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F. No. 6/33/2024-DGTR

Government of India

Department of Commerce

Ministry of Commerce & Industry

(Directorate General of Trade Remedies)

4th Floor, Jeevan Tara Building, Parliament Street, New Delhi – 110001

Dated: 19.03.2026

FINAL FINDINGS

CASE No. AD (OI) - 31/2024

Subject: Anti-dumping investigation concerning imports of “Poly Vinyl Chloride (PVC) Paste Resin” originating in or exported from European Union and Japan.

F. No. 6/33/2024-DGTR - Having regard to the Customs Tariff Act 1975, as amended from time to time (hereinafter also referred to as the ‘Act’) and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules 1995 thereof, as amended from time to time (hereinafter also referred to as the ‘AD Rules’ or the ‘Rules’) thereof;

A. BACKGROUND OF THE CASE

- a. The Designated Authority (hereinafter referred to as “Authority”) received an application filed on behalf of the domestic industry by Chemplast Sanmar Limited (hereinafter referred to as the “applicant”) seeking initiation of an anti-dumping investigation concerning imports of *Polyvinyl Chloride Paste Resin (“PVC Paste”)*, (hereinafter referred to as the “product under consideration”, “PUC”, “PVC Paste” or “resin”) originating in or exported from European Union and Japan (hereinafter referred to as the “subject countries”, with imports of the product under consideration from the subject countries referred to as “subject imports” or “subject goods”).
- b. The Authority examined the application and found *prima facie* evidence that exports from the subject countries were at dumped prices and there was consequent injury to the domestic industry. Accordingly, pursuant to Rules 5 and 6 of the Rules, vide Notification F. No. 06/33/2024 – DGTR dated 24th January 2025, the Authority initiated an investigation to examine 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.

B. PROCEDURE

1. The procedure described below has been followed with regard to the present investigation:

1.1 Initiation

- i. In accordance with Rule 5(5), prior to initiation of the investigation, the Authority notified governments of the subject countries through their embassies in India about the receipt of the present anti-dumping application.
- ii. As noted above, upon examination of the application, the Authority found *prima facie* evidence of dumping and consequent injury. Therefore, in accordance with Rules 5 and 6, vide Notification F. No. 06/33/2024 – DGTR dated 24th January 2025 (“Initiation Notification”), the Authority initiated the present proceedings.
- iii. In accordance with Rule 6(2), the Authority informed interested parties of the initiation of the investigation by sharing a copy of the initiation notification with the embassies of the subject countries in India, known producers and exporters of the product under consideration in the subject countries, known importers of the subject goods in India and other interested parties, as per the information made available in the application.

1.2 Circulation of non-confidential version of the application

- i. In accordance with Rule 6(3), the Authority provided a copy of the non-confidential version of the application to the governments of the subject countries through their embassies in India, known exporters of the subject imports and to other interested parties who requested in writing for a copy of the application.

1.3 Participation by Exporters of Subject Country

- i. The following known producers and exporters have registered themselves as interested parties in these proceedings:

SN	Country	Producer/Exporter
1	European Union	Ineos Inovyn Vestolit GmbH Tricon Dry Chemicals LLC Westlake Vinnolit GmbH and Co KG
2	Japan	Kaneka Corporation Mitsui & Co. Ltd.

1.4 Participation by Importers/Users

- i. The following importers, users and user associations have registered themselves as interested parties in the present proceedings:

SN	Importer/User/Association
1	Mayur Uniquoters Limited

2	Jasch Industries Limited
3	Klassik Lamitex Pvt Limited
4	Marvel Vinyls Limited
5	Halol Leather Cloth Private Limited
6	Premier Polyfilm Limited
7	Manish Vinyls Private Limited
8	Polynova Industries Limited
9	Giriraj Coated Fabrics Private Limited
10	HB Polycoat and Textile Private Limited
11	Delite Collections Private Limited
12	H.R. Polycoats Private Limited
13	Arora Vinyl Private Limited
14	Teamasia Technical Textile Private Limited
15	United Decoratives Private Limited
16	Leather Cloth and Plastics Manufacturers Association (“LCPMA”)
17	Confederation of Indian Footwear Industries (CIFI)
18	RMG Polyvinyls India Limited

1.5 Period of Investigation and Injury Period

- i. As noted in the initiation notification, the period of investigation (“POI”) was considered as 1st April 2023 to 30th September 2024 (18 months). The injury period was set to cover the years 2020-21, 2021-22, 2022-23 and the period of investigation.

1.6 Others

- i. A request was made to the Directorate General for Systems and Data Management (DG Systems) for transaction-wise import data of the subject goods for the injury period. The Authority received the data and has relied upon this data for the necessary analysis after due examination of the transactions.
- ii. In accordance with Rule 6(4), the Authority issued questionnaires to the exporters and other interested parties to seek information regarding the normal value and net export price for the investigation.
- iii. The Authority sent questionnaires to the governments of the subject countries through their embassies in India. The governments of the subject countries were requested to forward the Initiation Notification and the questionnaires to the producers of the subject goods in their respective countries and advise them to respond to the questionnaire within the prescribed time limit.
- iv. The Authority issued an Economic Interest Questionnaire (EIQ) to assess public interest and impact of the duties on the wider economy. A copy of the EIQ was sent to the embassy of each subject country, all the known exporters, importers and users and the domestic industry. The EIQ was also shared with the administrative line

ministry. The domestic industry as well as HR Polycoats Private Limited, Jasch Industries Limited, KLASSIK LAMITEX PRIVATE LIMITED, Marvel Vinyls Limited, Mayur Uniquoters Limited and Poly Nova Industries Limited have filed a response to the EIQ.

- v. A list of all interested parties that registered themselves within the prescribed timeline was uploaded on the website. All registered interested parties were directed to circulate the non-confidential version of all their submissions in the present proceedings with all the other interested parties.
- vi. In the Initiation Notification, the interested parties were directed to file their comments on the scope of the product under consideration ('product scope') and the PCN methodology within 15 days of receipt of intimation of the initiation of the investigation. Upon the request of the parties, an extension was granted till 14th February, 2025. After consideration of the submissions filed, the Authority notified the product scope and PCN methodology to be considered for the present investigation vide its notice dated 13th May 2025 ("PUC Notice"), which was notified on the website of the Authority.
- vii. 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 3rd September 2025. In view of change in Designated Authority, another oral hearing was held on 15th 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. In accordance with the accepted practice of the Authority, non-confidential versions of the rejoinder submissions by the parties were not circulated.
- viii. 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 course of the present proceedings, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the findings based on the facts available.
- ix. In accordance with Rule 7, information provided by the interested parties on a 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 a non-confidential summary of the information filed on a confidential basis.
- x. In accordance with Rule 8, the Authority conducted verification of the data provided by the applicant and other interested parties 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.
- xi. 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 & sell the domestic like article in India, based on the information furnished by the applicant and having regard to the Generally Accepted Accounting Principles (GAAP).

- xii. The Authority circulated the disclosure statement containing all essential facts to all interested parties on 4th February 2026. 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.
- xiii. The Authority examined the issues raised, information provided, and submissions made by the interested parties during the course of the proceedings, to the extent they were supported by evidence and considered relevant to the present investigation, in preparing this final findings.
- xiv. *** represents information furnished by a party on confidential basis and so considered by the Authority under the Rules.
- xv. The exchange rates adopted by the Authority for the present investigation is 1\$ = Rs 83.85.

C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

C.1 Submissions of the other interested parties.

2. The other interested parties submitted as follows with regards to the scope of the product under consideration, like article and PCN methodology:
 - i. Kaneka produces specialised cross-linked PVC Paste Resins, which are fundamentally different from conventional homopolymer paste resins. Cross-linking is achieved by introduction of cross-linking agents during polymerisation. Cross-linked polymers have distinct technical properties and commercial uses and are not produced in India. Therefore, cross-linked grades should be excluded from the product scope.
 - ii. The scope of the product under consideration, as defined, includes only PVC Paste Resin of the homopolymer type. Co-polymers and blends of PVC Paste have been excluded from the product scope. Specific co-polymers and blends manufactured by other producers have been included in the list of exclusions. Kaneka requests that its co-polymers and blends also be specifically included in the list of excluded products.
 - iii. Kaneka's Homopolymer Grade PSH-10 is a high-priced product with niche applications and is priced significantly above the IHS benchmark price. Thus, it is not causing injury to the domestic industry and should be excluded from the product scope.
 - iv. Westlake Vinnolit produces co-polymer grades E 70 SC, PA 5470/5, C12/62V, and SA 1062/7 and blending resins EXT and C 65 V. Specific exclusion is requested for these grades.

- v. Westlake Vinnolit has also claimed that it produces certain speciality grades of PVC Paste Resin that are used in specialised applications and which it believes the domestic industry is unable to supply. The producer sought exclusion of certain speciality grades. Reliance has been placed on the findings of the Authority in *Coated Paper from China PR, European Union and USA* (2018), wherein the Authority granted exclusion of certain grades after it was determined during verification that such grades were not produced by the domestic industry.
- vi. Inovyn and its affiliates are engaged in production of Biovyn, Neovyn and Recovyn, which are low-carbon grades of PVC Paste Resins made from renewable feedstock. Inovyn has obtained a low-carbon certification for these products and complies with stringent certification requirements, as verified by third-party auditors.
- vii. There are no differences in technical characteristics or end-uses of these low carbon grades and other grades of PVC Paste. However, the cost of production of these grades is higher due to the higher cost of renewable feedstock and certification-related expenses.
- viii. In the last investigation by the Authority concerning PVC Paste, *PVC Paste Resin from China PR, Korea RP, Malaysia, Norway, Taiwan and Thailand* (2024), the Authority held that Biovyn was not like article to the goods produced by the domestic industry. The same approach should be adopted in this case and the low-carbon grades should be excluded from the product scope.
- ix. BIS has notified standard IS 17658:2021 for PVC Paste Resin. Certain resins manufactured by Inovyn have viscosities higher than the viscosity range covered under the notified standard. These grades cannot be registered with BIS and, accordingly, cannot be exported to India once the standards enter into force on 24 December 2025. Therefore, these grades should be excluded from the product scope, as they cannot cause injury to the domestic industry.
- x. All co-polymers and blends of PVC Paste have been excluded from the product scope. Therefore, the grant of specific exclusion for co-polymer grades E 70 SC, PA 5470/5, C12/62V and SA 1062/7 is superfluous. If exclusions for specific grades of co-polymers are granted, Inovyn requests exclusion of its co-polymer grades 560SC, 675LA, and 683HA.
- xi. Grades PVC 173GB and PVC 174GY produced by Inovyn are non-grinded emulsion grades not suitable for paste applications. Therefore, these should be excluded from the product scope. The Authority has allowed the exclusion of PVC 173GB in the PUC Notice. Exclusion for PVC 174GY should also be granted.
- xii. Article 2.6 of the WTO ADA and Rule 2(d) of the Rules define 'like product'. For a product to qualify as 'like product' or 'like article' to the product under consideration, it must either exhibit complete similarity to the product under consideration, or, in the absence of such a product, possess characteristics closely resembling those of the product under consideration.
- xiii. Paragraph 3.34 of the *Manual of Operating Practices for Trade Remedies Investigations* ("Manual") of the Authority elaborates that to be deemed like articles, goods produced by the domestic producers must be comparable and

technically and commercially substitutable in terms of physical, technical specifications, functions or end-uses. Para 3.35 provides a list of certain factors that may be considered in making such a determination.

- xiv. The current product scope includes certain specialty grades that are not produced domestically and which are neither identical nor substitutable with the goods produced domestically.
- xv. IS 17658:2021, the standard formulated by BIS for the present product under consideration, classifies the product into eight grades. The grades are distinct and have different properties, leading to differences in costs, end uses, pricing, consumer perception, etc. Chemplast also offers eight different grades of the product, with Chemplast's grades corresponding with the grades identified by BIS.
- xvi. The very fact that BIS and Chemplast have identified eight different grades establishes that each of these grades is distinct from the other grades and they are not substitutable with each other. Chemplast would not have developed and offered eight different grades if there were no differences in costs, end uses, pricing, consumer perceptions, etc.
- xvii. In *Toughened Glass from China PR* (2023), the Authority recognised the importance and relevance of BIS standards in a trade remedial investigation. In *PVC Suspension Resins from China PR, Indonesia, Japan, Korea RP, Taiwan, Thailand and USA* (2025), the Authority relied on BIS norms to establish comparability of grades and rejected exclusion of specialty grades not recognised under BIS norms.
- xviii. Bureau of Indian Standards ("BIS") is the statutory body responsible for the development of technical standards. Standards formulated by BIS identify and standardise the essential characteristics of a product that are important for the overall performance of the product. In *Gautam Udyog v Union of India* (2014), the Allahabad HC held that BIS is an expert authority and standards set by BIS should not be second-guessed by non-expert forums. The Authority, being a non-expert forum, should refer to the technical determinations made by BIS regarding the product.
- xix. As eight grades are not *inter se* like articles, the domestic industry should be required to establish that each grade has been produced and sold in commercial quantities during the period of investigation. This is in line with the order of CESTAT in *Technova Imaging Systems v Designated Authority* (2023). Any grades not produced in commercial quantities must be excluded from the product scope.
- xx. As per the information available with the User Industry, the domestic industry has not manufactured or sold six of the eight grades during the period of investigation. Grade 124 of Chemplast (equivalent to Grade 2 as per IS 17658:2021) accounts for over 90% of the domestic industry's total production.
- xxi. PVC Paste Resin may be manufactured by either micro-suspension polymerisation or emulsion polymerisation. The underlying chemistry, particle structure and the resin performance of the resins produced by these processes differ significantly. Resins produced by emulsion polymerisation exhibit high viscosity, low fogging and pseudoplastic rheology, making them suited to specialty applications. In contrast, resins produced by micro-suspension polymerisation exhibit lower

viscosities and are suited for general-purpose applications. Technical properties of resins produced by micro-suspension and emulsion polymerisation are not comparable, and the products are not substitutable. Thus, resins produced by these two processes are not like articles.

