, but the growth is lower along with lower capacity utilization in comparison to the expansion in demand*.
- xliv. In Anti-dumping duty investigation concerning imports of Elastomeric Filament Yarn from China PR, South Korea, Taiwan and Vietnam- F. No.14/29/2015-DGAD dated 24 March, 2017, the facts of the case show the core injury parameters improved during the POI in comparison to the base year though the price parameters still remained negative during the POI. It was observed *“there was positive growth of the domestic industry in terms of sales and production in the POI as compared to the base year. However, profits, cash profit as well as ROI remained negative in the POI as compared to the preceding years despite significant increase in demand. The domestic industry has contended that with increase in demand, the domestic industry had expected growth in profits, comfortable 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 from subject countries. With regard to consequent impact of the dumped imports on the domestic industry, it is concluded that the performance remained negative in respect of profit, return on investment and the inventory level”*.
- xlv. A collective reading of the relevant past findings by the Authority and WTO decisions shows that mere increase in several parameters do not lead to an automatic conclusion that there is no injury as contended by the opposing parties. Injury needs to be examined objectively and positive evidences on injury suffered by the domestic industry is presented in the application shows existence of material injury to the domestic industry in the present matter.
- xlvi. It is also submitted that in the absence of immediate measures to arrest the dumping of subject goods into India from the subject country, the domestic industry will face further irreparable losses. Thus, recommendation of anti-dumping duties at the earliest is very essential in the facts of the present case.
- xlvii. The Authority has raised questions on the trend of depreciation concerning domestic sales claimed in the proforma IV which has been explained in detail in the post oral hearing written submission. It has been confirmed and clarified that the claims of

depreciation in the proforma IA are as per the records of the applicant and does not require any modification.

- xlvi. It has also been clarified that that the slight overrun in capital cost, however, did not have any effect on the cost element in terms of depreciation since the actual depreciation charged since commencement of production has been significantly lower than the projected figures of depreciation cost due to a change in method in the charging of depreciation occurred due to change in policy of the Government.
- xlvii. The price at which the product has come to India from significant other sources like Korea RP (Rs255/Kg), USA (Rs316/Kg) etc. shows cost of the applicant during the POI is not any abnormal number but reflects the true picture of price prevailing in the international market.
1. The exporters have contended that the project report is not reliable and the use of the same is not proper in the context of injury. The contention has no merit. The project report, which was prepared at the time of setting up the plant, and has been part of the financing and other management decisions of the applicant, cannot be called as any fabricated document by any reasonable person and the document is by nature confidential and authentic by all means.
- ii. The application has placed reliance on the project report to the extent necessary to show material retardation in the establishment of the industry in its performance. A project report enables an assessment of performance projected at the time of establishment of the plant viz. the actual performance during the POI and there is nothing improper in the use of a project report as held by any court of law or by any provisions of the anti-dumping rule or by the Authority. In fact, the Authority noted the use of project report in material retardation matters like Vinyl Tiles (F. No. 6/17/2021-DGTR dated 23.1.2023).
- iii. The Authority may take cognizance of both performance during the POI and the projected performance based on the project report while evaluating injury in the present matter. Also, the impact of Covid was not there in the POI and the projected performance for the POI was not met only on account of dumped and injurious import of subject goods from China PR. The applicant projected a very reasonable and achievable numbers for the period now considered as POI and the same was vitiated by the dumped imports. The product had a robust demand and price in the market but dumped imports at very low prices spoiled the opportunities of the applicant. Thus, considering the projected numbers also has relevance.
- iiii. It is also asserted by the exporters that the overall performance of the Domestic Industry has improved. This is not a correct reading of the situation of the domestic industry and legal standards need to be looked into and also the past cases by the Authority in this regard.

- liv. The actual performance even after increase has been very abysmal and have been nowhere close to the projected numbers by the domestic industry. Also, the increase over the years as highlighted by the exporters is the effect of very miniscule base year numbers and the actual performance during the POI would show that the domestic industry was prevented from establishing itself in any meaningful manner coupled with below par performance on all parameters.
  
- lv. It may also be noted that the exporters have stated that the applicant has claimed threat of material injury which is not a correct statement. Applicant has claimed injury and not threat of injury in the application.
  
- lvi. The exporters have tried to tabulate their comments on injury in the first two columns of the following table, to which the following rebuttal is offered;

<b>Parameter</b>	<b>Comments on Actual Performance by exporter</b>	<b>Rebuttal by the domestic industry</b>
Natural and potential decline in:		
Sales	Improving	Improvement is only namesake. Even after increase, market share of the DI is less than 5% whereas that of the dumped imports is 25-35%. Thus, dumped imports took away higher share of market demand which shows injury to the DI.
Profits	Improving	DI was still in losses whereas it was projected to be in good profits by the period covered as POI. The losses during the POI are attributable to low realization on account of price and cost undercutting from dumped imports. Losses during the POI shows injury suffered by the DI.
Output	Improving	Inventory also improved and even after some increase in production, more than 70% of the capacity remained unutilized on account of dumped imports which shows injury to the DI.
Productivity	Improving	This shows reduction in productivity has not been the cause of injury.
Return on Investments or Utilization of Capacity	Improving	DI was still in losses whereas it was projected to be in good ROCE levels of 15-25% by the period covered as POI. Dumped prices directly impacted the ROCE. The DI did not get the benefit of reduction in cost on account of presence of dumped imports.

Actual and potential negative effects on		
Cash Flow	Improving	DI was still in losses during the POI which shows current injury. Improvement from very low numbers in the base year does not mean absence of injury. DI expected significantly positive cash flows by the POI which was impacted due to dumping.
Inventories	Improving	Inventories increased which shows even the lower level of production achieved could not be sold out fully and the material ended up in the inventories. This parameter shows volume injury.
Employment/wages	Improving	Below par performance. DI could have provided more employment in the absence of dumped imports and better capacity utilization.
Growth	Improving	Below par performance is visible on all parameters. The injury parameters also shows that the establishment of the DI was materially retarded as the overall performance was lower than the expectation and the levels projected in the project report. Thus, injury is visible on growth parameter also.
Ability to raise capital investments	Improving	Significant delay has happened in the expansion plans and this is a direct fall out of adverse market conditions created by dumped imports, which shows injury on this count.

