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F. No. 6/46/2024-DGTR
Government of India
Ministry of Commerce & Industry
Directorate General of Trade Remedies
IV Jeevan Tara Building, 5 Parliament Street, New Delhi - 110 001

Dated: 23.02.2026

FINAL FINDINGS

Case No. AD (OI) - 43/2024

Subject: Anti-dumping investigation concerning imports of “Monoisopropylamine” (MIPA) originating in or exported from China PR – reg.

F. No. 6/46/2024-DGTR - Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter referred to as the “Act”), and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, made thereunder, as amended from time to time (hereinafter referred to as the “Anti-Dumping Rules” or the “Rules”),

1. **M/s Alkyl Amines Chemicals Limited** (hereinafter referred to as the “applicant” or “domestic industry”) filed an application, before the Designated Authority (hereinafter also referred to as the “Authority”) in accordance with the Customs Tariff Act, 1975 and the Anti-Dumping Rules for initiation of anti-dumping investigation concerning imports of ‘**Monoisopropylamine**’ (MIPA) (hereinafter also referred to as the “product under consideration” or the “subject goods”) **from China PR** (hereinafter referred to as the “subject country”).
2. And whereas, in view of the duly substantiated application filed by the applicant, the Authority issued *vide* Initiation Notification F. No. 6/46/2024-DGTR, dated 30th December, 2024, published in the Gazette of India, initiating anti-dumping investigation into imports of the product under consideration from China PR, in accordance with Rule 5 of the Anti-Dumping Rules to determine the existence, degree and effect of any alleged dumping of the subject goods and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the alleged injury to the domestic industry.

A. PROCEDURE

3. The procedure described below has been followed with regard to the investigation:
 - i. In accordance with Rule 5(5) of the Rules, before proceeding to initiate the investigation, the Authority notified the embassy of the subject country in India about the receipt of the present anti-dumping application.
 - ii. In accordance with Rule 6 of the Rules, the Authority issued a Notification No. 6/46/2024-DGTR dated 30th December 2024, published in the Gazette of India Extraordinary, initiating the anti-dumping investigation concerning the imports of the product under consideration from the subject country.

- iii. The period of investigation (POI) for the present investigation is 1st July 2023 to 30th June 2024 (12 months). The injury investigation period for the present investigation is April 2020 to March 2021, April 2021 to March 2022, April 2022 to June 2023 and the POI.
- iv. Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) and the DG-Systems, to provide the transaction-wise details of imports of subject goods for the injury period. The Authority received the data and has relied upon DGCI&S data for the necessary analysis after due examination of the transactions.
- v. In accordance with Rule 6(2) of the Rules, the Authority sent a copy of the initiation notification to the embassy of the subject country in India, the known producers, and exporters from the subject country, known importers and users in India, and the other interested parties, as per the email addresses made available by the applicant.
- vi. In accordance with Rule 6(3) of the Rules, the Authority provided a copy of the non-confidential version (NCV) of the application to the known producers/ exporters and to the Embassy of the subject country in India.
- vii. In accordance with Rule 6(4) of the Rules, the Authority sent exporter's questionnaire to the known producers/exporters in subject country.
- viii. The Authority sent questionnaires to the government of the subject country through their embassy in India. The Government of the subject country was requested to forward the Initiation Notification and the questionnaires to the producers/exporters of the subject goods and advise them to respond to the questionnaire within the prescribed time limit.
- ix. The Authority sent exporter's questionnaire to the following known producers/ exporters in the subject country in accordance with Rule 6(4) of the Rules:
 - 1 M/s Anhui Haoyuan Chemical Group Co. Ltd.
 - 2 M/s Taizhou Jianye Chemical Co. Ltd.
 - 3 M/s Zhejiang Xinhua Chemical Co. Ltd.
- x. In response to the initiation notification, M/s Anhui Haoyuan Chemical Group Co., Ltd. registered themselves as an interested party in the investigation.
- xi. Subsequently, M/s Anhui Haoyuan Chemical Group Co., Ltd. withdrew their registration as an interested party and did not file the exporter's questionnaire response. Accordingly, they are treated as non-cooperative in the present investigation.
- xii. The Authority sent importers and user's questionnaire to the following known importers of the subject goods in India calling for necessary information in accordance with Rule 6(4) & (5) of the Rules respectively.
 - 1 M/s Agro Life Science Corporation
 - 2 M/s Agrow Allied Ventures Private Limited
 - 3 M/s Amri India Pvt. Ltd.
 - 4 M/s Atul Limited
 - 5 M/s Chemo India
 - 6 M/s Coromandel International Ltd.
 - 7 M/s Crystal Crop Protection Pvt. Ltd.
 - 8 M/s CTX Life Sciences Pvt. Ltd.
 - 9 M/s Excel Crop Care Ltd.
 - 10 M/s Fleming Laboratories Ltd.
 - 11 M/s Heranba Industries Ltd.
 - 12 M/s HPM Chemicals and Fertilizers Limited

- 13 M/s Insecticides India Ltd.
- 14 M/s IPCA Laboratories Limited
- 15 M/s Jai Shree Rasayan Udyog Ltd.
- 16 M/s K Rasiklal Exim Pvt Ltd
- 17 M/s Ketan Chemical Corporation
- 18 M/s Kopran Research Laboratories
- 19 M/s Krishna Solvechem Ltd.
- 20 M/s Lakshmi Saras Chem Tech Pvt. Ltd.
- 21 M/s Leo Chemplast Pvt. Ltd.
- 22 M/s Malladi Drug & Pharmaceuticals Limited
- 23 M/s Medi Pharma Drug House
- 24 M/s Meghmani Organics Ltd.
- 25 M/s Nutron Pharmaceuticals Pvt. Ltd.
- 26 M/s OC Specialities Pvt. Ltd.
- 27 M/s Orion Chem Pvt. Ltd.
- 28 M/s Polydrug Laboratories Pvt. Ltd.
- 29 M/s Ratnachand & Company
- 30 M/s Sangrose Laboratories Pvt. Ltd.
- 31 M/s TASC Chemical Industries Pvt. Ltd.
- 32 M/s Vedant Life Sciences Pvt. Ltd.
- 33 M/s Venus International

- xiii. In response to the initiation notification, only M/s Crystal Crop Protection Ltd. registered themselves as an interested party in the investigation.
- xiv. A copy of the initiation notification and non-confidential version (NCV) of the application was sent to the known associations.
- xv. The Authority issued an Economic Interest Questionnaire (EIQ) to assess public interest and the impact of the duties on the wider economy. The EIQ was also shared with the concerned administrative Ministry/Department. However, only the domestic industry has submitted the EIQ, and no other interested party has filed it.
- xvi. A list of all interested parties that registered themselves within the prescribed timeline was uploaded on the DGTR website. All registered interested parties were directed to circulate the NCV of all their submissions in the present proceedings with all other interested parties along with the Authority.
- xvii. The Authority has taken note of the O.M. No. C-II-13012/8/2025-CHEM TECH.-CPC dated 24.06.2025, received from the Department of Chemicals & Petrochemicals, which records the stakeholder consultation conducted by the concerned line Ministry/Department. The said O.M. summarises the key submissions, including the domestic industry's claim concerning injury from surged imports and the contention by the Pesticide Manufacturers and Formulators Association of India (PMFAI) regarding the cause of price difference and the potential adverse impact of duty imposition on the competitiveness of the downstream agro-chemical sector. The comments of the administrative ministry has been duly examined in the relevant headings of this final findings.
- xviii. In accordance with Rule 6(6), the Authority provided an opportunity to the interested parties to present their views orally in a hearing held on 16th July 2025. Subsequently, due to a change in Designated Authority, a second oral hearing was held on 4th December 2025. The parties presenting their views in the oral hearing were directed to make written submissions of the views expressed orally, followed by rejoinder submissions.
- xix. In accordance with Rule 6(8), wherever an interested party has refused access to or has otherwise not provided necessary information in a timely manner during the

- present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the findings based on the facts available.
- xx. In accordance with Rule 7, information provided by the interested parties on confidential basis was examined by the Authority with regard to the sufficiency of the confidentiality claimed. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted, and such information has been considered as confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient NCV of the information filed on confidential basis.
 - xxi. In accordance with Rule 8, the Authority conducted verification of the data provided by the domestic industry to the extent considered necessary for the present proceedings. The Authority has considered the verified data of the interested parties in its analysis in the present case.
 - xxii. The Authority calculated the non-injurious price (NIP) for the product under consideration so as to ascertain whether duties lower than the dumping margin would be sufficient to remedy the injury being suffered by the domestic industry. The NIP has been calculated based on the optimum cost of production and cost to produce and sell the domestic like article in India, based on the information furnished by the domestic industry and having regard to the Generally Accepted Accounting Principles (GAAP). The NIP has been determined in accordance with the principles laid down in Annexure III to the Anti-Dumping Rules.
 - xxiii. A disclosure statement containing the essential facts of the investigation which have formed the basis of the final findings was issued to the interested parties on 29th January, 2026 and the interested parties were allowed time up to 5th February, 2026 to file comment on the same. The comments to disclosure statement received from the interested parties have been considered, to the extent found relevant and non-repetitive, in these final findings.
 - xxiv. The Authority examined the issues raised, information provided, and submissions made by the domestic industry and the other interested party during the course of the investigation, to the extent they were supported by evidence and considered relevant to the present purposes, in making the final findings.
 - xxv. In this final findings, “***” represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
 - xxvi. The exchange rate adopted by the Authority for the subject investigation is US\$ 1 = ₹ 84.00.

B. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

4. At the stage of initiation, the product under consideration (PUC) was defined as under:

“3. The product under consideration (PUC) in the present investigation is ‘Monoisopropylamine’, also known as ‘MIPA’.

4. MIPA is an organic compound, an amine. It is a hygroscopic colourless liquid with ammonia-like odour. Its melting point is -95.2°C and its boiling point is 32.4°C . It is miscible with water. It is extremely flammable, with flash point at -37°C . MIPA is produced in anhydrous (99.5%) form. Diluted form is obtained by adding water to anhydrous form which concentration level reduced to desired level as per buyer’s requirement. It is commercially sold both in anhydrous form and aquatic form depending on the application or end use.

5. *The product is used in glyphosate herbicide formulations, a key component of atrazine (another herbicide), as a regulating agent for plastics, as intermediate in organic synthesis of coating materials, plastics, pesticides, rubber chemicals and pharmaceuticals and as an additive in the petroleum industry.*

6. *The PUC does not have a dedicated HS code. It is imported under Chapter 29, under the sub-heading 2921 11 90, 2921 19 90 and 2921 19 20 of Customs Tariff Act, 1975. The customs classification is indicative only and is not binding on the scope of the PUC.*”

B.1 Submission by the other interested party

5. The other interested party has not made any submission with regard to the PUC and like article.

B.2 Submission by the domestic industry

6. The domestic industry has made the following submissions with regard to the PUC:
 - i. The PUC is Monoisopropylamine, also known as MIPA.
 - ii. The PUC is sold in anhydrous form and aquatic form depending on the application or end use.
 - iii. The PUC is imported in two forms - bulk and packed and there is sufficient difference in the price of both to justify framing PCN methodology.
 - iv. The PUC does not have a dedicated HS code. It is imported under Chapter 29, under sub heading 2921 11 90, 2921 19 90 and 2921 19 20 of Customs Tariff Act, 1975.
 - v. There is no known difference in the like article produced by the domestic industry and the PUC exported from the subject country.

B.3 Examination by the Authority

7. The PUC in the present investigation is ‘Monoisopropylamine’, also known as ‘MIPA’.
8. The Authority notified the scope of the PUC and the product control numbers (PCNs) methodology in the notice of initiation. The interested parties were asked to provide their comments on the PUC/PCNs methodology, if any, within 15 days from the date of initiation of this investigation.
9. None of the interested parties filed any comments on the scope of the PUC and the PCNs methodology. Accordingly, the Authority confirmed the same scope of the PUC as given in the notice of initiation for the purpose of the present investigation, and notified the following as the PCNs methodology for the purpose of providing relevant information.

Table - 1

SN	PCN
1	MIPA Bulk
2	MIPA Packed

10. No further submissions have been received from any interested party either on the scope of the PUC or on the PCNs methodology.
11. In view of the foregoing, the Authority confirms the scope of the PUC as below.

“3. The product under consideration (PUC) in the present investigation is ‘Monoisopropylamine’, also known as ‘MIPA’.

4. MIPA is an organic compound, an amine. It is a hygroscopic colourless liquid with ammonia-like odour. Its melting point is -95.2°C and its boiling point is 32.4°C . It is miscible with water. It is extremely flammable, with flash point at -37°C . MIPA is produced in anhydrous (99.5%) form. Diluted form is obtained by adding water to anhydrous form which concentration level reduced to desired level as per buyer’s requirement. It is commercially sold both in anhydrous form and aquatic form depending on the application or end use.

5. The product is used in glyphosate herbicide formulations, a key component of atrazine (another herbicide), as a regulating agent for plastics, as intermediate in organic synthesis of coating materials, plastics, pesticides, rubber chemicals and pharmaceuticals and as an additive in the petroleum industry.

6. The PUC does not have a dedicated HS code. It is imported under Chapter 29, under the sub-heading 2921 11 90, 2921 19 90 and 2921 19 20 of Customs Tariff Act, 1975. The customs classification is indicative only and is not binding on the scope of the PUC.”

12. There is no known difference between the PUC exported from the subject country and the like article supplied by the domestic industry. The PUC produced by the domestic industry and imported from the subject country are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable and consumers can use them interchangeably. The Authority therefore holds that the product produced by the domestic industry is a like article to the imported product.

C. SCOPE OF THE DOMESTIC INDUSTRY & STANDING

C.1 Submission by the other interested party

13. The other interested party has not made any submission with regard to the scope of the domestic industry or its standing.

C.2 Submission by the domestic industry

14. The domestic industry has made the following submissions with regard to the scope of the domestic industry and its standing:
- i. The domestic industry is the sole producer and there are no other producers of the like article in India.
 - ii. The domestic industry has not imported the PUC in the POI from the subject country.
 - iii. The domestic industry is not related to any exporters in the subject country or importers of the PUC into India.

C.3 Examination by the Authority

15. Rule 2(b) of the Anti-Dumping Rules defines domestic industry as under:

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

16. The application has been filed by M/s Alkyl Amines Chemicals Limited. During the course of the investigation, the Authority made efforts to ascertain the existence of any other domestic producers, including by issuing letters to known producers of the like article in India. No information indicating production of the like article by any other producer during the POI was received. The applicant has, however, informed that M/s Balaji Amines Limited commenced production in the post-POI period. The Authority notes that production commencing after the POI does not affect the determination of standing under Rule 5, which is required to be examined with reference to the POI of the present investigation.
17. Thus, as per the information on record, the applicant was the only producer of the like article in India during the POI. It is also noted that the domestic industry is neither related to any exporter or producer of the PUC in the subject country nor to any importer of the PUC in India either directly or indirectly within the meaning of Rule 2(b) of the Rules.
18. Therefore, the Authority holds that the applicant constitutes the ‘domestic industry’ as defined under Rule 2(b) of the Rules, and the application satisfies the requirements of ‘standing’ under Rule 5(3) of the Rules.

D. MISCELLANEOUS SUBMISSIONS

D.1 Submission by the other interested party

19. The other interested party has made the following miscellaneous submissions:
 - i. The application filed by the applicant and the initiation notification violated Trade Notice No. 2/2004 dated 12th May 2004 since an application for anti-dumping duty is required to invariably contain information for the POI and previous three financial years.
 - ii. The applicant manipulated injury period and provided information for 2020-21, 2021-22, April 2022-June 2023 (15 months) and the POI and the Authority has violated the Trade Notice by taking 15 months period as immediately preceding year for the purpose of the investigation in the initiation notification without providing any justification for the same. Till the time the Authority renders its reasoned decision on the preliminary objections raised, in light of the legal position taken by the Authority before the Hon’ble Gujarat High Court in the matter M/s Meghmani Organics Limited vs. Union of India, the respondent reserve right to comment on the written submissions filed.

D.2 Submission by the domestic industry

20. The domestic industry has made the following miscellaneous submissions:
 - i. On the submission that the injury period is not proper, the interested party had provided assurance to the Authority during the oral hearing that it would provide relevant

instances wherein similar POIs have been objected to by the Authority. However, such assurances remain empty with no instances cited by other interested party.