- xxii. The domestic industry produces resins only using micro-suspension polymerisation and not via emulsion polymerisation. Thus, resins manufactured by emulsion polymerisation should be excluded from the product scope.
- xxiii. In *PVC Suspension Resins (2025)*, Chemplast agreed with the legal position that different production processes resulting in different products cannot be considered like articles, which was upheld by the Authority.
- xxiv. Apparent viscosity of a resin identifies how easily a resin will flow when applied to a surface to make coated products. For PVC Paste Resin, it is a defining characteristic of the resin's functionality and potential applications.
- xxv. IS 17658:2021, the BIS standard for the product, also considers apparent viscosity as a parameter for classifying PVC Paste into different grades. While IS 17658:2021 captures apparent viscosity only up to 22.5 Pa-s, this does not meet the requirements of the User Industry.
- xxvi. For specialised applications such as automotive upholstery, coated fabrics, etc, the User Industry requires high viscosity resins, with viscosities ranging from 40 Pa-s to 100 Pa-s and above. These high viscosity resins are not substitutable in end-use applications for low-viscosity resins and vice versa due to distinct technical properties. Thus, high viscosity resins and low viscosity resins are not like articles *inter se*.
- xxvii. The domestic industry is unable to supply high viscosity resins. Test reports from BITS Pilani ("Users' BITS Pilani Report – Viscosity") and Central Institute of Petrochemicals Engineering and Technology ("Users' CIPET Report") establish that the grades supplied by the domestic industry are not comparable to the imported high viscosity grades.
- xxviii. Certificates of Analysis of grades supplied by the domestic industry to a participating downstream user in response to a request for grades for high viscosity applications show that the apparent viscosity of all grades was below 4.5 Pa-s. This establishes that the domestic industry is unable to supply high viscosity resins, and accordingly, it should be excluded from the product scope.
- xxix. For certain specialised applications (such as production of coated interior fabrics for automotives), low fogging is a critical property of PVC Paste Resins. Automobile OEMs require compliance with international standards for low fogging, such as ISO 6452, tested as per the specifications prescribed by SAE J1756 (photometric method) and DIN 75201 (gravimetric method). Only materials meeting this stringent low-fogging criterion can be used for automotive interior-coated fabrics.
- xxx. Failure to meet these standards renders the resin unsuitable for critical automotive applications. Low fogging grades are technically insubstitutable with standard grades. The domestic industry does not produce low fogging grades as their technology is limited to micro-suspension polymerisation developed decades ago,

nor do the technical data sheets claim low fogging properties or suitability for automotive applications. This is in contrast to imported low fog resins, which are specifically branded and marketed as resins with low fogging value.

- xxxi. Test reports from BITS Pilani (“Users’ BITS Pilani Report – Fogging”), SGS India (“Users’ SGS Report – Fogging”), and FILK Germany (“Users’ FILK Report – Fogging”) show that the fogging value for the imported specialty resin are compliant with the ISO 6452 requirement of <2mg, whereas the fogging value for grades supplied by the domestic industry consistently exceed 27mg.
- xxxii. The test report by IIT Delhi relied upon by the Authority in a previous investigation concerning this product is erroneous and technically unsound. In the IIT Delhi report, the tests prescribed by international standards for measuring low fogging were not conducted; instead, low fogging properties were inferred based on volatile content, which is incorrect, as fogging is determined by several factors other than total volatile content, such as chemical profile of the volatile matter, thermal behaviour, etc. Therefore, volatile matter content cannot serve as a proxy for fogging behaviour.
- xxxiii. Pseudoplasticity is an important property of PVC Paste Resins for certain specialised applications, such as automotive coatings and complex-shaped products, where flexibility, durability and long-term mechanical integrity are critical. In response to a request for a grade with pseudoplastic properties, the domestic industry suggested the use of its Grade 120 as a suitable substitute. However, Grade 120 failed to meet the necessary requirements, and the domestic industry failed to provide any guidance on the appropriate usage of Grade 120.
- xxxiv. The PCN methodology notified via the PUC Notice dated 13th May 2025 is incorrect. The User Industry has requested re-formulation of PCNs as per its proposed methodology. In its proposed methodology, the User Industry requests designation of each grade recognised under IS 17658:2021 as a distinct PCN, in addition to distinct PCNs for low fog, high viscosity and other specialty grades.
- xxxv. The very existence of eight distinct grades, as recognised by IS 17658:2021, implies a difference in prices. PCNs may be formulated even in the absence of demonstrable differences in cost and price if significant technical variations exist between different grades. The product scope includes several technically diverse grades, several of which are not produced by the domestic industry, and therefore, no injury is caused to the domestic industry by the import of those grades. Therefore, unless such a grade-wise analysis is undertaken, the analysis of pricing and injury would be distorted.
- xxxvi. The non-sharing of test reports and other documents by the Domestic Industry for more than three months clearly invalidates the oral hearing held on 15 December 2025. Respondents had no opportunity to highlight the deficiencies in these test reports and other documents during the oral hearing.
- xxxvii. BIS itself has proposed an amendment which recognizes the high viscosity grades as a separate specialized grade

- xxxviii. The test reports shared by the domestic industry are not relevant to the present investigation as these test reports pertain to the allegedly customized grades developed post the POI of the present investigation.
- xxxix. Domestic industry admits through its question to professor of BITS Pilani that their low viscosity grades need addition of additives to meet the requirements of the user industry.
 - xl. Addition of additives to PVC Paste Resin significantly changes the chemical properties of the product and the same cannot be considered as PVC Paste Resin anymore.
 - xli. PCN differentiation is warranted wherever technical and commercial differences materially affect price comparability, regardless of whether such differences translate into a fixed percentage
 - xlvi. Domestic industry's own articulation fatally undermines its case on substitutability and likeness. By admitting that Grades 120(C) and 121(C) are modified at the manufacturing stage to deliver high viscosity and low-fog properties, the Domestic industry implicitly concedes that its regular grades do not possess these characteristics inherently and require external intervention to approximate similar performance
 - xlvi. The production processes, additives, and technical requirements for coated fabrics made with PVC Suspension resin differ materially from that of PVC paste resin. Reliance on such brochure cannot form the basis of any finding regarding industry practice for production process using PVC paste resin.
 - xlvi. Viscosity alone does not influence the overall fluid behaviour and end-use of the product. In addition to viscosity, the Newtonian behaviour, shear rheology profile, etc., influence the fluid behaviour.
 - xlvi. In spraying application, the viscosity of PVC coating at the exit of the nozzle must be fluid, however, once the PVC coating sticks to the body of the car, it must show high viscosity to prevent sagging.
 - xlvi. The rheology profile of the product influences the end-use. Chemplast's technical datasheet does not mention the rheology profile, but only the viscosity. Meaning, that even with alteration of viscosity, the same product characteristics cannot be achieved by the product.
 - xlvi. Each investigation must be assessed independently based on current evidence and prior findings cannot override fresh technical evidence and user submissions.
 - xlvi. A low-viscosity PVC paste resin cannot be made to behave like a high-viscosity resin simply by modifying downstream parameters or plasticizer content

C.2. Submissions of the domestic industry.

3. The domestic industry has submitted as follows with regards to the scope of the product under consideration and like article:
 - i. Cross-linked grades are not a separate class of PVC Paste Resins, cross-linking is simply a property of the resin. As also stated in the evidence filed by Kaneka, cross-linking is achieved by the addition of appropriate additives during production.

Chemplast's grades 122, 123, 126 and 129 can also achieve cross-linking. Further, no submissions have been made regarding substitutability between cross-linked and non-cross-linked grades.

- ii. Kaneka has requested exclusion of a certain high-priced grade. However, details have been claimed confidential. Therefore, the domestic industry is unable to offer meaningful comments. Price alone cannot be a criterion for exclusion.
- iii. The domestic industry objects to the exclusion of grades sought by Westlake Vinnolit. Chemplast's grades 120, 121, 122, 123, 124, 126, 128 and 129 are commercially and technically substitutable with these grades.
- iv. The domestic industry does not object to the exclusion of Biovyn, Neovyn and Recovyn. However, these grades are like articles to the goods produced by the domestic industry and are technically substitutable for the goods produced by the domestic industry. The only differentiating factor is the price, which is significantly higher at present for these grades.
- v. As the product under consideration is a commodity product, prices can evolve rapidly in international markets. Therefore, the exclusion should be granted subject to an appropriate price benchmark. If the price differential between regular grades and sustainable grades continues, a reasonable benchmark would not be prejudicial to the exporter in any way. Such a proposition was accepted by the Authority in *Nylon Filament Yarn (2011)*.
- vi. The domestic industry agrees with the proposition that BIS is the competent authority to formulate technical standards and that generally, its technical determinations should be beyond reproach by non-technical experts. The domestic industry is not questioning the technical standards determined by BIS for the product under consideration. However, the domestic industry disputes the validity of the conclusions drawn and arguments made by opposing parties based on BIS standards.
- vii. Opposing parties have placed reliance on *PVC Suspension Resins (2025)* to claim that comparability of grades and product scope exclusions should be determined based on standards formulated by BIS. This is a complete misquotation, reflecting either a gross misunderstanding of the decision or a deliberate attempt to mislead the Authority.
- viii. In *PVC Suspension Resins (2025)* case, comparability of grades was established based on comparability of technical parameters as per lab reports. The lab reports conducted the test as per BIS norms, which was noted by the Authority as a factor indicating the validity of the testing methodology. Comparability was not determined based on BIS norms, as claimed by opposing parties.
- ix. While different grades (as identified by IS 17658:2021) are optimised for different end-uses, there is no fundamental difference in the basic chemistry of different grades, and the grades are *inter se* fungible. There is no appreciable difference in the cost of production of different grades, and different grades can be produced on the same production lines by varying certain specified process control parameters.
- x. The total demand for the product under consideration in India is about 250,000 MT. However, a grade-wise analysis of demand shows that there is significant variation

in the demand of different grades. For instance, while the demand for Grade 124 is over 125,000 MT, the demand for Grade 129 is less than 750 MT.

- xi. A production strategy based on demand for different grades is particularly important considering the fact that the domestic industry employs a continuous production process. Due to the continuous nature of the production process, halting and resuming production is a significant cost, leads to loss of efficiency and quality issues in the initial output post resumption. The domestic industry is capable and willing to supply any orders for any grades, provided the orders are for sufficient volume and offer reasonably remunerative prices.
- xii. The participating producers from the subject countries have not claimed any difference in the grades, which strongly indicates that there are no differences in cost and price of different grades.
- xiii. Both micro-suspension and emulsion polymerisation have been in use since the 1940s. In technical literature, both processes are simply described with no remarks about one being superior to the other, or either technology being obsolete. Goods produced by micro-suspension and emulsion polymerisation are like articles. It has been the consistent practice of the Authority that a difference in production process does not imply the existence of a distinct, dissimilar article and is not a ground for exclusion.
- xiv. Apparent viscosity of a plastisol is not defined by the PVC Paste Resin used to make the plastisol. Apparent viscosity of the plastisol can be modified by use of various additives.
- xv. Grades supplied by the domestic industry meet high viscosity requirements, as established by test reports from BITS Pilani (“DI’s BITS Pilani Report – Viscosity”) and CIPET (“DI’s CIPET Report”).
- xvi. Fogging value of is not an essential property of PVC Paste Resins and is not recognised under IS 17658:2021. Fogging value of a plastisol is not defined by the PVC Paste Resin used to make the plastisol. Fogging value of plastisols and coated fabrics can be modified by use of various anti-fogging agents.
- xvii. Grades supplied by the domestic industry meet low fog requirements, as established by test reports from ATMY Labs.
- xviii. Pseudoplastic resins are not a separate class of PVC Paste Resins. Pseudoplasticity is merely a property of PVC Paste Resins.
- xix. The PCN methodology notified via the notice dated 13th May 2025 is appropriate. PCNs are formulated only based on evidence of cost and price differences between different grades. Even participating producers and exporters from the subject countries have not asked for formulation of distinct PCNs for different grades identified by IS 17658:2021. This establishes that there are no significant cost and prices differences between different grades.

C.3. Examination by the Authority.

4. At the stage of initiation, the product under consideration was defined as under

3. *The product under consideration in the present application is 'Poly Vinyl Chloride Paste Resin' also known as 'PVC paste resin' or 'Emulsion PVC Resin'.*

4. *PVC Paste Resin is produced using vinyl chloride monomer and is usually sold in the form of white/off-white powder. The PUC is primarily used for manufacturing artificial leather and the other uses of the product are in the manufacturing of rexene, coated fabrics, tarpaulins, conveyer beltings, toys, automotive sealant, adhesives, and gloves.*

5. *The product is traded in kilogram (KG) or metric ton (MT). Therefore, KG/MT has been considered as the unit of measurement.*

6. *The following products are excluded from the scope of PUC:*

i. Product under consideration with K value below 60K

ii. PVC Blending Resin

iii. Co-polymers of the PVC paste resin

iv. Battery separator resins

5. The K value in PVC paste resin indicates the polymer's molecular weight, derived from solution viscosity, and it strongly controls how the resin behaves in plastisols (PVC mixed with plasticizer). Lower K values (< 60) mean shorter polymer chains, giving lower plastisol viscosity, easier flow, faster fusion, and softer final products, while higher K values (about 68–72) represent longer chains that increase plastisol viscosity, require higher fusion temperature and time, and produce stronger films with better tensile and tear properties. Because paste resins are processed in liquid plastisol form rather than dry melting, the K value is crucial for managing flow, coating thickness, gelation rate, and final mechanical performance.
6. The Initiation Notification invited all interested parties to file their comments on the product scope and PCN methodology within 15 days from the Initiation Notification. Upon the request of certain interested parties, this deadline was extended to 14th February 2025. The Authority received submissions from a number of interested parties requesting exclusion of various forms and grades of the product. The Authority also received comments from the domestic industry on the various exclusions requested by other interested parties.
7. The Authority notes that at the PUC/PCN stage, the purpose of defining the product scope is to clarify the scope of the product under consideration for which the investigation is being undertaken and to examine if there is a need for deviating from PCN methodology for the purpose of filing response. The scope of the product under consideration is not finalised at this stage. The Authority invited comments from interested parties, who sought certain product exclusions. Response was sought from the domestic industry, which agreed to specific exclusions such as co-polymers, blending resin, and PVC 173GB. The domestic industry objected to other exclusions (high viscosity, low fogging

etc.). The products for which exclusion was not agreed upon by the domestic industry have been examined during the course of the present investigation to determine whether they warranted exclusion. In the PUC Notice, the product scope was modified as follows:

The product under consideration in the present application is 'Poly Vinyl Chloride Paste Resin' also known as 'PVC paste resin' or 'Emulsion PVC Resin'.

The scope of product under consideration excludes the following products.

- i. Subject goods with K value below 60K*
- ii. PVC Blending Resin*
- iii. Co-polymers of the PVC paste resin*
- iv. Battery separator resins*
- v. Grades PVC 173GB*
- vi. Copolymer Grades (E 70 SC, PA 5470/5, C12/62V and SA 1062/7)*

8. Based on the scope of the product under investigation notified by the Authority, additional submissions regarding product scope and PCN methodology were made by parties. All submissions made by the interested parties, to the extent considered relevant, have been examined herein.