- lvii. The reasons cited by the exporters in the context of other cause of injury such as Chinese products are better in terms of quality, fluctuations in the price of raw material, Impact of COVID etc. have not even been the cause of injury to the domestic industry at all. The mammoth increase in imports at dumped and at undercutting and underselling levels have been the cause of injury suffered by the domestic industry.
- lviii. The products by the applicant are best in quality and compete with any international player and the only concern is the dumped prices being offered by the exporters from subject country. The landed price of imports is lower than the cost and price of the domestic industry and such prices have vitiated the level playing field in the market and such imports alone has been the cause of injury claimed by the applicant. There are no evidences shown with regard to the quality issues of the applicant nor there are any submissions made by the users in this regard.
- lix. The contention of Inflated Return On Capital Employed has no merit. The rate of ROCE for the purpose of NIP is determined by the Authority based on Annexure-III to the rules and as per its consistent practices.

- ix. The contention of monopoly by the petitioner has no merit. There are about 6 known producers of the subject goods in total in India. It is a settled principle that ADD will not lead to monopoly. Rather, it will only arrest dumped imports enabling the domestic industry to operate under level playing and fair market conditions. India now has the capacity to meet the Indian demand on its own and the country can be self-reliant on this product. While the demand supply gap during the POI has been about 5-10%, the gap post POI is nil. India has some excess capacity now.

### **H.3. Examination by the Authority**

60. The Authority has taken note of various submissions of the domestic industry and also opposing parties and has analyzed the same considering the facts available on record and applicable laws. The injury analysis made by the Authority hereunder *ipso facto* addresses the various submissions made by the interested parties.
61. Rule 11 of Antidumping Rules read with Annexure II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, “.... *taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles....*”. In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, inventory, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Anti-Dumping Rules.
62. With regard to various contentions on injury and causal link, the substantial submission of the opposing parties is that the performance of the applicant improved on all parameters in the POI and any injury claimed by the applicant are on account of other reasons only. On the other hand, and in rebuttal to the claims of the opposing parties, the applicant has claimed that though the injury parameters improved by the POI in comparison to the previous years the actual growth in real terms have been very abysmal and the performance on all volume and price parameters have been much lower than the levels projected by the applicant at the time of investing in the project to produce the subject goods. The applicant also emphasized that the domestic industry incurred financial losses and negative return in the POI even after some improvements over the injury period. Applicant also claimed that the establishment of the industry was materially retarded which also shows injury having been suffered by the domestic industry. The Authority has taken into consideration all such contentions and rebuttals and the facts in this regard collected during the investigation is disclosed in this statement which *ipso facto* addresses the contentions as envisaged in Rule 11 of the anti-dumping rules read with Annexure II to the said rules.
63. With regard to the claim that the production by the petitioner cannot be taken into account due to the unforeseen and unprecedented crisis occurred in India as well as the whole

world in the form of COVID-19 flu pandemic, the Authority notes that the POI determined for the present investigation has not been impacted by pandemic and the claims for POI does not require any adjustment for COVID-19 pandemic.

64. With regard to the contention that the imports from the subject country is coming only to fill the demand and supply gap in India as the petitioner cannot fulfil the Indian demand, the Authority notes that there are about 6 producers of subject goods in India and it is noted that the capacity available with such producers for the subject goods in India during the POI was sufficient to meet substantial part of Indian demand.
65. With regard to the contention that Annual Report of the petitioner for the FY 2022-23 depicts profitability of the applicant, the Authority notes that the applicant is a multi-product company and injury concerning subject goods alone is considered for injury examination.
66. With regard to the contention that any injury allegedly suffered by the domestic industry is due to factors other than imports such as Chinese products are better in terms of quality, fluctuations in raw material prices, the COVID-19 pandemic, internal problems of the applicant, depressed market conditions globally, Russia Ukraine War etc., the Authority notes that none of such contentions are supported by any evidences. There are no evidences adduced to show that the applicant could not sell at profitable levels due to quality issues. Issue such as pandemic was not prevalent during the POI. There is no evidence to show that the cause of injury is global fluctuation in raw material price. Similarly, there are no evidences adduced to show that the injury was on account of Russia-Ukraine war, internal problems of the applicant etc.
67. With regard to the contention that a project report cannot be a parameter for making assessment of actual performance, the Authority notes that assessment of injury in this case is done based on the actual injury data submitted by the domestic industry concerning the injury period and such examination is carried out as per the mandates of the rules governing injury assessment.
68. With regard to the submission that the Authority must not allow 22% ROCE while determining Non-injurious price for the domestic industry, it is noted that 22% ROCE is allowed for the purpose of NIP determination as per the consistent practices and such practice is considered as appropriate in the present matter also.
69. With regard to the claims of the domestic industry that the coexistence of material injury and also material retardation to the establishment of the industry is very evident in the present matter, the authority has done the injury analysis based on the actual performance of the DI in the injury period. It is also noted in this regard that the injury information for POI and the previous three years is available in the present case which allows objective examination of injury as envisaged in the rule.
70. With regard to the claims of the domestic industry concerning legal standards and the contention of improvement in all injury parameters by the POI, the Authority notes that the requirement under the Rule is to conduct objective examination of injury and relevant facts for such an examination as gathered during the investigation is presented in this statement. Annexure II to the Rules under Rule 11 says that (i) A determination of injury shall involve 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 like article and (b) the consequent impact of these imports on domestic producers of such products.