- ii. Considering the fact that the application was filed in October 2024, so as to ensure that the injury analysis is not distorted and to remain compliant with Trade Notices No. 02/2004 & 2/2021, the present injury period had to comprise of April 2020 to March 2021, April 2021 to March 2022, April 2022 to June 2023 and July 2023 to June 2024. This ensures that the injury period preceding the POI covers the financial year April 2022 to March 2023 while also leaving no gaps over the entire injury period.
- iii. The injury period considered by the applicant is in line with the practice of the Authority. Similar approach has been followed by the Authority in *anti-dumping investigations on saturated fatty alcohols, anti-dumping investigation on color coated/pre-painted flat products of alloy or non-alloy steel, anti-dumping investigation on acrylonitrile butadiene rubber and countervailing duty investigation on castings for wind operated electricity generators.*
- iv. The respondent has not provided any evidence to show that the selection of the injury period has distorted the Authority's examination.

D.3 Examination by the Authority

21. The submission made by the other interested party with regard to selection of the injury period has been analysed. In this regard, reliance is placed on Trade Notice No. 2/2004 dated 12th May 2004 and Trade Notice No. 02/2021 dated 6th April 2021, relevant part of which are extracted below:

“2. Trade & Industry is advised that the following requirements should also be kept in view while making the application for anti-dumping investigation: ...”

“(iii) Application should invariably contain information and data relating to the proposed period of investigation (POI) and previous three financial years. There should be no gap but there can be overlap between the POI and the previous financial years. The data for previous three years would be utilized for trend analysis for determination of injury.”

22. The Authority notes that the primary contention of the interested party is that the preceding year in the present case is a 15-month period and non-financial year. The Authority notes that in the present case, the application was filed with period of investigation as July 2023 to June 2024 and the periods 2020-21, 2021-22, April 2022 to June 2023 and July 2023 to June 2024 as the injury period. Considering the injury period as 2020-21, 2021-22, April 2022 to June 2023 and July 2023 to June 2024, ensured that the period preceding the period of investigation covers the financial years and there was no gap between the periods. Had the applicant considered 2020-21, 2021-22, 2022-23, April 2023 to June 2023 as the preceding year it would have resulted in the immediately preceding year to the period of investigation to be of only 3 months and the same would have distorted the entire analysis. At the same time if the period of April 2023 to June 2023 had been excluded, it would have resulted in gap over the injury period. The interested party during the investigation claimed that it would provide past practice establishing that the period of investigation in the present investigation is inconsistent. The Authority notes that no such information has been provided by the interested party. On the contrary, the domestic industry has provided various past investigations wherein the immediately preceding year was a non-financial year. It is also noted that consideration of a fifteen-month period as the immediately preceding period did not cause any prejudice or adverse impact on the outcome of the investigation or on bona

fide interests of any set of interested parties. It is therefore considered that selecting the present injury period is in line with the consistent laid practice of the Authority.

23. Regarding the reliance of interested parties on the decision of the Hon'ble Gujarat High Court in *M/s Meghmani Organics Limited vs. Union of India*, the Authority notes that the matter concerned the anti-dumping investigation into imports of Diethyl Thio Phosphoryl Chloride, where the importer challenged the initiation notification. In that instance, the Authority informed the High Court that the primary objections raised by interested parties would be addressed after providing them an opportunity to be heard. Following a hearing and the submission of comments, those objections were duly considered. In the present case, the Authority has held two oral hearings, ensuring that interested parties have been provided sufficient opportunity to file their submissions.

E. NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN

E.1 Submission by the other interested party

24. The other interested party has not made any submission with regard to normal value, export price and dumping margin.

E.2 Submission by the domestic industry

25. The domestic industry has made the following submissions with regard to normal value, export price and dumping margin:
- i. China PR should be treated as a non-market economy (NME) in accordance with Article 15(a)(i) of China's Accession Protocol and the normal value should be determined in terms of Annexure I, Rule 7 of the Rules.
 - ii. On 11th December 2016, only the provisions of Article 15(a)(ii) of China's Accession Protocol expired but that of Article 15(a)(i) continue to remain in force, which requires the producers/exporters from China PR to establish that they are operating under the market economy conditions.
 - iii. No producer/exporter from China PR have participated in the present investigation and therefore the claims of normal value, export price and dumping margin made by the domestic industry remain undisputed.
 - iv. For the determination of normal value, data relating to cost and price in a market economy third country is not available.
 - v. The PUC is produced in India, China PR, European Union and United States of America. While the product has a dedicated code in China PR, it does not have a dedicated code in EU or USA.
 - vi. Normal value should be based on price actually paid or payable in India, duly adjusted with selling, general & administrative expenses along with a reasonable profit margin.
 - vii. For determining price payable in India, the raw material price of isopropyl alcohol should be based on international prices considering the Authority recently found the price in India to be at dumped price.
 - viii. The applicant had not considered expenses such as credit costs, inventory carrying cost and secondary packaging as an adjustment. The applicant requests the Authority to consider these expenses as well in the calculation of the export price.
 - ix. The absence of participation from producers/exporters from China PR shows that the export price might be lower than that claimed by the domestic industry.

E.3 Examination by the Authority

E.3.1 Normal value

26. The Authority notes the following relevant provisions under Para 7 and Para 8 of Annexure I to the Anti-Dumping Rules with regard to the determination of normal value for China PR.

“7. 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. Accounts shall 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 of the aforesaid selection of the market economy third country and shall be given a reasonable period of time to offer their comments.”

“8. (1) The term “non-market economy country” means any country which the designated authority determines as not operating on market principles of cost or pricing structures, so that sales of merchandise in such country do not reflect the fair value of the merchandise, in accordance with the criteria specified in subparagraph (3).

(2) There shall be a presumption that any country that has been determined to be, or has been treated as, a non-market economy country for purposes of an antidumping investigation by the designated authority or by the competent authority of any WTO member country during the three-year period preceding the investigation is a non-market economy country. Provided, however, that the non-market economy country or the concerned firms from such country may rebut such a presumption by providing information and evidence to the designated authority that establishes that such country is not a non-market economy country on the basis of the criteria specified in subparagraph (3).

(3) The designated authority shall consider in each case the following criteria as to whether: (a) the decisions of the concerned firms in such country regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment, are made in response to market signals reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs substantially reflect market values; (b) the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets, other write-offs, barter trade and payment via compensation of debts; (c) such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms, and (d) the exchange rate conversions are carried out at the market rate. Provided, however, that where it is shown by sufficient evidence in writing on the basis of the criteria specified in this paragraph that market conditions prevail for one or more such firms subject to anti-dumping investigations, the designated authority

may apply the principles set out in paragraphs 1 to 6 instead of the principles set out in paragraph 7 and in this paragraph.

(4) Notwithstanding, anything contained in sub-paragraph (2), the designated authority may treat such country as market economy country which, on the basis of the latest detailed evaluation of relevant criteria, which includes the criteria specified in sub paragraph (3), has been, by publication of such evaluation in a public document, treated or determined to be treated as a market economy country for the purposes of anti-dumping investigations, by a country which is a Member of the World Trade Organization.”

27. At the stage of initiation, the Authority proceeded with the presumption of treating China PR as an NME country. Upon initiation, the Authority advised the producers/ exporters in China PR to respond to the notice of initiation and provide information on whether their data/information could be adopted for normal value determination. The Authority sent copies of the market economy treatment/ supplementary questionnaire to all the known producers/exporters in China PR to provide relevant information in this regard.

28. Article 15 of China's Accession Protocol in WTO provides as follows:

“(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.”