9. The Authority notes that Rule 2(d) of the Rules defines “like article” as follows:

(d) “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 an article, another article which although not alike in all respects, has characteristics closely resembling those of the articles under investigation;

10. To justify the similarity of ‘Like Article’ with the imported product under consideration and its substitutability, reference is placed to the decision of the WTO Panel in case of Korea — Alcoholic Beverages (WT/DS75/AB/R, WT/DS84/AB/R), wherein it was stated that *“The term “directly competitive or substitutable” describes a particular type of relationship between two products, one imported and the other domestic. It is evident from the wording of the term that the essence of that relationship is that the products are in competition. This much is clear both from the word “competitive” which means “characterized by competition”, and from the word “substitutable” which means “able to be substituted”. The context of the competitive relationship is necessarily the marketplace since this is the forum where consumers choose between different products. Competition in the market place is a dynamic, evolving process. Accordingly, the wording of the term “directly competitive or substitutable” implies that the competitive relationship between products is not to be analysed exclusively by reference to current consumer preferences. In our view, the word “substitutable” indicates that the requisite relationship may exist between products that are not, at a given moment, considered by consumers to be substitutes but which are, nonetheless, capable of being substituted for one another.*

11. Reference is also made to the final finding issued in the matter of Anti-Dumping investigations on imports of Acrylonitrile Butadiene Rubber originating in or exported from Japan, F No. 25/ADD/94 October 19, 1995, wherein it was stated that one of the factors considered to examine like article is 'commercial substitutability and manufacturing process'. This is in line with the consistent practice of the Authority and supported by the Manual of Operating Practices for Trade Remedy Investigations issued by DGTR.
12. The Authority further considers that as long as grades forming part of the scope of the product under consideration are in commercial competition with like article supplied by the domestic industry and can cause injury to the domestic producer, the same are required to be covered within the scope of levy. The above is supported by CESTAT decision in the case of Kajaria Ceramics v. Designated Authority, Huawei Technologies Co. Ltd. Versus Designated Authority and Merino Panels Vs Designated Authority. Therefore, the Authority considers that there is sufficient justification for inclusion of high viscosity and low fogging grades inside the scope of the product under consideration.

C.3.1 Exclusion of Cross-Linked Resins and Homopolymer Grade PSH-10 produced by Kaneka

13. Kaneka has requested exclusion of cross-linked resins and **Homopolymer Grade PSH-10**, claiming that such resins are fundamentally different from conventional PVC Paste Resins. Kaneka has claimed that these crosslinked PVC Paste Resins are fundamentally different from conventional homopolymer paste resins as they have a crosslinked polymer structure created by introducing crosslinking agents during polymerisation and have distinct application. For Homopolymer Grade, the exporter has claimed that the product has a niche application. The Authority notes the domestic industry has not justified the need for including cross-linked resins within the scope. The Authority therefore excluded cross linked paste resins from the purview of the PUC, and product scope.

C.3.2 Exclusion of certain speciality grades produced by Westlake Vinnolit

14. Westlake Vinnolit sought exclusion of grades E 2059, E 68 CF, E 67 ST, E 2059, E 67 ST, M 68 FW, E 69 ST, E 69 VS, E 70 TT, MP 7151, E 70 CQ, P 70, P 70 F, P 70 HT, P 70 PS, E 75 HV, E 75 SK, E 74 CC, E 80 TT, P 80, P 80 G on the grounds that these are speciality grades and carry technical differences when compared with regular grades of PVC Paste Resin. Westlake Vinnolit however did not appropriately identify technical differences between these alleged speciality grades and regular grades of PVC Paste Resin. The domestic industry had disputed the exclusion at the time of deciding scope of PUC-PCN on the ground that its grades are commercially and technically substitutable to the imported grade. Post issuance of notice of the scope of the product under investigation, Westlake Vinnolit has not participated in the investigation, has not made any further submissions and has not filed questionnaire response. The Authority thus

holds that Westlake Vinnolit has not provided sufficient information and evidence to justify its claim for exclusion and has not established absence of like article by the domestic industry.

15. The Authority considers that absence of like article are required to be established by the party seeking exclusion. Mere claims of differences in technical parameters are not sufficient to establish non-substitutability. The exporter in the present case has not even established how these grades are speciality grades. The Authority also notes that the request for exclusion of these grades was made in response to the Initiation Notification. The exclusion was not granted in the PUC-PCN notice. Westlake Vinnolit did not make any further submissions or provide any evidence in support of its claims made while responding to initiation. Therefore, the Authority does not find sufficient justification for exclusion of these grades.

C.3.3 Exclusion of Biovyn, Neovyn and Recovyn

16. Exclusion of these grades has been sought by Inovyn. The Authority notes these grades are sustainable grades of PVC Paste Resin with lower carbon footprints compared to regular grades. It is uncontested that the domestic industry does not produce sustainable/low-carbon grades. These grades utilise renewable carbon feedstock (Biovyn and Neovyn) or recycled plastic (Recovyn) and renewable energy. It has been stated that compliance with these sustainability parameters is verified by third-party auditors and is subject to certification requirements. It has been claimed that due to the higher prices of these inputs and certification, the cost of production and price of these grades is much higher than that of regular grades. The domestic industry has not objected to such exclusion.
17. The Authority also notes that in the recently concluded final findings in PVC Paste Resin from China PR, Korea RP, Malaysia, Norway, Taiwan and Thailand (2024), Biovyn was excluded from the product scope. Therefore, in view of the above, the Authority has excluded low-carbon footprint grades Biovyn, Neovyn and Recovyn produced from renewable/bio feedstock and accompanied by an acceptable proof of sustainability, from the product scope.

C.3.4 Exclusion of grades not registerable under IS 17658:2021.

18. The interested parties have requested exclusion of grades which are not registerable under IS 17658:2021 on the grounds that these grades cannot be imported, as these cannot be registered under IS 17658:2021. The Authority notes that the quality control order mandating the compliance of this standard has been withdrawn. Since the standard itself has been withdrawn, it cannot be said that these grades cannot be imported in India. Further, the exporters have not advanced sufficient justification for granting exclusion from the scope of the product under consideration. Therefore, the Authority has not granted any exclusion of grades which could not be registered under IS 17658:2021.

C.3.5 Exclusion of non-grinded emulsion grades

19. Inovyn requested exclusion of two of its grades, 173GB and 174GY on the grounds that these are non-grinded emulsion resins. The domestic industry has agreed for exclusion. Grade 173GB was excluded from the scope of the PUC at the time of PUC notice dated 13th May, 2025. Upon being satisfied that resin 174GY is also a non-grinded emulsion grade, the Authority considers it appropriate to allow exclusion of these two grades.

C.3.6 Exclusion of grades produced by emulsion polymerisation

20. The interested parties have claimed that product under consideration may be produced via two processes: emulsion polymerisation and micro-suspension polymerisation. It has been claimed that resins produced by emulsion polymerisation exhibit controlled distribution, which allows development of specialty grades with high viscosity, pseudoplastic rheology, low-fog etc. The interested parties have stated that the domestic industry does not produce goods through emulsion polymerisation and therefore, goods produced through emulsion polymerisation should be excluded from the product scope.
21. The domestic industry has submitted that both processes are at par with each other and there are no differences in the goods produced by either process. The domestic industry has submitted that either of the production processes for PVC resins does not lead to superior or better suited products for certain applications.
22. It is seen that the evidence provided by users does not establish that the goods produced by one process differs from the goods produced through other process in terms of essential product characteristics. The interested parties have not established absence of technical and commercial substitutability of the goods produced through different process. The Authority notes that a difference in production process per se does not imply different product. An exclusion may be considered only if it is established through positive evidence that the goods produced via different processes have technical differences that render them dislike articles. The Authority also notes that complete interchangeability by all consumers is never considered as definitive criteria for determination of like product. So long as the two products are having overlapping use, the two have to be considered as like product.
23. The issue of different production process was examined in various past anti-dumping investigations concerning imports of the product under consideration. The Authority had consistently held that goods produced through these two processes are the same. PVC paste resin can be produced through two different processes, the same does not imply that resultant product becomes different. It is possible that each producer may have its own process to manufacture the product; but the difference in the production process would be immaterial as long as the resultant product's properties are the same. In view of the same, the Authority had earlier held in the final findings F. No. 15/27/2008-DGAD dated

4th April, 2013 and final findings F. No. 15/19/2014-DGAD dated 26th April, 2016 that the product produced through different processes were included within the scope of the product under consideration and proposed measures. No such exclusion was provided in the recently issued final finding F. No. 6/17/2023-DGTR dated 24th December, 2024.

24. The Authority considers that the evidence on record in the present case also does not support a different determination. Therefore, the Authority considers that exclusion of resins produced by emulsion polymerisation is not justified.

C.3.7 Exclusion of PVC paste resin having high viscosity.

25. The user industry has claimed that producers in the subject countries produce and export certain high viscosity grades for which there is no domestic like article in India. The user industry has also claimed that high viscosity and low viscosity resins are mutually non-substitutable. As per user industry, apparent viscosity is an essential characteristic of PVC Paste Resins and end-use applications of a resin are determined by its apparent viscosity. It has also been highlighted that IS 17658:2021 also recognises apparent viscosity as an important characteristic of PVC Paste Resins and take viscosity into account for demarcation of different grades. The user industry has provided test reports of CIPET lab and BITS Pilani in support of the contention.
26. The domestic industry has claimed that (a) high viscosity and low viscosity resins are substitutable, (b) the domestic industry has now produced and supplied high viscosity to consumers in India. The domestic industry has stated that apparent viscosity is not an intrinsic property of a resin and that viscosity can be modified through suitable additives there are available in the market which are specifically manufactured and marketed for the purpose of altering viscosity and thixotropic properties. In view of repeated insistence of the consumers, the domestic industry has, in the post period of investigation, developed customised grades by adding suitable additives, having high viscosity. The domestic industry has relied on its own set of reports from the same labs which show that these grades of the domestic industry have high viscosity. The domestic industry has also provided a copy of an email communication from Dr Krishna C Etika from BITS Pilani, who conducted the test report relied upon by the user industry, to show that while the PVC Paste Resin used in a plastisol influences the apparent viscosity of a plastisol, it is not the sole determinant of the apparent viscosity of the plastisol.
27. The Authority notes the contention of the consumers that the apparent viscosity of the plastisol affects the penetration depth, coating effectiveness, flexibility, etc, of the plastisol and dictates the uses the plastisol could be put to. No doubt PVC Paste Resin used in a plastisol can influence the apparent viscosity of a plastisol, it is not the sole determinant of the apparent viscosity of the plastisol. The evidence on record demonstrates that the viscosity of the plastisol can be altered and the desired viscosity can be achieved through various formulation strategies, including the plasticizer levels used, viscosity modifiers, fillers, etc.

28. The relevant standard for determining substitutability is an ‘overlap in uses’. In the present case, even though apparent viscosity is required for a certain application, product under consideration with varying viscosities may be used for preparation of such a plastisol, with the desired viscosity achieved by use of an appropriate plasticiser, resin and additives. The consumers have not established that such high viscosity in the eventual product cannot be achieved by use of appropriate plastisol/additive. It is also seen that the users have not identified any particular grade which has the required properties and for which exclusion has been sought.
29. The Authority notes that the issue under consideration had already been examined in earlier anti-dumping investigations relating to imports of the product under consideration, as reflected in the final findings issued vide F. No. 6/17/2023-DGTR dated 24th December 2024 and F. No. 15/27/2008-DGAD dated 4th April 2013. In both instances, the Authority did not allow any exclusion of the product on the grounds now being raised.
30. The Authority observes that although the interested parties have furnished certain test reports to suggest that the product supplied by the domestic industry does not possess high viscosity, the domestic industry has, in response, submitted test reports from the same laboratory demonstrating that the product, when blended with appropriate additives, can achieve high viscosity. Further, the domestic industry has placed on record an email communication from Dr. Krishna C. Etika of BITS Pilani, who conducted the test relied upon by the user industry. The said communication clarifies that while the PVC Paste Resin used in a plastisol has an influence on the apparent viscosity of the plastisol, but viscosity is also affected by additives and formulation conditions. The Authority also notes the content of the reports prepared by Dr. Krishna C. Etika of BITS Pilani on request of both domestic industry and two user industries, which confirm that the product manufactured by the domestic industry is suitable for both high-viscosity and low-fogging applications with addition of appropriate plasticizers and additives.
31. The Authority has carefully examined the submissions and evidence provided by both sides. The Authority finds that no additional justification has been presented in the current investigation to support the exclusion sought or warrant a departure from the conclusions reached in the previous investigations. The Authority further notes that there is a clear overlap in the end-use applications of PVC Paste Resins across different ranges of apparent viscosity and they are both technically and commercially substitutable. In view of this overlap and substitutability, the Authority concludes that the exclusion of “high viscosity” grades is not warranted.

C.3.8 Exclusion of low fogging grades with fogging value below 2 mg.

32. The user industry has claimed that producers in the subject countries produce and export certain grades with low fogging values for which there is no domestic like article in India. It has been that stated that due to safety considerations, automotive OEMs require that

coated fabrics meant for use in automotive interiors must comply with international standards for low fog performance, such as ISO 6452, and have fogging values below 2mg. The interested parties have also contended that low fog grades are commercially distinct, with prices of low fog grades being around 10% higher than the prices of regular grades sold by the domestic industry. As evidence, the User Industry has relied on third-party lab reports from SGS – India and FILK Germany.

33. The domestic industry has claimed that low fogging is a characteristic of the downstream article (coated fabric), and not of PVC Paste Resin. The domestic industry has provided technical literature as evidence and claimed that most of the volatile matter and fogging in a PVC coated fabric comes from the plasticizer used and not from the resin. The domestic industry has in the post period of investigation developed customised grades by adding suitable additives. The domestic industry has relied on its own set of reports from the same labs which show that these grades of the domestic industry have low fogging.
34. The interested parties have made two submissions. Whether grades with high fogging values and grades with low fogging values are technically and commercially substitutable and if the grades are not substitutable, whether the domestic industry supplies grades with low fogging values.
35. The Authority notes that PVC Paste is not used directly in automotive interiors. PVC Paste Resins are first converted into PVC plastisols by the addition of appropriate plasticiser, filler and other additives. The plastisol is used to produce PVC-coated fabrics, which are then used in automotive interiors. An examination of ISO 6452 also shows that the standards pertain to the determination of fogging value of coated fabrics, not PVC Paste Resins.
36. The Authority notes that while references have been made to fogging standards and low-fogging requirements for PVC coated fabrics, the evidence on record does not establish a link between the fogging performance of a PVC coated fabric and the PVC Paste Resin used to produce the fabric. A coated fabric may qualify for use in automotive interiors only if its fogging value meets a certain criterion, say, <2mg. However, the evidence on record does not establish that the production of such a coated fabric requires the use of a special subset of PVC Paste Resins with specified fogging value.
37. It is seen that that there is no evidence on record which shows that the fogging value of the PVC Paste Resin decides the fogging value of the PVC coated fabric produced from it. The Authority considers that this indicates that desired fogging values are achieved by producers of PVC-coated fabrics by adopting appropriate formulation strategies, including the plasticiser and additives used.
38. While user industry had claimed that low fogging grades are priced higher than the domestic industry's grades, it is seen that there are no such high priced speciality grades in the import data. The Authority has also examined the transaction wise import data to

see the price trend of various grades over the period of investigation. It is seen that there is no material difference in the price of various grades over the period of investigation. If the contention of the other interested parties is to be accepted, the import price would have shown variation between different grades. Therefore, the contention of the users does not hold merit. It has been the consistent position of the Authority that a mere difference in prices is not sufficient to establish commercial non-substitutability.