**i. Volume Effect of Dumped Imports on the domestic industry**

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

**a. Assessment of Demand/Apparent Consumption**

72. For the purpose of the demand/apparent consumption, the Authority has considered total import of the subject goods into India and the total domestic sales made by domestic industry and sales made by all other Indian producers;

Particulars	Unit	2019-20	2020-21	2021-22	Annualized-POI	POI
Subject Imports	MT	798	193	1971	3677	4596
Trend	Indexed	100	24	247	461	576
Other Countries	MT	5613	3176	6549	6444	8056
Total Imports	MT	6411	3368	8520	10,121	12651
Domestic Sales	MT	***	***	***	***	***
Trend	Indexed	100	78	346	607	759
Sales of Other Producers	MT	***	***	***	***	***
Trend	Indexed	100	60	234	316	395
Demand	MT	***	***	***	***	***
Trend	Indexed	100	53	136	164	206

73. It is seen that the demand for the product increased significantly over the injury period. Demand for the subject goods in India during the POI has increased over the base year and also over the immediate previous year. It is also noted that demand has been at the highest level during the POI with an increase of 64% between POI and the base year and 28% increase between POI and the immediate previous year.

**b. Subject Country Imports in absolute and relative terms**

Particulars	Unit	2019-20	2020-21	2021-22	Annualized-POI	POI
Subject Imports	MT	798	193	1971	3677	4596
Demand	MT	***	***	***	***	***
Trend	Indexed	100	53	136	164	206
Production	MT	***	***	***	***	***
Trend	Indexed	100	222	648	1085	1357

Particulars	Unit	2019-20	2020-21	2021-22	Annualized POI	POI
Subject import in relation to:						
Consumption	%	***	***	***	***	***
Trend	Indexed	100	46	181	280	280
Production	%	***	***	***	***	***
Trend	Indexed	100	11	38	42	42

74. It is noted that the share of dumped imports in relative terms to consumption has increased by the POI in comparison to the base year and also the immediate previous year. However, dumped imports in relation to production in India has declined between the POI and the base year but increased between the POI and the immediate previous year.

**ii. Price Effect of the imports on the domestic industry**

75. With regard to the effect of the dumped imports on prices, it is required to be analyzed whether there has been a significant price undercutting by the alleged dumped imports as compared to the price of the like product in India, or whether the effect of such imports is otherwise to depress prices or prevent price increases, which otherwise would have occurred in the normal course. The impact on the prices of the domestic industry on account of the dumped imports from the subject country has been examined with reference to price undercutting, price underselling, price suppression and price depression, if any. For the purpose of this analysis, the cost of production, net sales realization (NSR) and the non-injurious price (NIP) of the domestic industry have been compared with landed price of imports of the subject goods from the subject country.

**a) Price Undercutting**

76. For the purpose of price undercutting analysis, the net selling price of the domestic industry has been compared with the landed value of imports from the subject country. While computing the net selling price of the domestic industry all taxes, rebates, discounts and commissions have been deducted and sales realization at ex-works level has been determined for comparison with the landed value of the dumped imports. Accordingly, the undercutting effects of the dumped imports from the subject country work out as follows:

Particulars	Unit	2019-20	2020-21	2021-22	POI
Net Sales Realization	Rs. /Kg	***	***	***	***
Net Sales Realization	Trend	100	129	120	149
Landed Price	Rs. /Kg	181	179	197	197
Price Undercutting	Rs. /Kg	(***)	***	***	***
Price Undercutting	%	(***)	***	***	***
Price Undercutting	Range %	0 – (10)	15-25	0-10	15-25

77. It is noted from the aforesaid table that imports of the subject goods from the subject country have been entering Indian market at a price below the net sales realization of the domestic industry, resulting in positive price undercutting. It is further noted that though the landed price of imports had increased over the years, the gap between landed price of dumped imports and NSR of the domestic industry remained very significant resulting in a price undercutting in the range of 15-25% during the POI.

**b) Price Suppression/Depression**

78. In order to determine whether the dumped imports are depressing the domestic prices and whether the effect of such imports is to suppress prices to a significant degree or prevent price increases which otherwise would have occurred in the normal course, the changes in the costs and prices over the injury period, were compared in light of the landed price of dumped imports as below:

Particulars	Unit	2019-20	2020-21	2021-22	POI	Annualized - POI
Cost of Sales	Rs. /Kg	***	***	***	***	***
Trend	Indexed	100	120	54	49	49
Selling Price	Rs. /Kg	***	***	***	***	***
Trend	Indexed	100	128	120	149	149
Landed Price	Rs. /Kg	181	179	197	197	197
Trend	Indexed	100	99	109	109	109

79. The information as per the above table shows that the selling price of the domestic industry and also landed price of imports of subject goods from the subject country increased between the base year and the POI while the cost of production of the domestic industry declined in the POI.

80. The landed price of imports has been significantly lower than the cost of sales and selling price of the domestic industry during the POI.

**iii. Economic Parameters of the domestic industry**

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

82. While disclosing the essential facts on injury and causal link, the Authority has also examined the injury parameters objectively taking into account various submissions made by all the interested parties so far in this investigation so as to address all such submissions as well on their merits.

a) **Production, Capacity, Sales and Capacity Utilization**

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

Particulars	Unit	2019-20	2020-21	2021-22	POI	Annualized - POI
Installed Capacity	MT	***	***	***	***	***
Trend	Indexed	100	100	100	125	100
Production	MT	***	***	***	***	***
Trend	Indexed	100	222	648	1357	1085
Capacity Utilization	%	***	***	***	***	***
Trend	Indexed	100	222	648	1085	1085
Domestic Sales	MT	***	***	***	***	***
Trend	Indexed	100	78	346	759	607

84. It is noted that while the capacity remained constant over the injury period, production, capacity utilization and sales of the domestic industry increased between the base year and the POI.

c. **Market Share in Demand**

Particulars	Unit	2019-20	2020-21	2021-22	POI	Annualized- POI
Subject Imports	MT	798	193	1971	4596	3677
Trend	Indexed	100	24	247	576	461
Other Countries	MT	5613	3176	6549	8056	6444
Total Imports	MT	6411	3368	852	12651	10,121
Domestic Sales	MT	***	***	***	***	***
Trend	Indexed	100	78	346	759	607
Sales of Other Producers	MT	***	***	***	***	***
Trend	Indexed	100	60	234	395	316
Demand	MT	***	***	***	***	***
Trend	Indexed	100	53	136	206	164
<b>Share in Indian Demand that of;</b>						
Subject Imports	%	12	6	22	34	34
Trend	Indexed	100	46	181	280	280
Other Countries	%	86	92	74	60	60
Trend	Indexed	100	107	86	70	70
Total Imports	%	98	97	96	94	94
Trend	Indexed	100	99	98	96	96
Domestic Sales	%	***	***	***	***	***

Trend	Indexed	100	147	254	369	369
Sales of Other Producers	%	***	***	***	***	***
Trend	Indexed	100	113	172	192	192
Sales of Indian producers	%	***	***	***	***	***
Trend	Indexed	100	136	228	313	313

85. The Authority notes that the market share of the imports of subject goods from subject country has increased between the base year and the POI..