29. It is noted that while the provision contained in Article 15 (a)(ii) of the Accession Protocol to the WTO Anti-Dumping Agreement have expired on 11th December 2016, the provision under Article 2.2.1.1 of WTO anti-dumping agreement read with obligation under 15(a)(i) of the Accession Protocol require the criterion stipulated in para 8 of the Annexure I of the Rules to be satisfied through information/data to be provided in the supplementary questionnaire on claiming the market economy status.
30. It is noted that while the provision contained in Article 15 (a)(ii) have expired on 11th December 2016, the provision under Article 2.2.1.1 of WTO read with obligation under 15(a)(i) of the Accession Protocol require the criterion stipulated in para 8 of the Annexure I of the Rules to be satisfied through information/data to be provided in the supplementary questionnaire on claiming the market economy status.
31. The Authority notes that none of the producers/exporters from China PR have participated in this investigation to rebut this presumption as mentioned in para 8 of Annexure-I of the Rules. Under these circumstances, the Authority has to proceed in accordance with para 7 of Annexure-I of the Rules.
32. It is noted that paragraph 7 of Annexure-I to the AD Rules stipulates three methods of constructing the normal value for NMEs: (a) on the basis of price or constructed value in a market economy third country; (b) export price from a third country to other countries, including India; and (c) 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. The Authority notes that under the provisions of paragraph 7 of Annexure-I to the AD Rules, the normal value must be determined on the basis of the price or constructed value in a surrogate country, the price of the exports from such country to other countries, including India, or on any other reasonable basis.
33. At the stage of filing the application, the domestic industry had submitted that the normal value for China PR should be constructed based on the price actually paid or payable in India for the like product, duly adjusted, if necessary, to include a reasonable profit margin.
34. No information/evidence has been provided by the interested parties for the consideration of the normal value on the basis of the first and second methods. Therefore, the Authority has decided to construct normal value (CNV) based on the third method, i.e., on any other reasonable basis. Under this, the normal value can be determined based on price actually paid or payable in India. For this purpose, the Authority has considered the optimised cost of production of the domestic industry, with a reasonable addition of selling, general & administrative expenses and profits.
35. The Authority notes in *anti-dumping investigation concerning imports of "Isopropyl Alcohol" originating in or exported from China PR* that the raw material required to produce the PUC is ammonia and isopropyl alcohol. The Authority *vide* Final Finding No. 6/09/2023-DGTR dated 14th August 2024, had concluded that Iso-Propyl Alcohol was being exported

to India from China PR at dumped prices and the Indian industry's prices were adversely affected by it. The Authority therefore holds that if these raw material prices in India are considered for the purpose of calculation of cost of production, it would imply determination of normal value based on prices that itself is dumped. It is also seen that none of the interested parties have disputed the claim of the domestic industry. As per the data submitted by the domestic industry, IPA is procured domestically, and the Authority has considered the same for the purpose of determination of the cost of production in India.

36. The normal value for China PR has been determined on the basis of price payable in India calculated as per cost of production in India, duly adjusted for selling, general & administrative expenses and reasonable profits. Separate normal value has been determined for bulk and packed goods. The normal value so determined is provided in the dumping margin table below.

E.3.2 Export price

37. In the absence of cooperation from any producers/exporters from China PR, the Authority has determined the net export price on the basis of DGCI&S data. Since this data is on CIF terms, adequate adjustments have been made to arrive at ex-factory level. The export price for bulk and packed goods has been determined separately. The weighted average ex-factory export price, as determined, is shown in the dumping margin table below.

E.3.3 Dumping margin

38. Considering the normal value and the export price for the PUC, the dumping margin for the PUC from the subject country has been determined as follows:

**Table - 2
Dumping Margin**

Particulars	Normal Value (CNV) US\$/MT	Export Price US\$/MT	Dumping margin		
			US\$/MT	%	Range
Any Producer	***	***	***	***	35-45

F. ASSESSMENT OF INJURY AND CAUSAL LINK

F.1 Submission by the other interested party

39. The other interested party has not made any submission with regard to assessment of injury and causal link.

F.2 Submission by the domestic industry

40. The domestic industry has made the following submissions with regard to assessment of injury and causal link:
- i. 2020-21 should be excluded from injury analysis as the domestic industry suffered in this period due to factors other than dumping. The COVID-19 pandemic outbreak had

- caused a shortage of isopropyl alcohol, used as a raw material for the subject good which impacted the production.
- ii. Imports in 2020-21 were high because the plant of the domestic industry was shut down and because of uncertainties in the market
 - iii. Demand in India declined in 2021-22 due to (a) decline in demand for MIPA-70% & (b) excess imports in 2020-21. MIPA-70% is used in the manufacturing of glyphosate (*herbicide*) which is used to remove weeds.
 - iv. The demand for glyphosate is seasonal in nature and there was excess rainfall and floods in 2021-22 in several parts of India, which led to the decline in demand for glyphosate and consequently impacted the demand for MIPA as well.
 - v. Adverse impact of dumping of the PUC started in the POI when anti-dumping duty that was already in place expired with the domestic industry suffering in both profit and price parameters.
 - vi. From 2021-22 to the POI, imports in absolute terms and imports in relation to Indian production and consumption have increased significantly.
 - vii. Imports from the subject country have continued to enter the domestic market below the domestic industry's cost of sales over the entire injury period with this gap intensifying in the POI post the expiry of anti-dumping duty.
 - viii. The landed price of imports was below the selling price of the domestic industry in the POI, and the price undercutting is significantly positive.
 - ix. The decline in landed price in the POI had forced the domestic industry to reduce its selling price, thereby depressing the prices.
 - x. Despite the capacity of the domestic industry not being dedicated to produce the like article, the domestic industry still had sufficient capacity to cater the entire Indian demand.
 - xi. Production and capacity utilisation has declined steeply in the POI.
 - xii. The production and sales of the domestic industry in the POI were below the level of 2020-21 when the domestic industry faced issues because of COVID-19 pandemic-imposed lockdown and challenges in procurement of raw material.
 - xiii. The domestic industry had not undertaken any production of the like article in two months in the POI.
 - xiv. While the monthly import volume was hardly 100 MT in 2021-22 and from April, 2022 to June, 2023, it had shot up to almost 500 MT towards the end of POI and the applicants' domestic sales have come down from [***] MT to a range of [***] MT per month.
 - xv. The impact of the dumped imports had been so adverse that consumers who had entered into contract had ultimately fulfilled their requirements through the low-priced imports.
 - xvi. As the domestic industry resumed complete production in 2021-22, its market share increased in 2021-22. The market share declined marginally in 2022-23 and thereafter declined by ***% in the POI in comparison to the immediately preceding year.
 - xvii. In the POI, despite increase in demand, the inventory had increased and had remained at an all-time high in comparison to the injury period.
 - xviii. The profitability of the domestic industry was negative in 2020-21 & low in 2021-22 because of unavailability of raw material. Profitability increased thereafter in the year 2022-23.
 - xix. Once the anti-dumping duty expired in the POI, domestic industry's profit per unit in between the two years (*POI and immediately preceding year*) has declined by almost ₹ [***] per MT which is three times the profit in the POI and the profit on gross domestic sales declined by 90%.
 - xx. Productivity per day, productivity per employee and salaries and wages of the domestic industry had declined in the POI.

- xxi. There is no incentive for any producer to enter into this product. The current return on capital employed (ROCE) in the product will not even feed interest obligations and therefore, the ability to raise capital investment is impacted.
- xxii. There are no other causes which could cause injury to the domestic industry apart from the subject imports.
- xxiii. Other than the subject country, while there were imports from the United States above the *de-minimis* limit, the price of such imports is much above the price at which imports from the subject country are being imported into the domestic market. These imports are not continuous in volume and do not enter the domestic market in every month.
- xxiv. The dumping margin determined in the subject imports is above *de-minimis* limit and significant.

F.3 Examination by the Authority

- 41. Rule 11 of Anti-Dumping 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 the 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 utilisation, sales volume, inventory, profitability, net sales realisation, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Anti-Dumping Rules.
- 42. The other interested party have not made any submissions on the injury claimed by the domestic industry.
- 43. Anti-dumping duties were levied on the imports of PUC from the subject country *vide* Ministry of Finance Notification No. 14/2018-Cus (ADD), dated 21-03-2018. A sunset review was initiated on dated 15th September 2022 and the Final Finding was notified *vide* No. 7/12/2022-DGTR dated 20th December 2022. Wherein the Authority noted that there is likelihood of continuation/ recurrence of dumping and injury to the domestic industry in the event of cessation of duties. However, the MOF did not continue anti-dumping duties after the positive recommendations from DGTR.
- 44. Anti-dumping duties were applicable on imports of the PUC from China PR till 20th March 2023. The injury analysis below has been undertaken considering the applicability of anti-dumping duty till this period.
- 45. The domestic industry had contended that the period 2020-21 should be excluded from injury analysis because of disruptions caused by COVID-19 pandemic outbreak. The Authority notes that in the period 2020-21, isopropyl alcohol, a primary raw material for the PUC was diverted for production of sanitisers. It is seen that the domestic industry was forced to suspend production in this period for some time due to high price and unavailability of raw material. The Authority also notes that in the previously conducted sunset review investigation on the PUC, this disruption in the period 2020-21 was also examined and DGTR held as follows:

43. As regards the performance in 2020-21, it has been clarified by the applicant that this period witnessed a shortage of raw materials as well as a significant increase in the prices of the raw materials. However, there was also significant rise in the volume of subject imports from the subject country as well as the non-subject countries. The applicant was also forced to suspend its production during this period due to shortage of raw materials and has resultantly suffered losses.