39. The issue of low fogging has been examined in the previous investigations pertaining to the product under consideration and no such exclusion was granted.
40. In view of the above, the Authority considers that exclusion of “low fogging” grades from the product scope is not required.

C.3.9 Exclusion of grades with pseudoplastic and thixotropic properties

41. The user industry has requested exclusion of grades with pseudoplastic and thixotropic properties. The Authority considers that the exclusion request has not been substantiated. The Authority notes that no evidence has been presented regarding the existence of differences in pseudoplastic and thixotropic properties of imported and domestically-produced grades. Further, the Authority notes that no analysis has been presented regarding the impact of these differences on substitutability. Therefore, the Authority considers that an exclusion of these grades is not warranted.

C.3.10 Exclusion of certain grades basis IS 17658:2021.

42. The interested parties have claimed that the fact that IS 17658:2021 recognises multiple grades and the domestic industry produces, markets and sells the product in multiple grades implies non-substitutability of such grades. The interested parties have claimed that production of the domestic industry for each individual grade should be examined and grades not produced in commercial quantities should be excluded from the product scope.
43. The Authority notes that the Bureau of Indian Standards (“BIS”) formulates standards for a product based on certain technical characteristics. While BIS recognises 8 grades, these grades only differ in technical characteristics, which is not sufficient to establish non-substitutability. The Authority notes that while it has been claimed that differences exist among different grades in terms of cost, price, potential uses, customer perceptions, etc, no evidence has been presented to support such claims.
44. The Authority also notes that the domestic industry has presented evidence in the form of technical literature indicating that all eight grades identified by IS 17658:2021 can be produced on the same production lines, by making changes to process control parameters such as reaction temperature. Since all grades may be produced on the same production lines, capacities deployed for the production of a given grade can be redirected for

production of any other grade as per need and market demand. The Authority considers that production-side interchangeability is indicative of the substitutability of the grades. As the grades identified by IS 17658:2021 differ only in terms of K value and viscosity, it indicates an overlap in uses of different grades.

45. It was also contended by some interested parties that in *PVC Suspension Resins (2025)* the Authority relied upon technical standards formulated by BIS to (i) establish comparability of grades, and (ii) reject exclusion of specialty grades on the grounds that such grades are not recognised by BIS norms. An examination of the relevant portions of the final findings in the said case shows that comparability of grades was established using technical evidence in the form of lab reports. Further, exclusion of specialty grades was denied since the evidence on record established that comparable grades were produced by the domestic industry.

46. The Authority also notes that the issue was examined in the previous investigation concerning this product. In *PVC Paste Resin (2024)*, the Authority noted:

215. The fact that products are categorized into eight grades under BIS standards does not automatically necessitate their exclusion from the PUC. The existence of different grades does not alter the fundamental nature of PVC Paste Resin as a single product. The PCN methodology adopted by the Authority ensures a fair comparison across grades, and the scope of the PUC remains appropriately defined to include all grades of PVC Paste Resin that share essential physical and chemical characteristics. The PCN methodology adequately accounts for variations in cost and price, thereby addressing the concerns of fair comparison raised by interested parties. Thus, the reliance on BIS categorization to argue for exclusion of grades is misplaced and irrelevant to the present investigation.

47. In view of the foregoing, the Authority considers that while different grades identified by IS 17658:2021 may be optimised for different uses, there are clear and significant overlaps in applications of such grades. Therefore, based on this, the Authority considers that different grades recognised under IS 17658:2021 are like articles. Further, in the present case, there is production-side substitutability between different grades and the same production lines may be deployed for the production of any grade as per need and market demand. Therefore, the Authority considers that the requirement of production of each grade in ‘commercial quantities’ for inclusion in the product scope would not apply in the present case.

C.3.11 Appropriate PCN methodology

48. The Authority notes it is a settled position that PCNs are formulated to account for differences in costs and price only. The Authority notes that the practice of classification of the product under consideration into different PCNs is rooted in Article 2.4 of the WTO Anti-Dumping Agreement (“WTO ADA”). Article 2.4 provides that allowances may be

made on account of, *inter alia*, differences in physical characteristics, provided that such differences are demonstrated to affect price comparability. Therefore, the Authority considers that formulation of PCNs based on differences in physical/technical characteristics alone, without demonstrable evidence of price comparability, would be contrary to WTO ADA.

49. It has also been the consistent practice of the Authority to designate PCNs only where an aggregate-level analysis would be inappropriate due to cost and price differences between different types/grades/forms of the product included in the product scope.
50. The Authority also notes that the reliance by the User Industry on *Azo Pigments from China PR (2025)* case is misplaced. It is seen that there were clear cost differences between different grades, and PCNs were formulated based on the cost data of the domestic industry available with the Authority.
51. Further, the Authority considers that the contention that the existence of multiple grades leads to a presumption of differences in cost of such grades is misplaced. The Authority notes that differences in cost cannot be presumed or inferred. If a party requests inclusion of a given parameter in the PCN methodology, the burden is on that party to establish the cost variations attributable to that parameter through positive evidence. The Authority considers that this burden has not been discharged in the present case.
52. The Authority also notes the submissions of the parties regarding the product scope covering several technically diverse grades. As has been stated above, it has been the consistent practice of the Authority that technical differences between different grades, in the absence of demonstrable cost and price differences attributable to such technical differences, cannot form the basis for the formulation of PCNs.
53. The interested parties also expressed concern that the domestic industry is allegedly not producing certain grades and, therefore, unless a grade-wise analysis is undertaken, the assessment of dumping and injury would be distorted. The Authority considers that such a contention is misplaced. If there is no domestic like article for a certain imported grade, the appropriate recourse is exclusion of that grade from the product scope, not formulation of a separate PCN for it.
54. The Authority notes that the primary objective of adopting PCN methodology in trade remedy investigations is to accurately account for variations in cost and price across different types within the PUC. This approach ensures a fair and an apple-to-apple comparison between the subject goods and the domestic like product, enabling a proper reflection of price differences in the determination of the dumping margin and injury margin. BIS standards serve purposes which are distinct from the objectives of trade remedial investigations.

55. The User Industry had filed certain technical evidence on record as part of its written submissions filed pursuant to the first oral hearing. The domestic industry, in its rejoinder, filed pursuant to the first oral hearing, submitted counter technical evidence seeking to rebut the claims made by the User Industry. In accordance with the practice of the Authority, the parties did not circulate their rejoinder submissions.
56. Subsequent to the second oral hearing, the domestic industry re-filed the technical evidence as part of its written submissions, which was circulated with all other interested parties. Upon receipt of the technical evidence being relied upon by the domestic industry, the user Industry, through a letter dated 22nd December 2025, sought an additional opportunity to present its views regarding the technical evidence to the Authority in-person and sought an extension for submitting its rejoinder submissions. The Authority accepted the request of the user industry and allowed an extension of one week to the interested Party for filing its rejoinder submissions. The Authority has taken into account all submissions made by the user industry over the course of the investigation.
57. On the submission of the interested parties that a low-viscosity PVC paste resin cannot be made to behave like a high-viscosity resin simply by modifying downstream parameters or plasticizer content, it is seen the user industry has made mere statement without providing evidence. On the other than, the communication from the professor who conducted the tests for both the user industry as well as the domestic industry clearly specifies that properties can be modified through use of suitable additive. The Authority notes that the participating producer from Europe has also stated that while viscosity only refers to the fluidity of the PVC Paste Resin, viscosity alone does not influence the behaviour of the PVC Paste Resin at different stages of its application in end product. Therefore, the submission of the interested party that it is only the viscosity of the product which plays a crucial role is not supported by facts and information on record.
58. On the submission that the domestic industry has developed customised grades post period of investigation and these cannot form basis for any determination, the Authority notes that in the previous investigation concerning imports of the product under consideration from China, Korea, Thailand, Malaysia, Taiwan and Norway, the domestic industry had claimed that the properties demanded by the users can be achieved by addition of appropriate additives. The domestic industry had maintained its position even in the present investigation. The Authority notes that the development of customised grades by the domestic industry after the period of investigation, through additives and these grades exhibiting the required properties of high viscosity and low-fogging behaviour, further supports the consistent claim that modification of the grade through the use of appropriate additives is technically feasible and capable of delivering the properties demanded by the users.
59. The users suggested PCN methodology based on BIS. The Authority notes that the primary objective of adopting PCN methodology in trade remedy investigations is to accurately account for variations in cost and price across different grades within the

product under consideration. This approach ensures a fair and an apple-to-apple comparison between the subject goods and the domestic like product, enabling a proper reflection of price differences in the determination of the dumping margin and injury margin. BIS standards serve purposes which are distinct from the objectives of trade remedial investigations. The fact that products are categorized into eight grades under BIS standards does not automatically necessitate that PCN be framed for eight grades. PCN methodology is defined where the Authority based on positive evidence finds that the difference in parameters affect the differences in cost and price. In the present investigation, the participating producers from European Union or Japan have not claimed any such PCN methodology. Thus, the reliance on BIS categorization to argue for exclusion of grades is misplaced and irrelevant to the present investigation.

60. In view of the foregoing, having considered submissions of the interested parties regarding product scope, the Authority concludes that the product scope should be defined as follows:

The product under consideration in the present application is ‘Poly Vinyl Chloride Paste Resin’ also known as ‘PVC paste resin’ or ‘Emulsion PVC Resin’.

The scope of product under consideration excludes the following products.

- i. Subject goods with a K value below 60K*
- ii. PVC Blending Resin*
- iii. All Co-polymers or co-polymer grades of the PVC paste resin*
- iv. Battery separator resins*
- v. Grades PVC 173GB and 174GY*
- vi Low-carbon grades Biovyn, Neovyn and Recovyn, accompanied by acceptable evidence of sustainability.*
- vii. cross linked resins.*

61. Further, having considered the submissions of the interested parties regarding the appropriate PCN methodology, the Authority proposes to conclude that the PCN methodology as notified via the PUC Notice on 13th May 2025 is appropriate. For ease of reference, it is reproduced below:

S.N.	Parameter	Range	Code
1	K Value	60-70	Medium
2		Above 70	High

D. SCOPE OF DOMESTIC INDUSTRY AND STANDING

D.1 Submissions made by the other interested parties.

62. The other interested parties have not made any submission.

- i. Under Article 4.1 of the WTO Anti-Dumping Agreement (“WTO ADA”) and Rule 2(b) of the Rules, the domestic industry consists of those producers who are engaged in the production of the like products. Therefore, if the domestic producers are not producing like products, they cannot constitute a domestic industry within the meaning of the aforesaid provisions.

D.2. Submissions made by the domestic industry.

63. The domestic industry has submitted as follows:
 - a. Chemplast Sanmar Limited accounts for a majority of the production of PVC Paste Resins in India.
 - b. Other than Chemplast, there is only one producer of PVC Paste Resins in India, Finolex Industries Limited. Their share in total Indian production is very low.
 - c. Chemplast has not imported the subject goods from the subject countries during the period of investigation.
 - d. Chemplast is not related to any producer of the subject goods in the subject countries or importer of the subject goods in India.

D.3. Examination by the Authority.

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

(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 ”

65. The Authority notes that the present application has been filed by Chemplast Sanmar Limited. The Authority notes that, based on the information on record, there is one other producer of the like article in India, Finolex Industries Limited.
66. The Authority notes that based on the material on record, the total Indian production of the domestic like article during the period of investigation was *** MT, of which Chemplast produced ***MT which is *** of total production of like article in India. The Authority notes that during the course of the investigation, no averments have been made disputing this.
67. Chemplast has certified that it has not imported the product under consideration. The Authority has examined the transaction-wise data obtained from DG Systems and found that there are no imports of the product under consideration by Chemplast.

68. In view of the foregoing, the Authority proposes to conclude that:
- a. The applicant, Chemplast Sanmar Limited, constitutes ‘domestic industry’ within the meaning of Rule 2(b) of the Rules.
 - b. Chemplast Sanmar limited satisfies the requirement of standing as prescribed in Rule 5(3) of the Rules.

E. CONFIDENTIALITY

E.1 Submissions made by the other interested parties.

69. The other interested parties have submitted as follows with regards to confidentiality claims and other miscellaneous issues:
- a. The application for initiation of the investigation does not comply with Trade Notice 10/2018 in several instances.
 - b. The domestic industry has not disclosed the country-wise estimates of normal value for the European Union, details of opening and closing inventory, inventory as number of days of production and inventory as number of days of sales, details of R&D expenses and funds raised (equity, debt, working capital etc), total PBIT, per unit PBIT and interest/finance cost for domestic sales, purchase quantity and value of the product under consideration, the non-injurious price claimed in the application.
 - c. The volume and value of the production of producers other than domestic industry, the average industry norm for capacity utilisation, sales data under two separate heads, that is, sales to small-scale industries and other than small-scale industries., have not been provided.
 - d. The domestic industry has claimed excessive confidentiality by not disclosing the names of users to whom it has supplied PVC Paste Resin grades allegedly suitable for high viscosity and low fog applications.
 - e. The Authority had in the anti-dumping investigation concerning imports of Halobutyl Rubber (HIIR), Mica Pearl Pigments and Titanium Dioxide (TiO₂) disclosed the names of the customers.
 - f. Duty may be imposed on reference price basis.

E.2. Submission made by the domestic industry.

70. The domestic industry has submitted as follows with regards to confidentiality claims and related issues:
- a. The application and other submissions filed by the domestic industry are in compliance with Trade Notice 10/2018. Notwithstanding, in light of the issues raised by interested parties, additional disclosures were made via letter dated 31st August 2025.
 - b. The domestic industry has quantified the impact of the requested duties and duly disclosed it in the non-confidential version of its response to the Economic Interest Questionnaire.

E.3. Examination by the Authority.

71. With regard to confidentiality of information, Rule 7 provides as follows:

Rule 7: Confidential information. (1) Notwithstanding anything contained in subrule (1), (2), (3) and (7) of rule 7, subrule (2) of rule 14, subrule (4) of rule 17 and subrule (3) of rule 19 copies of applications received under subrule (1) of rule 6 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 authorisation of the party providing such information.

(2) The designated authority may require the parties providing information on confidential basis to furnish nonconfidential summary thereof in sufficient details to permit a reasonable understanding of the substance of the confidential information 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 subrule (2), if the designated authority, is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorise its disclosure in generalised or summary form, it may disregard such information.