**b) Profitability, return on investment and cash profits**

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

Particulars	Unit	2019-20	2020-21	2021-22	POI	Annualized POI
Profit/Loss (PBT)	Rs. /Kg	(***)	(***)	(***)	(***)	(***)
Trend	Indexed	(100)	(117)	(25)	(5)	(5)
PBIT	Rs. /Kg	(***)	(***)	(***)	(***)	(***)
Trend	Indexed	(100)	(118)	(25)	(5)	(5)
Cash Profit	Rs. /Kg	(***)	(***)	(***)	***	***
Trend	Indexed	(100)	(185)	(31)	1	1
Average Capital Employed	Rs. Lacs	***	***	***	***	***
Trend	Indexed	100	42	65	88	88
Return on Capital Employed	%	(***)	(***)	(***)	(***)	(***)
Trend	Indexed	(100)	(217)	(133)	(31)	(31)

87. It is noted from the above table that the key profitability parameters of the domestic industry showed improvements during the POI over the previous years. However, the profitability in terms of all key parameters such as Profit Before Tax per unit, Profit Before Interest and Tax and Return on Capital Employed have been still negative during the POI.

**Employment, productivity and wages**

88. Employment, productivity and wages of domestic industry over the injury period are given in the table below;

Particulars	Unit	2019-20	2020-21	2021-22	POI	Annualized POI
Employment	Nos	***	***	***	***	***
Trend	Indexed	100	108	144	264	264

Particulars	Unit	2019-20	2020-21	2021-22	POI	Annualized POI
Wages	Rs. Lakhs	***	***	***	***	***
Trend	Indexed	100	221	248	383	306
Productivity per employee	MT/Person	***	***	***	***	***
Trend	Indexed	100	205	450	411	411
Wages	Rs/Kg	***	***	***	***	***
Trend	Indexed	100	100	38	28	28

89. It is noted that there has been an increase in the level of employment with the domestic industry and productivity per employee also improved by the POI. However, wages per unit of production have shown decline by the POI.

**c) Magnitude of Dumping Margin**

90. Magnitude of dumping is an indicator of the extent to which the imports are being dumped in India. The investigation has shown that dumping margin is positive in the period of investigation.

**d) Inventories**

91. Inventory position with the domestic industry over the injury period is given in the table below:

Particulars	Unit	2019-20	2020-21	2021-22	POI	Annualized POI
Inventory	MT	***	***	***	***	***
Trend	Indexed	100	227	356	644	644

92. It is noted that inventory with the domestic industry increased by the POI.

**e) Growth**

93. The Authority notes that growth of the domestic industry with regard to key volume and profitability parameters have been positive during the POI as can be seen from the table below;

<b>Particulars</b>	<b>Unit</b>	<b>2020-21</b>	<b>2021-22</b>	<b>Annualized- POI</b>
Production	%	122	192	67
Sales Volume Domestic	%	(22)	346	75
Capacity Utilization	%	122	192	67
Inventory	%	127	57	81
Employment	%	8	33	83
Selling Price Per Kg	%	28	(7)	24
Cost of Sales Per Kg	%	21	(55)	(10)
Return on Capital Employed	%	(117)	39	76
Profit per Unit	%	(17)	79	81
PBIT Per Unit	%	(18)	79	82

94. It is the claim of the domestic industry that the positive growth has been very abysmal. A higher market share would have enabled the domestic industry to utilize its capacity better leading to even higher growth in volume parameters. Un-dumped price would have enabled the domestic industry to realize better price leading to even higher growth in price and profitability parameters. Growth as a parameter is noted in such a context here.

**f) Ability to raise capital investments**

95. The domestic industry claimed that the capacities set up is yet to reach any meaningful utilization level and the negative return even after more than five years into production shows the adverse situation created by the dumped imports. It is noted that the domestic industry is a multi-product company and therefore the ability to raise capital investment may not be governed based on the performance of the product under consideration (PUC) alone though the ROCE from the investment made to produce the subject goods is noted as negative in the POI which may negatively influence the ability to raise further capital investment.

**g) Factors affecting domestic prices**

96. The examination of the import prices from the subject country, 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, etc. shows that the landed value of imported material from the subject country is below the selling price and cost of sales of the domestic industry, causing significant price undercutting. It is also noted that the demand for the subject goods was showing significant increase during the injury period and therefore it could not have been a factor affecting domestic prices. Thus, it can be noted that the principal factor affecting the domestic prices is the dumped imports of the subject goods from the subject country.

**h) Magnitude of Injury Margin/Price Underselling**

97. The Authority has determined Non-Injurious Price (NIP) for the domestic industry on the basis of principles laid down in the Rules read with Annexure III, as amended. The non-injurious price of the product under consideration has been determined by adopting the information/data relating to the cost of production provided by the domestic industry and duly certified by the practicing cost accountant for the period of investigation. The non-injurious price has been considered for comparing the landed price from the subject country for calculating injury margin. For determining the non-injurious price, the best utilisation of the raw materials by the domestic industry over the injury period has been considered. The same treatment has been carried out with the utilities. The best utilization of production capacity over the injury period has been considered. It is ensured that no extraordinary or non-recurring expenses were charged to the cost of production. A reasonable return (pre-tax @ 22%) on average capital employed (i.e. average net fixed assets plus average working capital) for the product under consideration was allowed as pre-tax profit to arrive at the non-injurious price as prescribed in Annexure III of the Rules and being followed.
98. For all the non-cooperative producers/exporters from the subject country, the Authority has determined the landed price based on facts available.
99. Based on the landed price and non-injurious price determined as above, the injury margin for producers/exporters has been determined by the Authority.