46. The Authority notes that inclusion of the period 2020-21 in the injury analysis would not be appropriate.

F.3.1 Assessment of demand/apparent consumption

47. For the purpose of the present investigation, demand or apparent consumption of the product in India has been defined as the sum of domestic sales of the domestic industry and imports from all sources. The demand so assessed is given in the table below.

Table - 3

S N	Particulars	UoM	2020-21	2021-22	Apr 22 to Jun 23 (A)	POI
1	Sales of domestic industry	MT	***	***	***	***
2	Trend	Indexed	100	129	175	59
3	Imports from subject country	MT	1,956	592	1,195	4,268
4	Trend	Indexed	100	30	61	218
5	Imports from other countries	MT	1,432	195	274	179
6	Trend	Indexed	100	14	19	13
7	Demand/ consumption	MT	***	***	***	***
8	Trend	Indexed	100	79	94	94

48. Based on the above information, it is noted that the demand/consumption of the product declined in 2021-22 as compared to 2020-21. Thereafter, demand registered an increase in the subsequent periods.
49. The domestic industry has submitted that the decline in demand in 2021-22 was on account of reduced requirement of MIPA-70%, which is used in the production of glyphosate. Glyphosate is a seasonal product used for weed removal, and due to excess rainfall and floods in several parts of the country during 2021-22, the demand for glyphosate reduced, which in turn impacted the demand for MIPA. The domestic industry has further contended that excess imports in 2020-21 also affected the demand pattern in the subsequent period.

F.3.2 Volume effect of the dumped imports

50. With regard to the volume of imports, the Authority is required to consider whether there has been a significant increase in the dumped imports from the subject country, either in absolute terms or relative to production or consumption in India. The same is analysed in the table below.

Table - 4

S N	Particulars	UoM	2020-21	2021-22	Apr 22 to Jun 23 (A)	POI
1	Imports from subject country	MT	1,956	592	1,195	4,268
2	Trend	Indexed	100	30	61	218
3	Imports from other countries	MT	1,432	195	274	179
4	Trend	Indexed	100	14	19	13
Imports from subject country in relation to						
5	Indian production	%	***	***	***	***
6	Trend	Indexed	100	24	46	370
7	Indian demand	%	***	***	***	***
8	Trend	Indexed	100	39	65	233
9	Total imports	%	58	75	81	96
10	Trend	Indexed	100	130	141	166

51. It is observed that imports from the subject country declined sharply in 2021-22 as compared to 2020-21 and thereafter increased in the period April 2022 to June 2023. With the expiry of the anti-dumping duty in March 2023, the volume of imports from the subject country increased sharply during the POI.
52. Imports from the subject country in relation to Indian production increased by 22 index points in April 2022 to June 2023 as compared to 2021-22. The imports in relation to Indian production further increased by 324 index points in the period of investigation.
53. Imports from the subject country in relation to Indian demand increased by 165 index points in the period of investigation. While demand during the period of investigation remained almost at the same level as in 2021-22, imports from the subject country rose disproportionately, showing a steep increase in their share. Further, the share of imports from the subject country in total imports also increased consistently from 2021-22 to the period of investigation.

F.3.3 Price effect of the dumped imports

54. With regards to the effect of the dumped imports on prices of the domestic industry, it is required to be analysed whether there has been a significant price undercutting by the alleged dumped imports as compared to the price of the like products 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 suppression and price depression, if any. For the purpose of this analysis, the cost of production, net sales realisation (NSR) and the non-injurious price (NIP) of the domestic industry have been compared with the landed price of imports of the subject goods from the subject country.

a. Price undercutting

55. For the purpose of price undercutting analysis, the selling price of the domestic industry has been compared with the landed price of imports from the subject country. Accordingly, the effects of the dumped imports from the subject country are as follows:

Table - 5

SN	Particulars	UoM	Bulk	Packed	POI
1	Import volume	MT	751	3,517	4,268
2	Net sales realisation	₹/MT	***	***	***
3	Landed price	₹/MT	1,44,277	1,59,916	1,57,164
4	Price undercutting	₹/MT	***	***	***
5	Price undercutting	%	***	***	***
6	Price undercutting	Range %	15-25	25-35	25-35

56. The Authority has first compared the selling price of the domestic industry for both the PCNs and then weighted average comparison has been done. The weighted average selling price has been calculated considering selling price of each of the PCN and the associated weight of imports for each PCN.
57. The Authority notes that the subject imports are undercutting the prices of the domestic industry and the price undercutting is positive and significant. The domestic industry has contended that price undercutting was positive in previous years as well, but the injurious effect of dumped imports was remedied through the anti-dumping duty in force.

b. Price suppression/depression

58. 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 normal course, the changes in the costs and prices over the injury period are compared as below:

Table - 6

S N	Particulars	UoM	2020-21	2021-22	Apr 22 to Jun 23 (A)	POI
1	Selling price	₹/MT	***	***	***	***
2	Trend	Indexed	100	100	114	107
3	Change	₹/MT	***	***	***	***
4	Cost of sales	₹/MT	***	***	***	***
5	Trend	Indexed	100	96	101	102
6	Change	₹/MT	***	***	***	***
7	Landed price	₹/MT	1,33,960	1,65,882	1,68,758	1,57,164
8	Trend	Indexed	100	124	126	117
9	Change	₹/MT	-	31,922	2,877	-11,594
10	Landed price including ADD	₹/MT	1,80,597	2,12,612	2,19,964	1,57,164

59. The Authority has compared the selling price and cost of the domestic industry on average basis (for PUC as a whole and not for individual PCN). For calculating weighted average selling price and cost of sales, the associated weight of domestic industry's sales for each PCN has been considered.
60. Based on the above, the Authority notes that:

- a. The domestic industry was incurring losses in 2020-21. In 2021-22, while the cost of sales declined by ₹*** per MT as compared to 2020-21, the selling price declined only marginally by ₹*** per MT. Consequently, the domestic industry recovered from losses and earned profits in this period.
 - b. In the period April 2022 to June 2023, while the cost of sales increased by ₹*** per MT as compared to 2021-22, the selling price increased more significantly by ₹*** per MT.
 - c. In the POI, when the anti-dumping duty on the PUC had expired, the cost of sales increased by ₹*** per MT, whereas the selling price declined by ₹*** per MT.
 - d. The landed price of imports from the subject country were priced below the cost of sales of the domestic industry over the entire injury period. However, anti-dumping duty was in force till March 2023 which had remedied the injurious effect of dumped imports.
 - e. In the POI, the landed price of imports declined by ₹ *** per MT, even though there was no decline in the cost of sales.
61. It is thus seen that the subject imports have depressed and suppressed the prices of the domestic industry in the POI.

F.3.4 Economic parameters of the domestic industry

62. Annexure II to the 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 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 utilisation 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. The various injury parameters relating to the domestic industry are discussed below.

a. Production, capacity, capacity utilisation and sales volumes

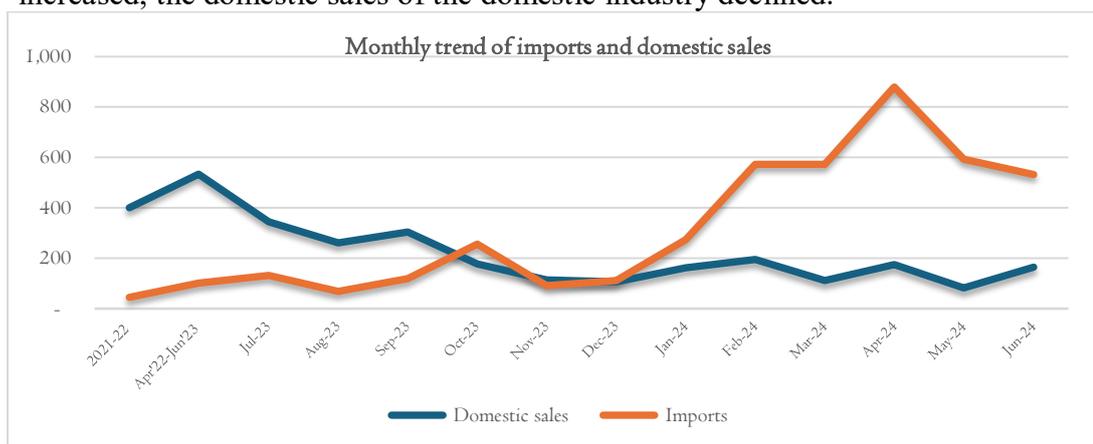
63. The capacity, production, sales and capacity utilisation of the domestic industry over the injury period is given in the following table:

Table - 7

S N	Particulars	UoM	2020-21	2021-22	Apr 22 to Jun 23 (A)	POI
1	Capacity	MT	***	***	***	***
2	Trend	Indexed	100	100	100	100
3	Total production (PUC and NPUC)	MT	***	***	***	***
4	Trend	Indexed	100	126	124	81
5	Capacity utilisation (Plant)	%	***	***	***	***
6	Trend	Indexed	100	126	124	81
7	Production ~ PUC	MT	***	***	***	***
8	Trend	Indexed	100	125	133	59
9	Domestic sales	MT	***	***	***	***
10	Trend	Indexed	100	129	140	59

64. Based on the above, the Authority notes that:

- a. The capacity of the domestic industry has remained the same throughout the injury period.
- b. The domestic industry has submitted that besides the PUC, di-isopropyl amine, 2 ethyl hexylamine and 2 ethoxy ethylamine are also produced at the same location. The domestic industry has submitted that the demand for these products is cumulatively *** to *** MT per annum.
- c. While the capacity of the domestic industry is not dedicated to producing the PUC alone, it has been contended that the capacity is, however, sufficient to cater to the demand for the PUC.
- d. The production of the PUC by the domestic industry increased until the period April 2022 to June 2023 and thereafter declined significantly in the POI. The PUC production of the domestic industry in the POI declined by about 53% as compared to 2021-22 and by about 56% as compared to the immediately preceding period. Consequently, the capacity utilisation with respect to the PUC also registered a decline in the POI.
- e. The domestic sales of the domestic industry increased till the period April 2022 to June 2023 and declined thereafter in the POI. The domestic sales in the POI have declined by 54% in comparison to 2021-22 and by 57% in comparison to immediately preceding year.
- f. The demand for the PUC has seen an increase over this period. While the demand increased, the domestic sales of the domestic industry declined.



b. Market share

65. The market share of the domestic industry and imports of the product into India is shown in the table below:

Table - 8

S N	Particulars	UoM	2020-21	2021-22	Apr 22 to Jun 23 (A)	POI
1	Domestic industry	%	***	***	***	***
2	Trend	Indexed	100	164	186	63
3	Subject country	%	***	***	***	***
4	Trend	Indexed	100	39	65	233
5	Other country	%	***	***	***	***
6	Trend	Indexed	100	17	20	13

66. Based on the above, the Authority notes that:

- a. The market share of the domestic industry was low in 2020-21 as the plant of the domestic industry was shut due to unavailability of raw material. The market share of subject country and other countries was high during the period.
- b. The market share of the domestic industry increased in 2021-22, declined from April 2022 to June 2023 and steeply declined in the POI.
- c. The market share of the dumped imports from the subject country declined in 2021-22, increased in April 2022 to June 2023 and then increased sharply in the POI.
- d. The market share of the other countries has declined after 2021-22.
- e. The domestic industry has submitted that consumers who had entered into contract had ultimately fulfilled their requirements through imports from the subject country, even after placing firm purchase orders on the domestic industry.

c. Inventories

67. Information with regard to inventory is given below.

Table - 9

S N	Particulars	UoM	2020-21	2021-22	Apr 22 to Jun 23 (A)	POI
1	Opening inventory	MT	***	***	***	***
2	Trend	Indexed	100	179	205	188
3	Closing inventory	MT	***	***	***	***
4	Trend	Indexed	100	115	104	126
5	Average inventory	%	***	***	***	***
6	Trend	Indexed	100	138	141	148

68. It is noted that the average inventory with domestic industry has consistently increased over the injury period.

d. Profitability, cash profits and return on capital employed

69. Profitability, return on capital employed (ROCE) and cash profits of the domestic industry over the injury period are given in the table below:

Table – 10

SN	Particulars	UoM	2020-21	2021-22	Apr 22 to Jun 23 (A)	POI
1	Profit/(Loss)	₹ Lakh	***	***	***	***
2	Trend	Index	-100	230	777	170
3	PBIT	₹ Lakh	***	***	***	***
4	Trend	Index	-100	244	805	178
5	Cash profit	₹ Lakh	***	***	***	***
6	Trend	Index	-100	7,627	24,055	4,720
7	ROCE	%	***	***	***	***
8	Trend	Index	-100	245	694	217

70. Based on the above, the Authority notes that:

- a. The domestic industry was in losses in the base year. It has been contended that their loss was due to unavailability of raw materials.

- b. The performance of the domestic industry improved in the year 2022-23, and the domestic industry posted profits. However, as recorded by the Authority in the previous investigation, the level of profits earned by the domestic industry were low.
- c. The domestic industry's profitability increased in the period April 2022 to June 2023. The profitability however declined sharply again in the POI.
- d. The cash profit and profit before interest & taxes (PBIT) increased till the period April 2022 to June 2023 but declined in the POI.
- e. The return on capital employed (ROCE) has followed the trends of profit before interest & taxes (PBIT). The ROCE earned by the domestic industry was quite low in the POI.

e. Employment, productivity and wages

71. Employment, productivity and wages of domestic industry over the injury period is given in the table below.

Table - 11

S N	Particulars	UoM	2020-21	2021-22	Apr 22 to Jun 23 (A)	POI
1	Number of employees	Nos.	***	***	***	***
2	Trend	Indexed	100	98	91	79
3	Productivity per employee	MT/Nos.	***	***	***	***
4	Trend	Indexed	100	128	147	74
5	Productivity per day	MT/Days	***	***	***	***
6	Trend	Nos.	100	125	133	58
7	Wages	₹ Lakh	***	***	***	***
8	Trend	Indexed	100	91	80	38

72. Based on the above, the Authority notes that:

- a. Number of employees and wages paid by the domestic industry has consistently declined over the injury period.
- b. Productivity per employee and productivity per day increased from April 2022 to June 2023 but declined in the POI.

f. Growth

73. The following table shows the growth parameters of the domestic industry over the injury period.

Table - 12

SN	Particulars	UoM	2021-22	Apr 22 to Jun 23 (A)	POI
1	Capacity	%	0	0	0
2	Production ~ PUC	%	25	7	-56
3	Domestic sales	%	29	8	-57
4	Profit/(Loss)	%	-230	421	-90
5	PBIT	%	-244	390	-89
6	Cash profit	%	-7,627	218	-81
7	ROCE	%	-245	309	-80

74. It is seen that all the parameters showed a positive growth till April 2022 to June 2023, but have shown a significant negative growth in both volume and price parameters in the POI. Production and domestic sales of the domestic industry have declined in the POI. Price parameters, including profit, cash profit, PBIT and ROCE of the domestic industry have also recorded a significant decline in the POI.

g. Ability to raise capital investment

75. The Authority notes that the profitability of the domestic industry has steeply declined in the period of investigation. The Authority notes the contention of the domestic industry that current ROCE in the product will not feed interest obligations and therefore, the ability to raise capital investment is impacted. The Authority also notes that the current capacities of the domestic industry is broadly sufficient to cater to the present and potential demand for the product in the country, even after excluding capacities required for production of other products.

h. Factors affecting prices

76. The Authority notes that the landed price of subject imports is below the selling price and cost of sales of the domestic industry over the injury period. While anti-dumping duty in place on the PUC till 2022-23 allowed the domestic industry to maintain sufficient market share and desired prices despite low priced subject imports, once the duty expired in the POI, the domestic industry has been suffering in all price parameters examined above. Thus, the subject imports have adversely impacted the domestic prices in India.

i. Magnitude of dumping

77. The magnitude of dumping is an indicator of the extent to which the imports are being dumped into India. The investigation has shown that the dumping margin is positive and significant during the POI.