72. The Authority notes that post the submissions filed by the other interested parties, the domestic industry vide letter dated 31st August 2025 has complied with the requests made for disclosure. The Authority further observes that no additional submissions have been received from any interested parties alleging excessive confidentiality.

73. It is seen that the domestic industry and interested parties have claimed confidentiality on information, such as production, capacity, capacity utilization, sales volumes, market share, stocks, selling price, costs, profits, cash profits, return on investment, non-injurious price, cost of production related information, normal value, export price, dumping margin, landed price, injury margin, price adjustments, profit related information, sales channels, sales & purchase documents, customers and suppliers names, etc. It is also seen that wherever information is for injury period, the same has been provided on indexed basis. Wherever information pertains to single year, the same has been disclosed in range, if such disclosure does not compromise confidentiality of information. The interested parties have claimed confidentiality in various supporting documents & information, wherever such information has not been publicly disclosed by them. In those cases where an interested party has not publicly disclosed its annual reports and financial statements, the same has been claimed confidential. Wherever the interested parties have claimed a document as confidential, it is noted that these interested parties have claimed that these

documents are not susceptible of summary and have given reasons why summarization is not possible. The claimed normal value has been disclosed as range by the applicant. Therefore, the Authority considers that the disclosure of the calculation of normal value does not suffer from excessive confidentiality.

74. On the submission that average industry norm for capacity utilisation, sales data under two separate heads - sales to small-scale industries and other than small-scale industries, are not part of the application proforma.
75. On the submission on form of duty, the same will be examined by the Authority at the time of issuance of final finding, if the Authority decides to recommend imposition of measures.
76. The Authority has consistently allowed interested parties to claim confidentiality on such information and documents provided by domestic industries, foreign producers and other interested parties in all investigations. The Authority notes that all the interested parties have claimed their business-related sensitive information as confidential. 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.
77. The domestic industry had submitted written communications received from certain users in support of its contention that the product supplied by it possesses the requisite viscosity and fogging characteristics. While placing these communications on record, the domestic industry has claimed confidentiality with respect to the identities of the users. The interested parties have, however, sought disclosure of the names of these users. The Authority has examined the confidentiality claim made by the domestic industry and notes its submission that disclosure of the identities of the users and the corresponding communications to other interested parties would be severely prejudicial to its commercial interests, including its business relationships and market position, as well as to the interests of the users who have provided the feedback. In view of the potential commercial sensitivity involved, the Authority considers the confidentiality claim to be justified and has accordingly accepted the same. The Authority further notes that the domestic industry has provided a non-confidential summary of the contents of these communications. As per the summary, the letters constitute feedback from users of PVC Paste Resin confirming that they have used Chemplast Grades 120(C) and 121(C) and have found these products to be suitable and satisfactory for applications requiring high viscosity and low fogging characteristics. In light of the explanations provided, the Authority accepts the claims of the domestic industry in this regard.
78. The Authority proposes to conclude that there are no outstanding issues of excessive confidentiality claims in the submissions filed in the present proceedings.

F. MISCELLANEOUS ISSUES.

F.1 Submissions by other interested parties

79. No submissions regarding period of investigation have been made by any of the interested parties.

F.2 Submissions by the domestic industry

80. The period of investigation proposed by the applicant is 1st April 2023 – 30th September 2024 (a period of 18 months) which is the most recent period of its performance. The injury period covers the period of 2020-21, 2021-22, 2022-23 and the proposed period of investigation.

81. Rule 5(3A) (ii) of the Rules provides that “the period of investigation shall be for a period of twelve months normally and for reasons to be recorded in writing, the designated authority may consider a minimum of six months or maximum of eighteen months.”

82. They have stated that the dumping from Europe in particular intensified with initiation of investigations on other set of countries including China PR, Korea RP, Malaysia, Norway, Taiwan & Thailand. Excluding Apr-Sept., 2023 would mean excluding part of the period when dumping was taking place from Europe.

83. The applicant had earlier filed application considering April, 23 – March, 24 as the POI. Subsequently, the applicant updated its application to include the data April 2024 to September 2024 so as to also include the impact of increased volume of dumping of PUC from subject countries.

84. They further stated that consideration of 18 months period would allow one complete accounting year to be included within the POI. This would facilitate proper establishment of costs for the POI, as the Authority would have an accounting year data available.

85. The spirit of the law is to discourage a period shorter than one year. The proposed period is longer than the 12 months desirable period. Therefore, it would allow the Authority a longer period for proper assessment.

86. The Authority investigated imports of the product under consideration from China PR, Korea RP, Malaysia, Norway, Taiwan and Thailand. The period of investigation for that investigation is April 2022 to March 2023. The period proposed by the applicant covers the complete period after the period of investigation of that investigation.

87. Complete costing and injury data has been provided separately for April 2023 to March 2024 and then for April 2024 to September 2024 (6 months). Therefore, an examination of the period from April 2023 to March 2024 and thereafter April 2024 to September 2024 will allow for a comprehensive assessment of the conditions of the market and injury

to the domestic industry, as it will cover the period during which no duties were in force as well as a period when anti-dumping duties were in force on the product under consideration from other countries. The applicant submits that given the facts of the present case, a period of investigation of 18 months will allow for the most accurate analysis.

F.3 Examination of the Authority

88. The period of investigation for the present investigation is 1st April 2023 to 30th September 2024 (18 months). The Authority notes that, in accordance with the provisions of the anti-dumping rules, the Authority considers a period of twelve months as the standard period of investigation. The Rules empower the Authority, for reasons to be recorded in writing, to adopt a period of investigation of not less than six months and not exceeding eighteen months, as may be warranted by the facts and circumstances of the case. It is noted that, in several previous investigations, the Authority has adopted a period of investigation either shorter or longer than twelve months, depending upon the facts in each case. The domestic industry had claimed that consideration of 18 months period would allow one complete accounting year to be included within the period of investigation. This would facilitate proper establishment of costs for the period of investigation, as the Authority would have an accounting year data available.
89. The Authority conducted another investigation concerning imports of the present product under consideration from other subject countries, pursuant to which first preliminary measures were imposed in June 2024, which expired in December 2024, and thereafter definitive measures were imposed. As noted by the Authority in the Initiation Notification, the Authority considers an 18-month period appropriate in the present case as an examination of the period from April 2023 to March 2024 and thereafter April 2024 to September 2024 will allow for a comprehensive assessment of the conditions of the market and injury to the domestic industry, as it will cover the period during which no duties were in force as well as a period when anti-dumping duties were in force on the product under consideration from other countries.
90. The Authority also holds that consideration of the accounting year as part of the investigation period is desirable, particularly in those situations where its consideration would otherwise not skew the data. The selected period also facilitated ease of data preparation and verification. It is also noted that consideration of a eighteen -month period of investigation has not caused any prejudice or adverse impact on the outcome of the investigation or on bona fide interests of any set of interested parties. Accordingly, the Authority holds that the adoption of eighteen -month period of investigation is appropriate in the present case.

G. DETERMINATION OF NORMAL VALUE, EXPORT PRICE & DUMPING MARGIN

G.1 Submission made by the other interested parties.

91. The opposing interested parties have not made any submissions with regard to normal value and export price.

G.2 Submission made by the domestic industry.

92. The domestic industry has not made any submissions with regard to normal value and export price post initiation of the investigation.

G.3 Examination by the Authority.

93. Under section 9A(1)(c), the normal value in relation to an article means:

i) The comparable price, in the ordinary course of trade, for the like article, when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6), or

ii) when there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either:

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

(b) 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 transhipped 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.

94. The Authority notes that the following exporters of the subject goods have filed exporter's questionnaire responses: -

- a. Inovyn Europe Limited ("IEL"), Inovyn Deutschland GmbH ("IND"), Inovyn France SAS ("INF"), Inovyn Sverige AB ("INS"), Inovyn Trade Services SA ("ITS"), Inovyn Italia S.p.A ("INI")
- b. Kaneka Corporation

95. Pursuant to the onsite verification carried out by the Authority, a verification report (confidential to the concerned exporters only) was issued to the concerned exporters, and comments received from them have been taken into account for this final findings.
96. Further, confidential numbers pertaining to Normal value, export price, landed price, and Non injurious price to the domestic industry are being provided to concerned interested parties on confidential basis, and comments received from them in this regard, will be taken into account by the Authority for the final findings.
97. With regard to source of data with respect to determination of Net export price and Landed value of subject goods from European Union and Japan, the Authority notes that the investigation team takes invoice date as the date of supply, and all supplies during the POI (taking into account invoice date) are taken into account for the purpose of determination of Net export price and Landed value of the cooperating producer and exporter. As the DG systems data give an account of imports through bill of entry date, these reflect the dates on which imports enter into our territory, and these may not be in the POI taken for the purpose of investigation.
98. Further, in this case, traders were also involved, and these traders export the goods to India. However, while determining the Net export price and landed value, we need to take into account those exports of the traders which are sourced from the cooperating producer. This may not be easy to decipher from the trader's data which are accessible from the DG systems. Hence, exporters data becomes important for the purpose of determination of Net export price and landed value.
99. However, it is always the endeavour of the investigation team to cross check the data of the cooperating producer with the DG systems data to understand broadly the Quantity and value of the imports from subject countries for the determination of NEP and landed value, of the cooperating producers. However, they may not perfectly match due to reasons explained above.
100. Normal value is always taken from the sales made by the producer in their home market in the market economy country for the cooperating producer/exporter. In the case of non-cooperation, and in the case of NME country, normal value is generally determined with reference to Para 7 of the Annexure 1 of the Anti-dumping rules, and these include information taken from the domestic industry, and hence no reference is made to DG Systems data in those cases for the determination of Normal value.

Normal value and export price for European Union.

(a) Inovyn Europe Limited.

101. Inovyn Europe Limited has participated along with its related domestic traders - Inovyn Deutschland GmbH (“IND”), Inovyn France SAS (“INF”), Inovyn Sverige AB (“INS”), Inovyn Trade Services SA (“ITS”), Inovyn Italia S.p.A (“INI”).
102. The producer has reported domestic sales of [***] MT having a value of [***] EUR in the period of investigation. The producer has claimed adjustments on account of inland transportation, credit cost and packing cost.
103. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India. To determine the normal value, the Authority conducted the ordinary course of trade test to determine profit-making domestic sales transactions with reference to the cost of production of the subject goods, on a PCN-wise basis. If profit-making transactions are more than 80% of the total sales, then all the transactions in the domestic sales are considered for the determination of the normal value and in cases, where profitable transactions are less than 80%, only profitable domestic sales are taken into consideration for the determination of the normal value. As more than 80% of domestic sales are profitable hence all domestic sales have been considered to determine the normal value.
104. The producer has reported ***MT as exports of the product under consideration to India during the period of investigation. The producer has reported that all its export sales have been directly made to the unrelated customers and no related trader is involved. The quantity and value of imports reported by the producer have been reconciled with the DG System Transaction-wise data. The producer/exporter has claimed adjustments for ocean freight, marine insurance, port expenses, inland freight, bank charges, credit cost, fumigation charges, packing cost, etc., to the invoice price.
105. The Authority conducted a spot verification of the information provided by the producer and such verified information with necessary rectification, wherever applicable, has been relied upon for the purpose of this final findings.

(b) Westlake Vinnolit GmbH & Co. KG

106. Westlake Vinnolit GmbH & Co. KG had registered in the investigation but did not file a questionnaire response. The producer has not filed any questionnaire response claiming an individual dumping and injury margin. Therefore, the producer has been treated as non-cooperative.

(c) Non-cooperating producers.

107. The export price for other non-cooperative producers/exporters from European Union has been determined based on facts available in terms of Rule 6(8) of the Rules. The dumping margins for the non-cooperating producers/exporters from EU is mentioned in the dumping margin table below.

Normal value and export price for Japan.

i. Kaneka Corporation.

108. Kaneka Corporation from Japan has filed the questionnaire response with the Authority along with the other written submissions wherein they have claimed dumping of PUC into India during the POI.
109. Subsequently Kaneka, Japan has extended a price undertaking to the Authority. As part of this undertaking, the producer has agreed to revise its export prices to India and to provide all reasonable and relevant information that the Designated Authority may consider necessary to monitor compliance with the terms of the undertaking.
110. In accordance with Rule 15 of the Rules (Suspension or Termination of Investigation Pursuant to Price Undertaking), the Designated Authority may suspend or terminate an antidumping investigation if the exporter of the article under investigation furnishes a written undertaking to revise the prices of the product under consideration so as to eliminate the injurious effects of dumping.
111. The price undertaking offered by Kaneka, Japan was shared with the domestic industry for its comments and acceptance in terms of the parameters stipulated in the undertaking. Upon acceptance of the said price undertaking by the domestic industry, it was further examined by the Authority, and the price undertaking has been accepted in terms of Rule 15 of the Rules. Consequently, the Authority has not determined definitive dumping and injury margins for Kaneka, Japan. No anti-dumping duties shall apply to exports of the product under consideration made by Kaneka, Japan while the undertaking remains in effect and is adhered to.
112. In the said undertaking, Kaneka Japan has undertaken that it directly or through its exporter, that is, Mitsui, Japan (Trader), “shall not export the subject goods to India directly or through intermediaries to India at prices lower than:
- (a) *FOB Basis (at any port in Japan)*
*FOB Japan VCM Prices as per the agreed benchmark (CMA Global Vinyl’s Monthly Market report – midpoint) plus a fixed mark up of USD *** per MT.*
- (b) *CIF basis (at any port in India)*
FOB price as above plus actual ocean freight and actual insurance
- (c) *ICD Deliveries (Conditional)*
Where delivery is upto an Inland Container Depot in India and inland movement within India is borne by the exporter and additional flat amount of USD 50 per MT shall apply.
This additional USD 50 per MT shall not apply where
- *Delivery is upto the Indian Sea Port or*
 - *Indian movement is paid by the importer/buyer.*

113. Undertaking on same lines has also been submitted by Mitsui, Japan (trader/exporter of Kaneka, Japan).
114. In the event of any violation of the undertaking by Kaneka, Japan, the Authority reserves the right to recommend to the Central Government the levy of appropriate anti-dumping duties. Such recommendations may be based on the information available during the present investigation or any additional information brought to the notice of the Authority from appropriate sources. Anti-dumping duties recommended in the event of a violation shall be applied retrospectively from the date of such violation or withdrawal of the undertaking.
115. Furthermore, the Designated Authority may, suo motu or upon a request from the exporter, the domestic industry, importers, or any other interested party, periodically review the need for the continuation of the undertaking. The terms of the price undertaking shall remain coterminous with the duration of any anti-dumping duties imposed by the Central Government through the applicable notification and shall be subject to review as provided under the relevant provisions of the Anti-Dumping Rules.
116. In the event that the Central Government does not accept the price undertaking, the Designated Authority shall separately intimate the Central Government regarding the quantum of anti-dumping duty to be imposed and the effective date of its levy.

ii. Normal value for Japan.

a. Normal value for responding producer - Kaneka Corporation

117. Owing to the acceptance of the price undertaking extended by Kaneka Corporation and acceptance of the same by the Authority in terms of the Rule 15 of the Rules, the normal value for the said producer/exporter has not been determined.

b. Normal value for non-cooperating producers.