### Injury Margin

S. No	Country	Producer	NIP US\$/KG	Landed Value US\$/KG	Injury Margin US\$/KG	Injury Margin %	Injury Margin (Range %)
1	China PR	Shandong Kelesi New Material Technology Co., Ltd and Shanghai Sailisi Industry Development Co., Ltd. Shandong Branch	***	***	***	***	10-20
2	China PR	Any other producer	***	***	***	***	20-30

## **I. NON-ATTRIBUTION ANALYSIS**

100. As per the AD Rules, the Authority, inter alia, is required to examine any known factors other than the dumped imports which at the same time are injuring the domestic industry, so that the injury caused by these other factors may not be attributed to the dumped imports. Factors which may be relevant in this respect

include, inter alia, the volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and the productivity of the domestic industry. It has been examined below whether factors other than dumped imports could have contributed to the injury to the domestic industry.

**a) Volume and price of imports from third countries**

101. Import information shows that there have been substantial imports of subject goods from Korea RP, USA and Japan during the POI other than subject country. In fact, the application has been filed against Japan also as a subject country. But it was noted at the time of initiation that dumping margin is negative in case of Japan. It is further noted that imports from Korea RP and USA have also been at prices higher than the subject country and the applicant claimed such prices have not caused any injury to the domestic industry. Thus, such other imports cannot be considered to have caused injury to the domestic industry.

**b) Export Performance**

102. The Authority has considered the data for domestic operations only for its injury analysis. In any case, there have been an increase in exports made by the domestic industry during the POI which is provided in the table below.

Particulars	Unit	2019-20	2020-21	2021-22	POI	Annualized POI
Export Sales	MT	***	***	***	***	***
Trend	Indexed	100	3388	7526	25978	20782

**c) Contraction in demand Changes in pattern of consumption**

103. It is noted that the demand of the subject goods has increased over the injury period. Thus, it can be noted that the injury to the domestic industry was not due to contraction in demand to any significant level.

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

104. The import of the subject goods is not restricted in any manner and the same are freely importable in the country. No evidence has been submitted by any interested parties to suggest that the conditions of competition between the foreign and the domestic producers have undergone any change.

**e) Developments in technology**

105. None of the interested parties have furnished any evidence to demonstrate significant changes in the technology that could have caused injury to the domestic industry. It is noted that the domestic industry setup its plant recently and commenced commercial production from October 2018.

**f) Changes in pattern of consumption**

106. The subject goods produced by the domestic industry and that imported into India are comparable and the end users find these goods interchangeable. Possible changes in pattern of consumption are not a factor that could have caused claimed injury to the domestic industry.

**g) Performance of the domestic industry with respect to other products**

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

**h) Productivity of the domestic industry**

108. Productivity per employee as assessed has shown increases by the POI. Thus, the Authority notes that deterioration in productivity as such has not been any cause of injury to the domestic industry.

**J. INDIAN INDUSTRY'S INTERESTS AND OTHER ISSUES**

**J.1. Submissions by other Interested Parties**

109. The following submissions have been made by the other interested parties during the course of the investigation;

- i. Levy of anti-dumping duty will establish a monopoly of domestic producer and will not be in the public interest.
- ii. With the imposition of anti-dumping duty, Indian local production may result in unstable supply and customers diverting to other products. Limited and unstable Indian local production will create monopolistic situation and ruin USD 100 million product market, business and the associated jobs.
- iii. The demand for acrylic solid surface in India has been steadily increasing, driven by various factors such as growth in the construction and interior design industries, rising disposable incomes, and evolving consumer preferences whereas the Indian producers cannot meet the Indian demand for the subject goods. There are only 4 producers of the subject goods in India having 1-2 production line each which is not sufficient to meet the Indian demand.
- iv. China and Korea have around 10-15 production lines. Therefore, especially after covid, Indian importers realized that they cannot depend on the Indian producers entirely to meet the demand and started importing from other countries. Today more than 20 brands are active in India with OEM based imports from China and Korea. OEM mode gives lot of confidence to Indian importers and more choice for Indian consumers.
- v. The determination of public interest leans in favour of the non-imposition of anti-dumping duty in this matter.

## **J.2. Submissions by the domestic industry**

110. The following submissions have been made by the domestic industry during the course of the investigation;
- i. The subject goods are premium discretionary building material most commonly used for seamless countertop installations, bathroom vanity etc in commercial spaces and in some households depending on the choice of the end user. As a result, the product does not form a major cost item in such construction/end use applications. Nor this is a mass building material used for general housing purposes like traditional tiles etc.
  - ii. ADD as requested by the applicant will not create any huge impact on the users as shown in the Economic Interest Questionnaire filed by the domestic industry and the impact shall be less than 0.50% which cannot be considered as any significant effect of ADD.
  - iii. The applicant does not have access to financial information of the users to present an impact analysis as such with supporting cost/price data. However, an estimate as follows has been made considering the nature and use of the product based on the understanding of the applicant;

<b>Particulars</b>	<b>Value. Rs</b>
Estimated cost of a small sized commercial building project	10000000
Estimated requirement of subject goods (About 500 Kg at landed price of imports @Rs212.89/Kg)	106445
Share of subject goods in total cost as of now	1.06%
Weighted average Injury margin of Subject country (lower of the margin as claimed) as probable ADD @Rs 67.48 per Kg As per injury margin statement in the petition.	33740
New Cost after probable ADD as estimated	140185
Share of subject goods in total cost after any ADD	1.40%
Increase in cost of end user on account of probable ADD	0.34%
<b>Range</b>	<b>0.25%-0.50%</b>

- iv. The estimate shows that ADD as requested by the applicant will not create any huge impact on the users and the impact shall be less than about 0.50% which cannot be considered as any significant effect of ADD. The users will be benefited in the long run if the applicant is allowed to establish itself in India with the help of level playing field ensured by way of ADD as requested.
- v. The users will be benefited in the long run if the applicant is allowed to exist in India with the help of level playing field ensured by way of ADD as requested. In any case, users are importing at much higher price than China PR from other countries and any ADD on China will not trigger any price increase per se.