G. NON-ATTRIBUTION AND CAUSAL LINK

78. As per the Rules, it is, *inter alia*, required to be examined 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. It has been examined below whether factors other than dumped imports could have contributed to injury to the domestic industry.

a. Volume and price of imports from third countries

79. The Authority notes that there are imports above the de-minimis limit from United States of America (USA). It is seen on an average basis that the import price from USA is below the import price from China PR. The Authority has examined the DGCI&S transaction wise import data and found that while imports from USA are only in bulk form, imports from China PR are in both bulk and packed form. The Authority has considered bulk and packed as separate PCN. A comparison between bulk form from China PR and from USA shows the import price from USA is far higher.
80. It is also seen that imports from USA are not consistent in volume and have shown a steep decline over the injury period. Therefore, these imports cannot be a cause of injury to the domestic industry.

b. Contraction of demand and/or changes in the pattern of consumption

81. The demand in India declined in 2021-22. The demand however increased thereafter and till the POI. The imports from the subject country have increased sharply over this period. Therefore, the decline in demand cannot be a cause of injury.

c. Trade restrictive practices

82. The sales of the PUC are not restricted in any manner and no restrictive practices have been brought to the notice of the Authority.

d. Developments in technology

83. The Authority notes that there has been no known material change in the technology for the production of the PUC.

e. Productivity

84. The productivity per day, productivity per employee and salaries & wages of the domestic industry have declined in the POI in comparison to the immediately preceding year and the year 2020-21 specifically because of dumped imports from the subject country.

f. Export performance

85. The Authority notes that the domestic industry has exported a significantly small share of its production in the POI. However, the injury information examined hereinabove relates only to the performance of the domestic industry in terms of the domestic market. Thus, the injury suffered cannot be attributed to the export performance of the domestic industry

g. Performance of other products

86. The Authority has 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. Causal link between dumping and injury

87. While other known factors listed under the Rules have not caused injury to the domestic industry, the Authority notes that:

- a. The imports from the subject country are at dumped prices, and the dumping margin is significant.
- b. While the cost of sales has increased, the landed price of subject goods from subject country has declined.
- c. The dumped imports are below the selling price and cost of the domestic industry and have significantly undercut the prices of the domestic industry.
- d. The low-priced imports have increased sharply and have captured the market share of the domestic industry. The market share of the domestic industry has declined. Decline in market share of the domestic industry is considered as a result of increase in the volume of dumped imports in the country.

- e. As the market share declined, the domestic industry lost significant sales volume. The domestic industry lost sales volume despite increases in the demand for the product in the country.
- f. Reduction in domestic sales suffered by the domestic industry due to dumped imports led to decline in production and capacity utilisation of the domestic industry.
- g. As the volume of imports increased significantly, the stocks with the domestic industry increased.
- h. It is noted that volume of imports from subject country increased significantly from 2021-22 to the POI, and it has adversely impacted the operating performance of the domestic industry during that period.

H. MAGNITUDE OF INJURY MARGIN

88. 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 NIP of the PUC has been determined by adopting the verified information/data relating to the cost of production for the POI. The NIP has been considered for comparing the landed price from the subject country for calculating the injury margin. In the absence of cooperation from any producers/exporters from China PR, the landed price has been determined based on the facts available.
89. For determining the NIP, 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 utilisation of production capacity over the injury period has been considered. It is ensured that no extraordinary or non-recurring expenses are 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 PUC was allowed as pre-tax profit to arrive at the NIP as prescribed in Annexure III of the Rules and being followed.
90. Based on the landed price and NIP determined as above, the injury margin for POI has been determined by the Authority and the same is provided in the table below:

Table - 13
Injury Margin

Particulars	NIP US\$/MT	Landed Value US\$/MT	Injury Margin		
			US\$/MT	%	Range
Any Producer	***	***	***	***	10-20

I. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES

I.1 Submission by the other interested party

91. The other interested party has not made any submission with regard to Indian industry interest.

I.2 Submission by the domestic industry

92. The domestic industry has made the following submissions:
 - a. The PUC is majorly used in the manufacturing of glyphosate and atenolol. The impact of duty on the products is 1.09% and 0.08% respectively.

- b. The installed capacity of the domestic industry is more than enough to meet the overall demand in India. The Indian industry is totally Atmanirbhar in this product and the users have no need to import.
- c. The Authority *vide* final findings dated 20th December 2022 in the matter of sunset review investigation of anti-dumping duty on the imports of Monoisopropylamine originating in or exported from China PR had examined the impact of anti-dumping duty on the end consumer which was found to be around 1.5% to 2% for Atrazine, 0.09% for Glyphosate and 0.08% for Atenolol.
- d. The price of the product was higher in the past. Even after adding the anti-dumping duty to the import price during the POI, the past price remains higher. Since such high landed prices from the subject country had no impact earlier, the imposition of anti-dumping duty now should also not have any adverse impact.
- e. The PUC is used in the making of Atrazine, which is already protected by anti-subsidy duty on it.
- f. Entire domestic requirement is indigenously procured. If the domestic industry is to produce to the capacity of demand in India, it is likely to increase the demand for domestically produced isopropyl alcohol by atleast *** MT which will constitute 3% of IPA production in India. Therefore, imposition of anti-dumping duty on MIPA will also benefit the upstream industry.
- g. The import value of the PUC over the injury period has been more than ₹ 120 crore. In the POI alone, the import value of the PUC amounted to ₹ 63 crore out of which ₹ 60 crore was imported from the subject country.
- h. Considering the fact that the respondent is a user of the subject good, the absence of any concerns at least with regards to the impact of anti-dumping duty on them is a clear indication that the user is not affected by the imposition of anti-dumping in any way.
- i. Barring the subject country, significant quantity is being imported from the USA which shows that there are other sources of supply. Therefore, the above shows that the anti-dumping duty will not lead to any monopoly for the domestic industry.

I.3 Examination by the Authority

93. The Authority considered whether imposition of the recommended anti-dumping duty will be against public interest. This determination is based on consideration of information on records and interests of the participating interested parties.
94. 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 users to provide the relevant information with regard to the present review investigation, including possible effect of the anti-dumping duty on their operation. The Authority sought information on, *inter-alia*, interchangeability of the product supplied by the various suppliers from different countries, ability to switch sources, the effect of the anti-dumping duty on the consumers, the factors that are likely to accelerate or delay the adjustment to the new situation caused by the continuation of the anti-dumping duty.
95. It is noted that the purpose of anti-dumping measures, 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. The Authority notes that the imposition of the anti-dumping duties might affect the price levels of the PUC as well as other downstream products manufactured by using the subject goods in India. However, fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures. On the contrary, the imposition of anti-dumping measures would prevent the decline in the performance parameters of the domestic

industry caused as a consequence of low-priced imports from the subject country and help maintain the wider availability of choices to the consumers of the PUC.

96. The Authority had prescribed an economic interest questionnaire (EIQ) which was sent to all interested parties in this investigation. Only the domestic industry has responded to the EIQ. No other participating party has claimed or presented any evidence to indicate the adverse effect of the duties in force. This lack of evidence and silence of the other stakeholders reinforces the necessity of anti-dumping measures to ensure fair trade practices.
97. The Authority has examined the likely impact of the anti-dumping duty on MIPA on downstream products. The share of the PUC in per unit production of Glyphosate 41% and Atrazine (50 %) Technical are 0.2 KG and 0.4 KG, respectively. The price impact is below 2% in both cases.
98. The Authority further notes that the imposition of anti-dumping duty will not lead to scarcity of the subject goods in India. It is noted that anti-dumping duty does not restrict imports but also ensures that imports are available at fair prices. The imposition of duty would, therefore, not affect the availability of the product. In any case, the capacity of the domestic industry is more than the demand in India, thereby ensuring sufficient supply in the country. There are various other countries as well supplying the PUC in the Indian market and also another producer, M/s Balaji Amies has started commercial production post the POI.

J. POST DISCLOSURE COMMENTS

J.1 Submission by the other interested party

99. Following post disclosure submissions have been made by the other interested parties.
 - a) The respondent had raised a preliminary jurisdictional issue concerning the treatment of the “previous year” as a non-financial year, and had reserved it’s right to make submissions issues only after the said jurisdictional objection was conclusively decided by the Authority. However, the Authority has issued disclosure statement and in one paragraph overruled jurisdictional issue without even providing justification.
 - b) Hon’ble Supreme Court in A.K. Kraipak v. Union of India has held that administrative actions affecting rights are subject to the rules of natural justice. In Maneka Gandhi v. Union of India [(1978) 1 SCC 248], it has been held that any procedure affecting rights must be fair, just and reasonable. In the present case, the failure of the Designated Authority to render a reasoned decision on the preliminary jurisdictional issue has deprived of the opportunity to effectively participate in the investigation.
 - c) The immediate preceding year is not a financial year. Authority’s acceptance of the period of investigation has lead to a situation where the phrase “there can be overlap” provided in the trade notice has becomes wholly redundant.
 - d) If anti-dumping duties are imposed on certain countries, such duties must also apply to all other countries causing similar dumping and injury, Ignoring USA violates this essential principle and undermines the legitimacy of the investigation
 - e) The failure of the Authority to include imports from USA from the scope of investigation, or examine and segregate their injurious effects, has resulted in a distorted and incomplete assessment of injury, which does not reflect market realities.