118. The normal value for non-cooperative producers/exporters from the Japan has been determined based on facts available in terms of Rule 6(8) of the Rules. The normal value so determined is mentioned in the dumping margin table below.

iii. Export price for Japan

a. Export price for responding producer - Kaneka Corporation

119. Owing to the acceptance of the price undertaking extended by Kaneka Corporation and acceptance of the same by the Authority in terms of the Rule 15 of the Rules, the export price for the said producer/exporter has not been determined.

b. Export price for non-co-operative exporters/producers.

120. The export price for non-cooperative producers/exporters from Japan has been determined based on facts available in terms of Rule 6(8) of the Rules. The net export price so determined is mentioned in the dumping margin table below.

G.4 Dumping margin

121. The table below shows the dumping margin determined by the Authority based on the questionnaire response filed by the producers.

SN	Particular	Normal value	Net export price	Dumping margin	Dumping margin	Dumping margin
		\$/MT	\$/MT	\$/MT	%	Range
1	European Union					
a	Inovyn Europe Limited	***	***	***	***	100-110%
b	Any other	***	***	***	***	100-110
2	Japan					
a	Any other	***	***	***	***	60-70%

H. EXAMINATION OF INJURY AND CAUSAL LINK

H. 1 Submission made by the other interested parties

122. The other interested parties have made the following submissions with regard to injury and causal link:

- i. Domestic industry has relied on the DGCI&S published data for ascertaining volume and value but has overlooked the fact that this tariff line covers a wider product basket, including products that do not fall within the scope of the product under consideration.
- ii. Net sales realisation is a voluntary business decision which depends on multiple factors including the cost of production. The cost of the production of the domestic industry is inefficient which lead to an inflated cost of production and thereby a high selling price.
- iii. Domestic industry's allegation of price suppression/depression is not a result of imports preventing price increases, but rather a reflection of raw material volatility and internal cost structures.
- iv. Domestic industry has failed to demonstrate that subject imports prevented it from raising prices to recover costs or that imports forced a decline in domestic selling price.
- v. Domestic industry experienced growth in capacity, production, and sales throughout the period which shows that there is no evidence of material injury.

- vi. The capacity trend reported by the domestic industry does not reconcile with the capacity reported in the annual report.
- vii. The injury suffered by the domestic industry is due to depreciation and interest cost of the new plant.
- viii. In its annual report, the applicant has attributed the overall growth in revenues in 2024-25 to improvement in sales of PVC Paste Resins.
- ix. In its annual report, the applicant has attributed losses to finance cost.
- x. The primary reason for fluctuations in the performance of the domestic industry is the volatile nature of raw material prices. Even a small change in global crude and feedstock prices significantly impact cost structures of the domestic industry.
- xi. Despite having enjoyed anti-dumping protection for nearly two decades, the DI has not demonstrated meaningful competitiveness either in cost terms or in the development of specialty grades.
- xii. EU producers of PUC operate with significant competitive advantage because they have integrated downstream production of VCM and EDC

H.2 Submissions made by the domestic industry.

123. The domestic industry has made the following submissions with regard to injury and causal link:
- i. There is significant difference in the import price of the product under consideration from the subject countries and countries attracting anti-dumping measures as the price of subject countries prices are materially lower than the import prices from countries attracting anti-dumping measures.
 - ii. Because the imports from European Union and Japan are priced lower, they are now more than the imports from the countries attracting duties. The imports have shifted from countries attracting duties to these sources.
 - iii. Landed price has declined steeply in the period of investigation without any commensurate decline in the Ethylene prices.
 - iv. The domestic industry has lost a massive cumulative amount of more than Rs. 310 crores in the period of investigation.
 - v. Domestic industry has undertaken capacity expansion by setting up new capacity of 41,000 MT per annum with an investment of around Rs *** cr. Domestic industry has been forced to suspend *** MT of next phase of the plant.
 - vi. Price injury is the real form of injury in the present case due to production compulsions and due to continuous nature of the production process.
 - vii. Costs associated with shutdown and restart of the production process and the related units are extremely high and suspension of production in itself is a significant cost to the industry.
 - viii. Suspension of production of the PVC Paste also implies adverse impact on production of Ethylene di chloride and vinyl chloride monomer which are also captively produced.
 - ix. The volume of imports from the subject countries increased over the injury period. The imports from the subject countries have increased in relation to Indian production, demand and total imports.

- x. The price undercutting is positive despite the domestic industry selling the product at losses. Had the domestic industry retained its prices, the undercutting would have been far higher.
- xi. With the significant decline in the landed price of imports from subject countries in the period of investigation, the imports are much below the cost of sales of the domestic industry, resulting in positive and significant cost undercutting.
- xii. The capacity, production, capacity utilisation and domestic sales of the domestic industry have increased over the injury period.
- xiii. Had the domestic industry retained same profit as earned in 2021-22 (no dumping period), it could have earned a profit of around Rs *** cr. in the period of investigation.
- xiv. Cumulatively for 2022-23 and the period of investigation, the domestic industry has suffered a loss of Rs *** cr. The amount invested in the business is Rs *** cr.
- xv. Domestic industry has suffered cash losses and negative return on capital employed.
- xvi. While employment and wages are not dependent on the performance of the product under consideration, the future of employment under the new plant is dependent upon the performance of the product.
- xvii. The domestic industry has recorded positive growth in the volume parameters. The growth in all the price parameters has been negative in the period of investigation.
- xviii. The inventory of the domestic industry has increased in the period of investigation, and the domestic industry is finding it difficult to sell at remunerative prices.

H.3 Examination by the Authority

124. Rule 11 of the Rules read with its Annexure-11 thereto 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 to 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 Rules.
125. The Authority has taken note of the various submissions made by the interested parties, including the domestic industry, and has analyzed them considering the facts available on record and the applicable laws. The injury analysis made by the Authority hereunder *ipso facto* addresses the various submissions made by the interested parties.

126. On the submission of the interested parties that losses are due to capacity expansion undertaken by the domestic industry as the interest cost and depreciation cost have increased, the Authority notes that the cash losses and loss before interest have further deteriorated in the period of investigation. While capacity expansion would have added to the cost of domestic industry in the form of interest cost and depreciation cost, the fact that domestic industry has suffered cash losses and loss before interest as well shows that the injury cannot be attributed to the capacity expansion alone.

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Profit/ (loss)	₹ Lacs	***	***	***	***
	Trend	Indexed	100	134	-61	-82
2	Cash Profit	₹ Lakhs	***	***	***	***
	Trend	Indexed	100	132	-53	-69
3	PBIT	₹ Lakhs	***	***	***	***
	Trend	Indexed	100	100	-33	-43

127. On the submission of the interested parties that capacity trend reported by the domestic industry does not reconcile with the capacity reported in the annual report, the Authority notes that the domestic industry commenced commercial production at the new plant of 41,000 MT per annum from February 2024. The period of investigation in the present investigation is April 2023 to September 2024 and the capacity for the new plant has been considered on proportionate basis (for 34 days). The annual report shows the capacity on annual basis.
128. On the submission of the interested parties that the domestic industry's volume parameters have not shown any decline and statements in annual report where increasing production and sales have been discussed, the Authority notes that the domestic like product is manufactured using a continuous process, as a result of which suspension or scaling down production is a significant cost in itself. Additionally, suspension or scaling down of production causes loss of efficiency and affects quality when production is resumed or scaled up again. The domestic industry has also submitted that suspension of production of the domestic like product would also adversely affect the production of the upstream raw materials which are also captively produced. Therefore, reducing production or sales volumes is not a viable option. Therefore, in view of the foregoing, the Authority considers that there is a sufficient reason justifying improvement in the volume parameters of the domestic industry.
129. On the submission that the EU producers operate with significant competitive advantage because they are integrated and produces VCM and EDC, the Authority notes that the domestic industry in the present case is also backward integrated and produces EDC. The Authority has already found that the export price of the producers to India is below their cost and at dumped prices and therefore, it cannot be considered that the present injury to the domestic industry is due to the absence of backward integration.

130. On the submission of the interested parties that the cost of the product under consideration is volatile due to fluctuations in the raw material prices, which has caused injury to the domestic industry, it is noted that fluctuation in the prices of raw material is a global factor and not peculiar to the Indian market alone and so would have affected the producers in the subject countries as well. The domestic industry is expected to adjust its prices of domestic like product, in accordance with the fluctuations in the prices of raw material. However, the domestic industry was prevented from adjusting its prices because of the presence of dumped imports from the subject countries which were depressing and undercutting its prices. It is seen that the cost of production of the domestic industry has declined and even then, the losses of the domestic industry has increased. The Authority has also examined the price of Ethylene and the price of the imports from the subject countries, it is seen that the landed price has declined at a higher rate as compared to the decline in the raw material prices.
131. Para (iii) of Annexure II of the Rules deals with cumulative analysis of imports. It reads as follows:
- (iii) In cases where imports of a product from more than one country are being simultaneously subjected to antidumping investigation, the designated authority will cumulatively assess the effect of such imports, only when it determines that, -*
- (a) the margin of dumping established in relation to the imports from each country is more than two per cent. expressed as percentage of export price and the volume of the imports from each country is three per cent. of the import of like article or where the export of individual countries is less than three per cent., the imports collectively accounts for more than seven per cent. of the import of like article; and*
- (b) a cumulative assessment of the effects of the imports is appropriate in light of the conditions of competition between the imported products and the conditions of competition between the imported products and the like domestic product.*
132. In order to ascertain whether cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported article and the like domestic articles, the following parameters have been examined: -
- a. Products supplied by different parties are like articles and are comparable in properties.
 - b. Domestically produced products and the imported products are interchangeable.
 - c. There is direct competition between the domestic product and the imported product and inter-se between the imported product.
 - d. Consumers are using domestic material and imported material interchangeably and the exporter and the domestic industry have sold the same product to same set of customers.
 - e. Import price from the subject countries have moved in tandem.

133. In view of the above, the Authority considers it appropriate to cumulatively assess the effects of dumped imports of the product under consideration from the subject countries on the domestic industry.

H.3.1 Assessment of demand/apparent consumption

134. The Authority has determined demand/apparent consumption of the product in India as the sum of the domestic sales of the domestic industry, estimated sales of the other producers and imports from all sources.

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Sales of domestic industry	MT	***	***	***	***
	Trend	Indexed	100	104	110	125
2	Sales of the other producer	MT	***	***	***	***
	Trend	Indexed	100	71	71	54
3	Imports from subject countries	MT	17,544	13,931	13,205	30,628
4	Imports from countries attracting anti-dumping duty	MT	15,058	45,552	71,800	55,981
5	Import from other countries	MT	7,960	3,257	2,412	1,832
6	Total Demand/Consumption	MT	***	***	***	***
	Trend	Indexed	100	118	143	150
7	Indian Capacity	MT	78,000	78,000	78,000	1,19,000

135. It is seen that the demand for the product has consistently increased over the injury period.

136. It is noted that the domestic industry has expanded its capacity by 41,000 MT per annum with an investment of around Rs *** cr and the production in the new capacity began from February 2024. It is seen that even after the capacity expansion undertaken by the domestic industry, there is a demand and supply gap. The domestic industry has provided copy of environmental clearance which shows that it had obtained an approval of 70,000 MT but the expansion had been taken only for 41,000 MT. The domestic industry has submitted that it had planned to further expand its capacity, but the expansion plan has been put on hold.

H.3.2 Volume effect of dumped imports on the domestic industry

137. With regards to the volume of dumped imports, the Authority is required to consider whether there has been a significant increase in the dumped imports, either in absolute terms or relative to production or consumption in India. For the purpose of the injury analysis, the Authority has relied on the DG system import data. The information is as below:

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Subject countries	MT	17,544	13,931	13,205	30,628
i	European Union	MT	12,630	7,770	9,927	25,611
ii	Japan	MT	4,914	6,161	3,278	5,017
2	Countries attracting duty	MT	15,058	45,552	71,800	55,981
3	Other Countries	MT	7,960	3,257	2,412	1,832
4	Total	MT	40,562	62,741	87,417	88,441
5	Subject imports in relation to:					
i	Indian production	%	***	***	***	***
	Trend	Indexed	100	73	65	131
ii	Demand	%	***	***	***	***
	Trend	Indexed	100	67	53	116
iii	Total Imports	%	43%	22%	15%	35%

138. It is seen that the volume of dumped imports from subject countries declined in 2021-22, increased marginally in the year 2022-23, and then increased sharply in the period of investigation. Import volume has increased over the injury period.

139. Imports in relation to total production and consumption in India declined till 2022-23 but increased sharply in the period of investigation. The imports in relation to production and consumption have increased over the injury period.

140. The table below shows the comparison of the imports between 2022-23 and the period of investigation. Anti-dumping duties were imposed on the imports from China, Korea, Malaysia, Thailand, Taiwan and Norway in June 2024, and the period of investigation of that investigation was 2022-23. Therefore, the period of investigation has been broken into the complete financial year 2023-24 and April 2024 to September 2024 to examine the shift in patten of imports.

SN	Particulars	UOM	2022-23	2023-24	Apr to Sep 24	POI (A)
1	Subject countries	MT	13,205	24,906	21,036	30,628
i	European Union	MT	9,927	20,530	17,887	25,611
ii	Japan	MT	3,278	4,377	3,149	5,017
2	Countries attracting duty	MT	71,800	58,520	25,451	55,981
3	Other Countries	MT	2,412	2,133	615	1,832
4	Total	MT	87,417	85,559	47,102	88,441

* Import data has been rectified from the disclosure statement

141. Imports from the subject countries were low in volume till 2022-23 as the imports from countries that are now attracting anti-dumping duty commanded a major share in demand. The imports from subject countries increased in 2023-24 but with the imposition of anti-dumping duty on other countries in June 2024, the imports from the subject countries shot up sharply in the first half of 2024-25. The period saw steep decline in the imports from other countries attracting duty. It is therefore seen that with the imposition of anti-dumping duty on China, Korea, Malaysia, Norway, Taiwan and Thailand, the dumping of the product under consideration has shifted to the subject countries.

H.3.3 Price effect of dumped imports on the domestic industry

142. With regard to the effect of the dumped imports on the 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 products in India, or whether the effect of such imports is otherwise to depress the prices or prevent the price increase, 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 countries with reference to the price undercutting and price suppression/ depression, if any has been analysed. For the purpose of this analysis, the cost of production and the selling price of the domestic industry have been compared with the landed price of the imports of the subject goods from the subject countries.

a. Evolution of price.