- vi. It is a well settled principles that measures like ADD may have some impact on the end users but the same will not be burdensome in any manner and balance of convenience shall lie in arresting the injurious dumped imports which is impacting the establishment of a strong manufacturing base for this product in India. A manufacturing base in India shall ultimately be in the interest of Indian users. As of now, the users are preferring imported material on account of the dumped prices offered by them. Even after any measures, the users will only be paying fair and reasonable prices and not anything beyond that as the duties in any case cannot exceed lower of the margin of dumping and injury.
- vii. It is also pertinent to note that the ADD measures are sought only against dumped and injurious imports from China PR and substantial imports are taking place from Korea RP, Japan, USA and the users can continue to import from such sources without any ADD.
- viii. The applicant has, as a post POI development, installed additional capacities to produce the subject goods. This additional capacity was supposed to go live much earlier since the machine were purchased in 2022 itself but the process was delayed due to adverse market situation created by dumped imports. The new capacity has technically gone live in the month of March 2024, though the plant is largely idle now like the existing capacity as the pressure from dumped imports still continues. As of now India has the capacity to meet the entire demand for the subject goods and there is no demand supply gap in the post POI period and gap even during the POI was barely 5%.
- ix. It has been contended by the exporters that levy of anti-dumping duty will establish a monopoly of domestic producer and will not be in the public interest. The contention is totally baseless. There are about 6 known producers of the subject goods in total in India. It is a settled principle that ADD will not lead to monopoly. Rather, it will only arrest dumped imports enabling the domestic industry to operate under level playing and fair market conditions. India now has the capacity to meet the Indian demand on its own and the country can be self-reliant on this product. While the demand supply gap during the POI has been about 5-10%, the gap post POI is nil. India has some excess capacity now.

### **J.3. Examination by the Authority**

- 111. The Authority notes that the purpose of anti-dumping duty, in general is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country.
- 112. The Authority considered whether imposition of anti-dumping shall have any adverse impact on the interest of the public. In order to determine such impact, the Authority weighed the impact of the imposition of duties on the availability of the goods in the Indian market, the impact on the users of the product as well as the domestic industry and the impact on the general public at large. This determination is based on the submissions and evidence submitted over the course of the present investigation.
- 113. The Authority issued Gazette Notification inviting views from all the interested parties, including importers, consumers and other interested parties. The Authority

also prescribed a questionnaire for the consumers to provide relevant information with regard to the present investigation, including possible effect of anti-dumping duty on their operations. The Authority sought information on, inter-alia, interchangeability of the product supplied by various suppliers from different countries, ability of the consumers to switch sources, effect of anti-dumping duty on the consumers, factors that are likely to accelerate or delay the adjustment to the new situation caused by imposition of antidumping duty.

114. It is noted that anti-dumping duty does not restrict imports, but only ensures that the imports enter the market at fair prices. Thus, the users will continue to have the broader choice and liberty to import the subject goods at fair prices, which will ensure better competition in the market.
115. The Authority had prescribed an Economic Interest Questionnaire which was sent to all interested parties to this investigation. The domestic industry and 2 responding exporters/producers submitted the Economic Interest Questionnaire, in the form and manner as prescribed by the Authority. It is noted that one of the users/importers have responded to the Economic Interest Questionnaire. In fact, none of the users/importers of the subject goods have responded in this matter. The domestic industry has provided a quantification of the potential impact of the duty but no such quantification is made by the exporters or any other parties. It is seen that the imposition of duties will not have a significant impact on the users who are primarily developers of commercial properties etc. As per information on record, the impact would be insignificant. Moreover, none of the interested parties, have demonstrated with verifiable quantified information that the imposition of anti-dumping duty shall have significant adverse impact on the subject goods. The Authority further notes that the measures may have an impact on certain users but that should be balanced against the risk of continuing unfair trade practices.
116. With regard to the contention that there is demand-supply gap for the product and any anti-dumping duty shall lead to monopoly of the domestic producer, it is noted that the imposition of anti-dumping duty does not act as a ban on imports. There are about 6 producers of subject goods in India. The purpose of imposition of antidumping duty, in general, is to address the issue of trade distortion caused by the unfair trade practices in order to re-establish the situation of open and fair competition. In any case, the Authority notes that if there is a demand supply gap in the country, the foreign producers can certainly fill the gap in the country by exporting the product at a fair and un-dumped price. However, existence of demand supply gap does not justify dumping of the product. With regard to impact on user industry, the domestic industry has quantified the impact of anti-dumping duty on the end users as less than 1%. The other interested parties have not quantified the impact of the anti-dumping duty on the end users nor there is any response filed by any of the actual users. Further, the Authority notes the submission of the domestic industry that the subject goods are premium and discretionary building material primarily used in commercials properties and the share of the subject goods in overall construction is very minuscule in view of the nature of the product in question. The subject goods have very niche uses.
117. With regard to the contention that with the imposition of anti-dumping duty, Indian local production may result in unstable supply and customers diverting to other

products, the Authority notes that there is adequate supply capacity among domestic and foreign producers from non-subject countries .

118. With regard to the claim that China and Korea have around 10-15 production lines and today more than 20 brands are active in India with OEM based imports from China and Korea, the Authority notes that ADD will not restrict the choices available to the users in any manner but at the same time will remove the injury being caused to the Indian producers from an unfair trade practice of dumping being followed by foreign producers. Also, large scale production undertaken in foreign countries is not any justification for exports to India at dumped levels. It is also notable that imports from Korea RP have been at higher price and the applicant has not claimed any injury from such imports.

## **K. POST DISCLOSURE COMMENTS**

### **K.1. Submissions of the other interested parties**

119. The following submissions have been made by the other interested parties;
- i. The Authority is requested to impose the duty based on the figures determined in the Disclosure Statement.
  - ii. The name of the producer/exporter be mentioned as “Shandong Kelesi New Material Technology Co., Ltd.” and “Shanghai Sailisi Industry Development Co., Ltd. Shandong Branch” in the final findings.