- f) Injury margin and dumping margin from USA is positive and therefore, non-inclusion of USA in the scope of the product under consideration vitiates the injury analysis and causal link analysis.

J.2 Submission by the domestic industry

100. Following post disclosure submissions have been made by the domestic industry:

- a) Authority has significantly reduced the non-injurious price claimed by the domestic industry. No reason has been provided to the domestic industry. The domestic industry is therefore completely handicapped in offering its comments.
- b) Authority has not considered the submission of the domestic industry that there was no production of the product under consideration in the months of [Mar-24 and May-24] with almost negligible production in [Dec-23]. The suspension of the production of the domestic industry shows the real injury suffered by the domestic industry.
- c) A duty for a period of 5 years is of utmost necessity since a shorter duration would not allow the domestic industry sufficient time to recover from the significant injury caused by the dumped imports.
- d) Even if users prefer to continue sourcing from Chinese market, imposition of anti-dumping duties would not prevent them from doing so. The primary purpose of anti-dumping measures is to establish a level playing field in the market, ensuring fair competition.
- e) Even when anti-dumping duty is added to the import price of the period of investigation, the price in past is higher. When such high landed prices from the subject country did not have any impact, the imposition of anti-dumping duty should also not have any adverse impact.
- f) A fixed form of duty is appropriate because the price of the product has moved significantly over the past few years. any other form of duty other than a fixed form of duty will not address the injury to the domestic industry.

J.3 Examination by the Authority

- 101. On the comments of the domestic industry on computation of the non-injurious price, the calculation has been undertaken as per the Annexure III of the anti-dumping rules. The component wise non-injurious price was disclosed to the domestic industry as per the consistent practice of the Authority.
- 102. On the submission of the participating interested party that principles of natural justice have been violated, it is noted that both the period of investigation as well as the injury period were clearly specified in the initiation notification itself. The interested parties were provided with adequate opportunity and sufficient time to make submissions on all aspects of the investigation, including the appropriateness of the period considered. It is also noted that two oral hearings were conducted during the course of the investigation. Therefore, the submission that it violates the principles of natural justice is incorrect. Further, during the oral hearing, the interested party had submitted that it would demonstrate, how the selection of the period of investigation was inappropriate. However, no submissions were filed in any of the written submissions establishing how the selected period of investigation was inappropriate or prejudicial. Even in its comments, the interested party has not demonstrated how the injury period selected was inappropriate.
- 103. As regards the submission that no reasoning has been provided for the selection of the injury period, it is noted that the disclosure statement contains a detailed justification for

considering the present injury period. The interested party has failed to establish how the selected injury period is inappropriate or inconsistent with the practice. The injury period adopted in the present investigation is in line with the consistent and established practice of the Authority.

104. With respect to the submission that the injurious effects of imports from the USA were required to have been segregated and that it has resulted in a distorted injury analysis, it is noted that this issue has already been examined in detail in the causal link analysis contained in the disclosure statement. It has been observed that imports from the USA are neither consistent nor significant in volume and have shown a steep decline over the injury period. A PCN-wise comparison of import prices demonstrates that imports from the USA are priced significantly higher than the import prices from China. Imports from China are priced substantially lower and are undercutting the prices of the domestic industry as well as imports from other sources. The contention of the interested parties that a non-attribution analysis with respect to imports from the USA has not been carried out is incorrect. The Authority finds that imports from the USA cannot be considered a cause of injury to the domestic industry. It is also noted that the domestic industry itself did not include the USA as a subject country in its application or has claimed injury from these countries. The anti-dumping rules do not prohibit the Authority from excluding a country with a market share exceeding 3% from the scope of the subject countries, where circumstances so warrant.

K. CONCLUSION

105. Having regard to the contentions raised, information provided, and submissions made by the interested parties and facts available before the Authority, as recorded in the above findings, and based on above analysis of the dumping, injury and causal link to the domestic industry, the Authority concludes as follows:
- a) The PUC is 'Monoisopropylamine', also known as 'MIPA'.
 - b) The product is sold in two different forms of packaging - Bulk and Packed. Separate PCN has been considered for fair comparison between the two types of the product in order to ensure fair determination of dumping margin and injury margin.
 - c) The PUC is imported under Chapter 29, under the sub-heading 2921 11 90, 2921 19 90 and 2921 19 20 of Customs Tariff Act, 1975. The customs classification is indicative only and is not binding on the scope of the PUC.
 - d) The article manufactured by the domestic industry and the subject goods exported from the subject country are like article to each other in terms of Rule 2 (d) of the anti-dumping rules.
 - e) The applicant accounts for 100% of the eligible domestic production in the investigation period.
 - f) The applicant satisfies the requirements stipulated under Rule 2 (b) of the Rules and the application satisfies the standing requirements under Rule 5(3) of the Rules.
 - g) The application contained all information relevant for the purpose of initiation of the anti-dumping investigation and necessary evidence in terms of Rule 5(2) of the Anti-Dumping Rules to justify the initiation of the present investigation for determination of dumping and material injury to the domestic industry in terms of Rule 5 (3) of the Anti-Dumping Rules.
 - h) Chinese producers have been considered as operating in a non-market economy country since none of the producers/exporters from China PR have participated in this investigation to rebut this presumption as mentioned in para 8 of Annexure – I of the Rules.

- i) The normal value has been calculated based on optimized cost of production of the domestic industry with a reasonable addition of selling, general and administrative expenses and profits.
- j) In the absence of cooperation from any producers/exporters from China PR, the Authority has determined the net export price on the basis of DGCI&S data. Since this data is on CIF terms, adequate adjustments have been made to arrive at ex-factory level.
- k) Comparison of normal value with export price shows that there is significant dumping of the product in the country.
- l) It is seen that the dumping margin is in the range of 35-45%.
- m) The volume of imports has increased sharply in the period of investigation. The imports increased sharply in absolute and relative terms.
- n) The domestic industry has suffered both price suppression and depression in the period of investigation as compared to preceding year.
- o) The production, capacity utilisation and domestic sales of the domestic industry declined steeply in the period of investigation.
- p) The inventory with the domestic industry has increased over the injury period.
- q) The profitability of the domestic industry has declined steeply in the period of investigation.
- r) The market share of the subject imports has increased whereas that of the domestic industry has declined over the injury period.
- s) The domestic industry has recorded a significant negative growth in a number of the economic parameters.
- t) The investigation has not shown any factor other than dumped imports which could have caused injury to the domestic industry
- u) Landed price of imports is materially below the non-injurious price of the domestic industry. The injury margin is in the range of 10-20%.
- v) There is demand and supply gap in the country. The capacity with the domestic industry is more than the demand in the country.
- w) Information on record shows that other producer has commenced production of the domestic like product.
- x) The Authority has also examined the likely impact of the anti-dumping duty on MIPA on downstream products. The share of the PUC in per unit production of Glyphosate 41% and Atrazine (50 %) Technical are 0.2 KG and 0.4 KG, respectively. The price impact is below 2% in both cases.
- y) The impact of anti-dumping duties on the eventual end consumers is insignificant.

L. RECOMMENDATIONS

106. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the domestic industry, known exporters, known importers, and other interested parties to provide positive information on the aspect of dumping, injury, causal link and impact of recommended measures. Having initiated and conducted the investigation into dumping, injury, and causal link in terms of provisions laid down under the anti-dumping rules, the Authority is of the view that imposition of anti-dumping duty is required to offset the dumping and injury. The Authority considers it necessary and recommends imposition of anti-dumping duty on imports of the subject goods from the subject country.
107. Having regard to the lesser duty rule followed by the Authority, the Authority recommends the imposition of an anti-dumping duty equal to the lesser margin of dumping and the margin of injury, to remove the injury to the domestic industry. Accordingly, the Authority

recommends imposition of anti-dumping duty on the imports of the 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 Col. 7 of the duty table appended below.

Duty Table

SN	HS Code#	Description of the goods	Country of origin	Country of export	Producer	Amount	UOM	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	29211190 , 29211990 and 29211920	Monoisopropylamine	China PR	Any Country including China PR	Any producer	290	MT	USD
2	-do-	-do-	Any country other than China PR	China PR	Any producer	290	MT	USD

- The customs classification is indicative only and is not binding on the scope of the product under consideration.

M. FURTHER PROCURE

108. An appeal against the determination/review of the Designated Authority in this final finding shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the relevant provisions of the Act.


 (Amitabh Kumar)
 Designated Authority