143. The applicant has provided information on the prices of Ethylene and landed price of imports. Since interested parties have claimed that the import price has moved in line with the raw material prices, it is considered appropriate to compare the raw material prices with the landed price of imports. The table below shows the information on the raw material price and landed price of imports.

SN	Period	UOM	2020-21	2021-22	2022-23	POI
1	Ethylene prices	₹/MT	***	***	***	***
2	Trend	Indexed	100	155	161	143
3	Landed price	₹/MT	80,831	1,40,889	1,12,880	92,748
4	Trend	Indexed	100	174	140	115

144. It is seen that in 2021-22, both the Ethylene prices and landed price of imports increased. However, in 2022-23, while Ethylene prices further increased, the landed price declined. The Ethylene prices have declined in the period of investigation but the landed price declined sharply. When seen over the injury period, it is seen that the increase in the landed price is not in line with the Ethylene prices. It is seen that the import price has not moved in line with the raw material cost. It is also seen that with a decline in the import price from the subject countries, the import volumes have shot up.

b. Price undercutting

145. For the purpose of price undercutting analysis, the net sales realisation of the domestic industry has been compared with the landed value of imports from the subject countries as deduced from DG Systems data. Accordingly, the undercutting effects of dumped imports from the subject countries work out as follows:

146. The table below shows the price undercutting in the POI.

SN	Particulars	UOM	EU	Japan	Average.
1	Import Quantity	MT	38,416	7,526	45,942
2	Net Sales Realisation of DI	₹/MT	***	***	***
3	Landed Price	₹/MT	90,338	91,588	90,543
4	Price Undercutting	₹/MT	***	***	***
5	Price Undercutting	%	***	***	***
6	Price Undercutting	Range	0-10%	0-10%	0-10%

* Landed price from Japan has been rectified from the disclosure statement, as the custom duty on PVC paste resin as per India-Japan CEPA is zero.

147. It is seen that the price undercutting is positive in the period of investigation. The landed price of imports is below the selling price of the domestic industry.

c. Price suppression/depression

148. In order to determine whether the dumped imports are suppressing or depressing the domestic prices and whether the effect of such imports is to depress such prices to a significant degree or prevent price increase which otherwise would have occurred in normal course, the changes in the costs and prices over the injury period are examined as below:

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI
1	Cost of sales	₹/MT	***	***	***	***
	Trend	Indexed	100	133	139	129
2	Selling price	₹/MT	***	***	***	***
	Trend	Indexed	100	132	93	83

149. It is seen that:

- a. The cost of sales and the selling price of the domestic industry increased in 2021-22. In 2022-23, the cost of sales further increased, but the selling price steeply declined. The domestic industry suffered losses in that period.
- b. In the period of investigation, both cost of sales and the selling price of the domestic industry declined, and the domestic industry has continued to suffer losses. The decline in the selling price is more than the decline in cost.
- c. When seen over the injury period, while the cost of sales has increased by 29 index points, the selling price has declined by 17 index points.

- d. It is seen that the domestic industry was unable to align their selling price with the changes in the cost of sales. The dumped imports have depressed the prices of the domestic industry.

H.3.4 Economic parameters of the domestic industry.

150. Annexure II to the Anti-Dumping Rules provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all the relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in the sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of the dumping; actual and potential negative effects on the cash flow, inventories, employment, wages, growth and the ability to raise the capital investments. The various injury parameters relating to the domestic industry are discussed below. The Authority has examined the injury parameters objectively, taking into account various facts and arguments made by the interested parties in their submissions:

a. Capacity, production, capacity utilization and domestic sale.

151. The information on capacity, production, capacity utilization and domestic sales are given below.

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Capacity	MT	***	***	***	***
	Trend	Indexed	100	100	100	125
2	Production	MT	***	***	***	***
	Trend	Indexed	100	109	115	134
3	Capacity Utilization	%	***	***	***	***
	Trend	Indexed	100	109	115	107
4	Domestic Sales	MT	***	***	***	***
	Trend	Indexed	100	104	110	125

152. It is seen that:

- i. The capacity with the domestic industry remained constant till 2022-23. However, the domestic industry has commenced commercial production at the new plant of 41,000 MT in February 2024.
- ii. The production of the domestic industry increased consistently over the injury period.
- iii. The capacity utilisation of the domestic industry increased till 2022-23 but declined in the period of investigation. It is seen that the domestic industry is operating at optimum capacity utilization despite new capacity.
- iv. The domestic sales of the domestic industry increased consistently over the injury period.

- v. The domestic industry has submitted that production process is a continuous process and the costs associated with shutdown and restart and the related units are extremely high and suspension of production in itself is a significant cost to the industry. Therefore, the adverse effect of dumped imports is not reflecting in the volume injury parameters but can be clearly seen in the price injury parameters.

b. Market share.

153. The market share of various entities is given below: -

SN	Market share of	UOM	2020-21	2021-22	2022-23	POI (A)
1	Domestic industry	%	***	***	***	***
	Trend	Indexed	100	88	77	83
2	Other producers	%	***	***	***	***
	Trend	Indexed	100	60	49	36
3	Subject countries	%	***	***	***	***
	Trend	Indexed	100	67	53	116
4	Countries attracting ADD	%	***	***	***	***
	Trend	Indexed	54%	47%	42%	45%
5	Other countries	%	***	***	***	***
	Trend	Indexed	11%	7%	5%	4%

154. It is seen that as the market share of the domestic industry declined till 2022-23 but increased in the period of investigation. The market share increased as the domestic industry commenced commercial production at the new location. Overall, the market share of the domestic industry has declined over the injury period. The market share of the other producer has declined consistently over the injury period.

155. The market share of the subject countries declined till 2022-23 and increased sharply in the period of investigation. The market share of the countries attracting anti-dumping duty increased till 2022-23 but declined in the period of investigation.

c. Inventories.

156. The inventory position with the domestic industry over the injury period is given in the table below:

SN	Particulars	Unit	2020-21	2021-22	2022-23	POI (A)
1	Opening Inventory	MT	***	***	***	***
	Trend	Indexed	100	7	18	31
2	Closing Inventory	MT	***	***	***	***
	Trend	Indexed	100	271	476	2,002
3	Average Inventory	MT	***	***	***	***
	Trend	Indexed	100	23	46	153

157. It is seen that the closing inventory with the domestic industry has sharply increased over the injury period, with a sharp increase in the period of investigation.

d. Profitability, cash profits and return on investment.

158. The performance of the domestic industry with respect of profitability, profits, cash profits, PBIT, and return on investment is given below.

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Profit/ (loss)	₹/MT	***	***	***	***
	Trend	Indexed	100	129	-55	-66
2	Profit/ (loss)	₹ Lacs	***	***	***	***
	Trend	Indexed	100	134	-61	-82
3	Cash Profit	₹ Lakhs	***	***	***	***
	Trend	Indexed	100	132	-53	-69
4	PBIT	₹ Lakhs	***	***	***	***
	Trend	Indexed	100	100	-33	-43
5	ROCE	%	***	***	***	***
	Trend	Indexed	100	84	-30	-29

159. It is seen that:

- The domestic industry was profitable in 2020-21 which increased in 2021-22. The domestic industry suffered losses in 2022-23, which further deteriorated in the period of investigation. The losses suffered in 2022-23 were attributable to dumping of the product under consideration from other countries which are now subject to duty.
- The domestic industry has suffered loss of Rs [***] cr. in 2022-23 and of Rs [***] cr. in the period of investigation (actual basis). Over the two periods, the domestic industry has suffered losses of Rs [***] cr. The cash profit of the domestic industry increased in 2021-22, turned into cash losses in 2022-23 and then further declined in the period of investigation.
- The return on capital employed by the domestic industry has consistently declined over the injury period and is significantly negative in the POI.

e. Employment, wages and productivity

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

SN	Particulars	Unit	2020-21	2021-22	2022-23	POI (A)
1	No. of employees	Nos.	***	***	***	***
	Trend	Indexed	100	106	110	134
2	Salaries & Wages	₹ Lakhs	***	***	***	***
	Trend	Indexed	100	97	108	177
3	Productivity per day	MT/Days	***	***	***	***
	Trend	Indexed	100	109	115	156
4	Productivity per employee	MT/Nos	***	***	***	***
	Trend	Indexed	100	103	105	118

161. It is seen that:

- a. The number of employees increased throughout the injury period. The wages declined in 2021-22, increased in 2022-23 and increased in the period of investigation. The wages and employment have increased in the period of investigation with the commencement of production at the new plant.
- b. The productivity per day and per employee has increased consistently over the injury period.

f. Growth

162. The table below shows the growth of the domestic industry in terms of various parameters.

SN	Particulars	UOM	2021-22	2022-23	POI
1	Production	%	9%	6%	16%
2	Sales	%	4%	6%	13%
3	Profit/(Loss) per unit	%	29%	-57%	19%
4	Inventory	%	-77%	101%	232%
5	Market Share	%	-12%	-12%	8%
6	Profit Before Tax	%	34%	-55%	35%
7	Cash Profit	%	32%	-60%	31%
8	Profit before interest	%	0%	-67%	30%
9	Return on Investment	%	-16%	-65%	-1%

163. It is seen that the domestic industry has recorded positive growth in volume parameters. However, the growth in terms of price parameters in the period of investigation has been significantly negative. The domestic industry recorded negative growth in 2022-23 and the period of investigation.

g. Magnitude of dumping margin

164. 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 period of investigation.

h. Ability to raise capital investment.

165. The domestic industry has expanded its capacity in the period of investigation with the investment of Rs *** cr. However, the decision to expand was taken prior the losses suffered. The domestic industry has also claimed that further capacity expansion of ***MT has been put on hold. It is seen that considering the significant financial losses and negative return on capital employed, the ability to raise capital investment has been impacted.

i. Factors affecting price

166. Examination of DG system import data showed that the weighted average import price from subject countries is below the selling price and cost of sales of the domestic industry.

The capacity of the other producer is quite low, considering the demand in the country. Therefore, the other producer cannot be a factor that has affected the prices of the domestic industry. The landed price imports are depressing the prices of the domestic industry as a result of which the domestic industry has suffered financial losses. While it is seen that there are significant imports from other countries, these imports are attracting anti-dumping measures. It is seen that the landed price including anti-dumping in respect of those imports is higher than the landed price from subject countries and selling price of the domestic industry. Therefore, the imports from subject countries have affected the prices of the domestic industry.

I. CAUSAL LINK AND NON-ATTRIBUTION ANALYSIS

167. The Authority is required to examine any known factors other than dumped imports that 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 the domestic producers, developments in technology and the export performance and the productivity of the domestic industry. It has been examined below whether the factors listed under the Rules could have contributed to the injury suffered by the domestic industry.

a. Volume and price of imports from third countries

168. It is seen that imports above the de-minimis limit are also entering the Indian market from China PR, Korea RP, Malaysia, Norway, Taiwan and Thailand. These imports are subject to anti-dumping duty. The domestic industry has provided information showing that the landed prices of these imports (excluding Korea) including the anti-dumping duty are above the cost and selling price of the domestic industry. Imports from Korea were found to be at un-dumped prices. It is however seen that the imports from Korea are significantly lower than the imports from the subject countries. Therefore, the Authority notes that these imports cannot be a cause of injury to the domestic industry.

b. Contraction in demand

169. It is seen that the demand for the subject goods has increased in the period of investigation compared to the base year as well as the previous year. Therefore, the domestic industry has not suffered injury due to a contraction in demand.

c. Change in the pattern of consumption

170. There has been no known material change in the pattern of consumption for the product under consideration.

d. Trade restrictive practices

171. No interested parties have produced any evidence relating to any possible trade restrictive practice, which could have caused injury to the domestic industry. Therefore, the

Authority concludes that the trade restrictive practice has not caused injury to the domestic industry.

e. Development of technology

172. The Authority notes that there is no evidence that technology for the production of the subject goods has undergone a change over the injury period. Hence, development in technology has not caused injury to the domestic industry.

f. Export performance

173. The Authority has considered the injury data for the domestic operations separately for the injury analysis. It is also seen that the domestic industry has only exported [***] MT of the product under consideration. Therefore, export performance is not the cause of injury to the domestic industry.

g. Performance of other products

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

Factors affecting causal link:

- i. The volume of imports from the subject countries has increased significantly in the period of investigation. The imports have increased in absolute terms during the injury period, and these imports have also increased in relative terms during the injury period.
- ii. The landed price of imports is below the selling price of the domestic industry resulting in positive price undercutting.
- iii. The dumped imports have both depressed and suppressed the prices of the domestic industry.
- iv. The domestic industry is incurring financial losses, cash losses and a negative return on capital employed.

J. MAGNITUDE OF INJURY MARGIN

175. The Authority has determined Non-Injurious Price 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 subject goods has been determined by adopting the verified information/data relating to the cost of production for the period of investigation. The non-injurious price has been considered for comparing the landed price from the subject countries for calculating the 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 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 @22% on average capital employed (i.e. average net fixed assets plus

average working capital) for the subject goods was followed towards interest, tax and profit to arrive at the non-injurious price as prescribed in Annexure III of the Rules.

176. Landed price for the cooperating exporters has been determined based on the response filed. Applicable customs duties have been added to determine the landed price of imports. For all the non-cooperative producers/exporters from the subject countries, the Authority has determined the landed price based on facts available.
177. Based on the landed price and non-injurious price determined as above, the injury margin for producers/exporters for the subject countries has been determined by the Authority and the same is provided in the table below:

SN	Particular	NIP	Landed Value	Injury margin	Injury margin	Injury margin
		\$/MT	\$/MT	\$/MT	%	Range
1	European Union					
A	Inovyn Europe Limited	***	***	***	***	30-40%
b	Any other	***	***	***	***	50-60%
2	Japan					
a	Any other	***	***	***	***	40-50%

K. INDIAN INDUSTRY INTEREST AND OTHER ISSUES

K.1 Submissions made by the other interested parties

178. The other interested parties have made the following submissions with regard to the Indian industry's interest:
- i. Anti-dumping duties have been imposed on products imported into India from multiple sources, and imports from the European Union and Japan are the only source without anti-dumping duties.
 - ii. Imposition of duties on European Union and Japan would eliminate all alternative sources of supply, leaving the user industry entirely dependent on the domestic industry.
 - iii. Domestic demand is approximately 180 MT per annum, whereas the total domestic production capacity is capacity only around 105–110 MT.
 - iv. Product under consideration constitutes a significant proportion of the cost of PVC leather cloth production, any increase in its price due to anti-dumping duty will cascade through the value chain, resulting in a substantial escalation in the production costs of domestically manufactured leatherwear.
 - v. Imposition of anti-dumping duty will accelerate import substitution of the downstream products, particularly footwear, which is a large-volume, price-sensitive sector.
 - vi. In the anti-dumping investigation concerning import of *PVC Suspension Resin* wherein Chemplast was one of the applicants, Department of Revenue did not

impose any measures. It is expected that this decision is in accordance with the overall policy of the GOI to remove restrictions in accessing supply chain for the MSME's.