### **K.2. Submissions by the domestic industry**

120. The following submissions have been made by the domestic industry;
- i. The Authority may specify in the duty table in case of a positive finding that alternative descriptions such as “100% Acrylic solid surfaces, Pure Acrylic solid surfaces, Corian Sheets, Hi Macs Acrylic Sheets, Montelli Sheets made of PMMA, PMMA Sheets, Staron Solid Surface, Krion Methyl Methacrylic Resin Solid Surface Sheet, Methyl Methacrylic Resin Sheets etc. while importing the subject goods from subject country are part of the description of the subject goods. This request has been part of the petition also.
  - ii. Facts as disclosed show dumping in the present matter. However, the dumping margin determined for the producers from China PR appears very low at 0-15%. Such lower margin is only on account of very low normal value determined for China PR and insufficient adjustment from export price carried out.
  - iii. The total cost of the domestic industry as claimed may be considered for determining normal value since the adjustment done for NIP is for a different purpose and under a different Annexure to the rules.
  - iv. There has been significant import from Korea RP compared to Japan and in view of the same, import price from Korea RP may be considered as the basis for determination of normal value in this case. Annexure I to the rule provides for

determination of normal value in case of NME country and price from a market economy third country to other countries, including India can be the basis for normal value. Even as per the hierarchy under Para 7 of Annexure I to the rules, this option comes first.

- v. The export price is required to be adjusted by 4% to account for the difference in VAT rate refund and VAT paid. This has a direct bearing on the comparability of the product at ex-factory level.
- vi. Apart from adjustment for VAT difference, adjustments from export price needs to be done for the purpose of net export price considering secondary packing cost since the secondary packing cost of the domestic industry is not allowed as a permissible expense.
- vii. Even after improvements, the situation of the domestic industry has been in negative in terms of profitability parameters and the performance in terms of volume parameters have been much lower than the expectations and projections of the domestic industry. Material injury as per the rule is, thus, very evident.
- viii. The dumped imports entering India are undercutting the price of domestic industry and price suppression effects are also very evident. Such prices have also been below the cost of sales and NIP of the domestic industry leading to a positive injury margin showing the graveness of the impacts on dumping on the domestic industry.
- ix. Facts as disclosed show that the injury caused to the domestic industry has been on account of dumped imports alone.
- x. Indian producers can meet the demand for the product in India and the impact of the ADD as sought shall be very meager on the users. However, the current market share of the domestic industry is very miniscule and the situation will aggravate if the ADD is not levied.
- xi. India has capacity to meet entire Indian demand in the post POI period and the product has the potential to attract more investment and India may see more producers coming up in this robust product should there be a conducive market situation available in India. Even currently, with 5 producers and capacity to meet the entire Indian demand, the domestic manufacturing base is very promising and robust and the ADD will help the Indian producers to overcome the injury created by dumped imports. As of now dumped imports command a major share of a very prudent market for the product in India and the Indian producers deserve their fair share having made significant investments to produce the product in India.

### **K.3. Examination by the Authority**

121. The Authority has examined the post disclosure comments made by the domestic industry and other interested parties. It is noted that comments which are reiterations and have already been suitably examined and adequately addressed in the relevant paras of the final findings, are not being repeated in the post-disclosure examination by the Authority for the sake of brevity. The issues raised for the first time in the

post-disclosure comments/submissions by the domestic industry and considered relevant by the Authority have been examined as under:

- i. With regard to the claim the dumping margin determined is low, the Authority notes that the dumping margin has been determined by following the mandates of Annexure I to the rules and also the consistent practices of the Authority. All the facts considered in this regard have been disclosed. However, no factual error in the determination is pointed out.
- ii. With regard to the claim that normal value in the case of China PR must be determined based on import price from Korea RP, the Authority notes that no such submission has been made during the course of the investigation and such a request cannot be accepted at this stage.
- iii. With regard to adjustments in terms of unpaid VAT and also secondary packing, the Authority notes that due adjustments as per the facts available have already been made and the details of the same have already been disclosed. Even the claims made post-disclosure are not supported with any evidence and cannot be considered.

## **L. CONCLUSION AND RECOMMENDATION**

122. Having regard to the contentions raised, information provided, submissions made by the interested parties and facts available before the Authority, as recorded above, and on the basis of the above analysis of dumping and consequent injury to the domestic industry, the Authority concludes as follows:

- i. The product under consideration is “Acrylic Solid Surfaces” originating in or exported from China PR. The below products are not covered in the scope of PUC for the purpose of the present investigation;
  - a) Pure acrylic sheets.
  - b) Acrylic laminates and PET/PVC films for furniture decoration and vehicle wrapping.
  - c) Polyester solid surface sheets.
  - d) Modified Acrylic Solid Surfaces.
- ii. Imports of the subject product shows that the importers have used descriptions such as 100% Acrylic solid surfaces, Pure Acrylic solid surfaces, Corian Sheets, Hi Macs Acrylic Sheets, Montelli Sheets made of PMMA, PMMA Sheets, Staron Solid Surface, Krion Methyl Methacrylic Resin Solid Surface Sheet, Methyl Methacrylic Resin Sheets etc while importing the subject goods from subject country. Such alternative names used are part of the description of the subject goods.
- iii. The product under consideration covers Acrylic Solid Surfaces irrespective of their thicknesses, length, width, color and design and the unit of measurement considered is weight of the product reported in Kilograms/Tons (Kg/MT).
- iv. The product under consideration is classified under Chapter 39 of the Customs Tariff Act, 1975 pertaining to Plastics and articles thereof and further under subheading 392051 which pertains to poly (methyl methacrylate) sheet which is not a dedicated classification for the subject goods. Imports of the subject goods have been reported under subheadings 39205111, 39205119, 39205199, 39206390, 39219039,

39269069 and 35069999 as claimed in the application. The customs tariff heading is indicative only and is not binding on the scope of the product.

- v. The Authority provided opportunity to the interested parties to provide proposals, if any, on PCN methodology. However, no proposals were received. The comments on scope of PUC received from various interested parties have been addressed based on the facts made available and thereafter the scope of the PUC have been notified to the interested parties.
- vi. The goods produced by the domestic industry is like articles to the subject goods being imported from the subject country in terms of Rule 2 (d) of the AD Rules.
- vii. The application for initiation of the anti-dumping investigation against the imports of the subject goods from China PR was filed by M/s Stylam Industries Limited. The applicant did not import the subject goods from the subject country during the period of investigation/injury period and is also not related to any of the exporters/importers of the subject product. Apart from the applicant, there are 5 more other producers of subject goods in India.
- viii. While the applicant estimated the total Indian production by quantifying the production of other producers on an estimated basis, none of the interested parties provided any evidence of gross Indian production. There is no published information with regard to the production and sales of the subject goods in India. Hence, in addition to notifying initiation of the investigation in the official Gazette and on the DGTR website, the Authority wrote to the various entities identified by the interested parties, seeking information on their production, imports and any other information they may deem relevant. But no such information has been made available by any of the interested parties.
- ix. Based on information on record, the Authority has determined that the production by the applicant constituted 75-85% of Indian production. The Authority has therefore determined that the applicant constitutes domestic industry under Rule 2(b) of the Rules and meets the criteria for standing as per Rule 5(3).
- x. The Authority is satisfied with the confidentiality claim made by the interested parties and has accepted information provided by the interested parties on a confidential basis.
- xi. A producer of the subject goods namely Shandong Kelesi New Material Technology Co., Ltd along with Shanghai Sailisi Industry Development Co., Ltd (Trader) registered themselves in the present investigation and filed a response to the prescribed exporter's questionnaire. Individual margin is determined for the said producer based on its response.
- xii. Considering the normal value and export price determined, the dumping margin for the subject goods from China PR is positive, more than de minimis and significant for non-participating producers from the subject country.
- xiii. Demand for the subject goods in India during the POI has increased over the base year and also over the immediate previous year.

- xiv. Dumped imports in relative terms to consumption has increased by the POI in comparison to the base year and also the immediate previous year. However, dumped imports in relation to production in India has declined between the POI and the base year but increased between the POI and the immediate previous year.
  - xv. Imports of subject goods from the subject country have been entering Indian market at a price below the net sales realization of the domestic industry, resulting in positive price undercutting. Price undercutting have been at significant levels during the POI.
  - xvi. There is no price depression or suppression. However, the landed price of imports has been significantly lower than the cost of sales and selling price of the domestic industry during the POI.
  - xvii. As regards the effect of such dumped imports on the economic parameters of the domestic industry, the Authority has reached the following conclusion:
    - a) The volume parameters of the domestic industry in terms of capacity utilization, production and sales increased between base year and the POI. However, inventory level of the domestic industry also increased in the same period.
    - b) Capacity of the domestic industry remained constant during the injury period. But the domestic industry had significant unutilized capacity during the POI even when the demand for the product increased.
    - c) Market share of the imports of subject goods from subject country and also market share of the domestic industry has increased between the base year and the POI. However, subject imports accounted for a very high market share in absolute terms in comparison to the market share held by the domestic industry by the POI.
    - d) Profitability in terms of PBT, PBIT and ROCE remained negative during the POI even though there has been increases in these parameters between the base year and the POI. Even cash profit has been only slightly positive during the POI. Such losses on core profitability parameters during the POI show significant adverse impact on profitability of the domestic industry.
    - e) The domestic industry has suffered material injury.
    - f) Considering the non-injurious price determined by the Authority and the landed price of subject imports, it is seen that the injury margin is positive and significant.
    - g) Non-attribution analysis shows that no other factor has caused injury to the domestic industry, and the domestic industry has suffered material injury as a result of the dumped imports of the subject goods.
    - h) The Authority examined the impact of anti-dumping duty on the consumers. It is seen that the subject goods are premium building material primarily used in commercial real estate development and the imposition of anti-dumping duties would not have any significant adverse impact on such end consumers.
123. Having initiated and conducted the investigation into dumping, injury, and causal link in terms of the provisions laid down under the Anti-Dumping Rules, the

Authority is of the view that imposition of the anti-dumping duty is required to offset the dumping and consequent injury. The Authority considers it necessary to recommend the imposition of the anti-dumping duty on the imports of the subject goods originating in or exported from the subject country.

124. Having regard to the lesser duty rule followed, the Authority recommends imposition of an anti-dumping duty equal to the lesser of the margin of dumping and the margin of injury on imports of subject goods originating in or exported from the subject country, so as to remove the injury to the domestic industry. Accordingly, the Authority recommends imposition of the anti-dumping duty on the imports of subject goods originating in or exported from the subject country, for a period of 5 years, from the date of notification to be issued in this regard by the Central Government, equal to the amount mentioned in Column 7 of the duty table appended below.

**Duty Table**

S N	Heading/ Subheading	Description of Goods	Country of Origin	Country of Export	Producer	Amount	UoM	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	39205111, 39205119, 39205199, 39206390, 39219039, 39269069, 35069999.	Acrylic Solid Surfaces*	China PR	Any including China PR	Shandong Kelesi New Material Technology Co., Ltd and Shanghai Sailisi Industry Development Co., Ltd. Shandong Branch	NIL	Kg	USD
2	-do-	-do-	China PR	Any Country including China PR	Any other producer excluding producer mentioned at Sr. No. 1 above.	0.18	Kg	USD
3	-do-	-do-	Any country other than China PR	China PR	Any	0.18	Kg	USD

*\*Covers alternative descriptions such as 100% Acrylic solid surfaces, Pure Acrylic solid surfaces, Corian Sheets, Hi Macs Acrylic Sheets, Montelli Sheets made of PMMA, PMMA Sheets, Staron Solid Surface, Krion Methyl Methacrylic Resin Solid Surface*

*Sheet, Methyl Methacrylic Resin Sheets. The below products are not covered in the scope of PUC for the purpose of the present investigation;*

- a) Pure acrylic sheets*
- b) Acrylic laminates and PET/PVC films for furniture decoration and vehicle wrapping*
- c) Polyester solid surface sheets*
- d) Modified Acrylic Solid Surfaces*

**M. FURTHER PROCEDURE**

125. An appeal against the determination of the Authority in these final findings shall lie before the Customs Excise and Service Tax Appellate Tribunal in accordance with the relevant provisions of the Customs Tariff Act.



**Darpan Jain**  
(Designated Authority)