- xiii. The Government of India has recently decided to withdraw the existing quality control order on PVC Paste Resin to protect the interest of MSME sector.
- xiv. Confederation of Indian Footwear Industries (CIFI) has categorically clarified vide letter dated 24.06.2024 to the DGFT, the impact of PVC Paste Resin costs on footwear manufacturing ranges between 3% to 9%
- xv. Mayur Uniquoters and Jasch Industries, operate across multiple product lines. Aggregating their overall profitability obscures the actual adverse impact on divisions dependent on specialty PVC Paste Resin imports

K.2 Submissions made by the domestic industry

179. The domestic industry has made the following submissions with regard to the Indian industry's interest:

- i. Domestic industry had set up its first plant in 1967 and has been consistently expanding its capacity in view of growing demand in the country. Domestic industry had a capacity of 34,000 MT in 2008-09 which increased to 107,000 MT in the period of investigation.
- ii. Domestic industry has undertaken capacity addition of 41,000 MT at a cost of Rs *** crore and can further expand capacity by *** MT. This will significantly bridge the demand and supply gap.
- iii. PVC resin only forms around 22% of the cost of the final artificial fabric produced by the downstream industry.
- iv. When the period without anti-dumping duty is compared with the period when anti-dumping duty was imposed on other countries, the profitability has not shown any material adverse impact. The users continue to operate with same profits.
- v. Minor increases in price due to imposition of anti-dumping duties do not significantly impact the enterprises in the downstream industry.
- vi. Duties have been imposed on the product in the past. Such imposition did not have any adverse impact at the time. Further, even the expiry of the duties failed to have a positive effect. The demand for the product has grown consistently even when the duties were in force.
- vii. The downstream industry is a pass-through industry.
- viii. Imposition of duty will create a level playing field and allow the domestic industry to compete in the market on fair terms and protect their sharply deteriorating financial standing.

K.3 Examination by the Authority

180. The Authority considered whether the imposition of the proposed anti-dumping duty would be against public interest. This determination is based on consideration of

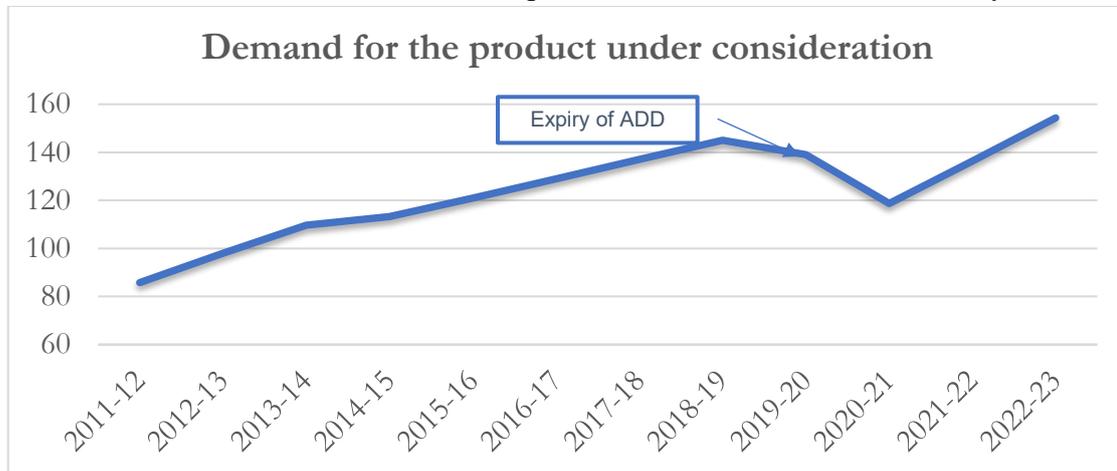
information on records and interests of various parties, including the domestic industry, foreign producers and consumers.

181. The Authority issued initiation notification inviting views from all the interested parties, including importers, consumers and others. 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/consumers to provide relevant information with regard to the present investigations, including effect of an antidumping duty on their operations. The Authority sought information on interchangeability of the product supplied by various suppliers from different countries, ability of the domestic industry 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 the imposition of anti-dumping duty.
182. The user industry has contended that the anti-dumping measures will have an adverse impact on them. However, the user industry has not provided any impact of anti-dumping duty on their operations and have also not established that they will not be able to pass on the impact on to the downstream industry. The domestic industry has on the other hand provided information on the profitability of user industry after imposition of anti-dumping duty on other countries. It is seen that the profitability of the users has remained constant.
183. The downstream industry in the present investigation is a scattered industry which comprises of both organised as well as MSME producers. It is seen that some of the participating users are public listed companies and some have claimed as registered under MSME. The Authority notes that the participating association has not provided any information on the number of members who are from MSME sector.
184. The Authority has also examined the price trend of imports over the injury period to examine the increase in the landed price of imports if the anti-dumping duties are to be recommended. There was an anti-dumping duty in place in 2020-21. Post the expiry of anti-dumping duty, the landed price increased first (due to the increase in the price of ethylene) and then declined. When compared to 2021-22, the landed price of imports has declined by around Rs 54,730 per MT. It is noted that even when anti-dumping duties are added to the landed price of imports in the period of investigation, the landed price will be far lower than the prices in past. Therefore, the Authority considers that when past high prices did not impact the consumer industry, there is nothing on record which establishes that the anti-dumping duty will have any adverse effect on the consumer industry.

SN	Period	UOM	2020-21	2021-22	2022-23	POI
1	Landed price	₹/MT	84,180	1,45,273	1,26,115	90,543

185. The table below shows the historical demand for the product under consideration. It is seen that the demand for the product under consideration grew consistently with a

marginal decline in 2019-20 and a notable decline in 2020-21. The period of 2020-21 was the period of Covid where the economy was impacted by the Covid outbreak. The demand grew thereafter. It is seen that the demand grew in 2021-22 even when the price rose sharply. It is seen that despite there being antidumping duty, the demand for the product had continued to increase. The increase in the demand when anti-dumping duty is in force shows that the duties did not affect the operations of the downstream industry.



186. The domestic industry has provided the impact of anti-dumping duty on the eventual end product. The domestic industry has provided the following impact.

SN	Final downstream good	Car	Footwear	Sofa set
1	Cost of end product*	11,00,000	1,000	75,000
2	Leather cloth price (depending on type/grade) *	250	70	125
3	Leather cloth quantity sq. mtr.	30	0.5	20
4	Cost of leather cloth*	7,500	35	2,500
5	Share of leather cloth in total cost	0.68%	3.50%	3.33%
6	Share of PVC paste in total cost (estimated usage of PVC paste resin is 22% in leather cloth)	0.15%	0.77%	0.73%

Source – Written submissions of the domestic industry

* Unit price in INR

187. It is seen that in previous investigation, interested parties had claimed that a footwear is available for Rs 51 only and domestic industry has claimed a higher price to reduce the impact. The Authority, in this regard noted that the slippers at such prices are not made from PVC paste but from rubber. It is seen that contrary to claims, the product under consideration is not a mass consumed item but a product with niche application.

188. On the submission on impact of duty, the Authority notes even based on the evidence provided by the interested parties, the share of PVC Paste resin in the overall cost of

production of footwear is 3 to 9% only. In an event the price of PVC Paste Resin increases by 10%, the increase in cost is not found to be significant. Furthermore, the investigation has not shown that the downstream industry has been unable to align its prices in line with the increase in the cost.

189. The Authority notes that though in the event of imposition of anti-dumping duties the price level of product in India may be affected but fair competition in the Indian market will not be reduced by such anti-dumping measures. On the contrary, the anti-dumping measures will mitigate the unfair advantage gained by dumping practices, which would arrest the decline of the domestic industry and would help maintain availability of wider choice to the consumers of subject goods. The Authority observes that domestic market investments were made based on fair market principles. The domestic industry cannot expand when there is significant dumping and at the time user industry did not set up operations expecting access to dumped imports.
190. As regards the submission on demand and supply gap in the country, the Authority notes that the domestic industry has invested Rs *** cr. in the injury period to expand the capacity by 41,000 MT. The domestic industry has provided evidence that it has continuously expanded its capacity. While there still exists a demand and supply gap, the Authority notes that the domestic industry has put its further expansion plans on hold due to dumping of the product. Over the injury period, the domestic industry has suffered losses of Rs *** cr. which is almost near to the amount invested in expanding capacity by 41,000 MT. The Authority considers that demand and supply gap does not justify dumping and the imports can continue to enter the domestic market at fair prices. The Authority also notes that while the domestic industry has expanded capacity, the other producer continues to operate with very low level of capacity. Neither the other producer has expanded capacity, nor any new producer invested in the product despite growing demand. However, when the domestic industry is faced with such significant losses, expansions cannot take place.
191. As regards the submission that the imposition of anti-dumping duty will lead to imports of the downstream product, the imports of the product under consideration have been subject to anti-dumping duty in past. Based on the information on record, it is seen that despite there being antidumping duty, the demand for the product had continued to increase. It is also seen that the import price has steeply declined over the injury period. With the import price being higher in past, even if anti-dumping duty is to be added to the current prices, they would be lower than the prices in the base year. If the contention of the users was to be accepted, the demand of the product under consideration would not have shown an increase. On the contrary, it is seen that the demand increased when the price of the product has increased sharply. The user industry in the present investigation have not established that they would not be able to pass on the increase in the cost. The information on record shows that operations of the downstream industry are not purely dependent on the price of the product.

192. As regards submission on removal of quality control order, the Authority notes the implementation of revocation of quality control order cannot form the basis for denying relief to the domestic industry suffering injury due to dumping. Trade remedial measures are imposed to address unfair trade practices and to remedy injury caused to the domestic industry. The interested parties have relied upon a high-level committee report and the non-imposition of anti-dumping duty on another form of PVC to state that these were undertaken to support MSMEs. It is seen that the said report does not deal with the imposition of trade remedial measures or recommends non imposition of measures. Even on the contention regarding non-imposition of duties by Ministry of Finance, there is nothing on record to show the reasons for rejection. The interested parties have made submissions regarding non-imposition but not submitted any evidence in support of them.

L. POST DISCLOSURE COMMENTS

I.1 Comments of other interested parties

193. The following comments were filed by other interested parties:
- i. Contrary to the mandate under Rule 16, the Authority has employed determinative and conclusive language at several points in the Disclosure Statement. Such language unmistakably reflects final adjudication of the issues rather than a provisional disclosure of essential facts under consideration.
 - ii. In the Disclosure Statement, the Authority has considered a blanket rate of 22% for return on capital employed for determination of the non-injurious price. However, the Authority has not disclosed the historical rate of return for the domestic industry or provided any justification for departure therefrom.
 - iii. The oral hearing held on 15th December 2025 did not meet the statutory standards of a meaningful and effective hearing and is therefore *non est* in law. The domestic industry circulated several key pieces of evidence as part of the non-confidential version of its post-hearing written submissions filed on 19th December 2025. The Disclosure Statement proceeded to rely upon such technical evidence that was neither disclosed prior to the oral hearing nor subjected to oral examination thereafter.
 - iv. Courts have consistently held that where material relied upon by an authority is disclosed only after the hearing, and no further opportunity is granted to respond, the proceedings stand vitiated for breach of natural justice.
 - v. The Authority has rejected the request for exclusion of certain grades not registerable under IS 17658:2021 on the grounds that the Quality Control Order mandating compliance with the standard has been withdrawn. This fails to take into account the categorical submissions that several imported grades of PVC Paste Resin, particularly high viscosity and low fogging grades, are not registerable under IS 17658:2021 as they fall outside the viscosity ranges and technical parameters recognised by the standard.
 - vi. These grades are engineered for specialised downstream applications and that such grades cannot be substituted with the goods manufactured by the domestic industry without compromising end-use performance.

- vii. The Authority has addressed the question of likeness and substitutability of low fogging and high viscosity resins by analysing downstream formulation possibilities. Such an approach is misplaced, as the exclusion was sought on the basis of inherent resin properties, not on post-manufacture blending or plastisol adjustments.
- viii. The User Industry had placed specific, resin-level evidence on record demonstrating that resins supplied by the domestic industry do not meet high viscosity requirements. The User Industry had also highlighted through technical literature that viscosity characteristics of PVC Paste Resin are intrinsic to the resin itself and the same cannot be fundamentally altered by mixing plasticizers and additives.
- ix. The User Industry had submitted evidence demonstrating that high viscosity specialty resins impart pseudoplastic behaviour that cannot be replicated merely by increasing plasticiser content or adding viscosity modifiers without compromising penetration control, sag resistance, coating uniformity, and mechanical performance. These submissions have not been examined by the Authority. The Authority has not examined whether such qualitative performance characteristics can, in fact, be achieved using low viscosity resins as the base.
- x. The Authority has placed reliance on an email communication from Professor Krishna C Etika, BITS Pilani, to conclude that viscosity is not an intrinsic property of PVC Paste Resins. The Authority has used the Professor's limited and carefully caveated clarifications to advance a proposition that the expert himself expressly declined to endorse, that formulation flexibility establishes interchangeability of resins. This approach is legally and technically unsustainable. The Professor's communication, when read as a whole, reinforces the Respondents' position that the test results demonstrate non-equivalence under identical conditions, and that any claim of interchangeability would require additional, application-specific evidence, which the DI has not produced.
- xi. The User Industry had also filed a technical note issued by Westlake Vinnolit, a globally-recognised manufacturer of PVC Paste Resins, titled '*Viscosity Characteristics of PVC Paste Resins*' (June 2025). The note unequivocally explains that paste viscosity is primarily determined by intrinsic characteristics, and while plasticizers and additives may influence overall plastisol rheology, such adjustments would adversely impact other critical properties including mechanical strength, adhesion, coating performance etc. The note also expressly stated that a low viscosity resin cannot be made to behave like a high viscosity resin by modifying plasticizer content.
- xii. The domestic industry produces and sells multiple grades of PVC Paste Resin, each separately designated, supplied and specified on the basis of viscosity and performance parameters. This shows that apparent viscosity is an intrinsic characteristic of PVC Paste Resins.
- xiii. The domestic industry has admitted on record that apparent viscosity is not an intrinsic property of the resin and that high viscosity is achieved only through the addition of external additives. This is in direct contradiction of the observation of

- the Authority in para 24 that the apparent viscosity of the PVC Paste Resin is not the sole determinant of the viscosity of the plastisol.
- xiv. The Authority has placed considerable reliance on the submissions of the domestic industry that subsequent to the period of investigation it has developed and supplied ‘customised’ grades of PVC Paste Resin that meet high viscosity and low fogging requirements. Reliance on these submissions is *ipso facto* misplaced, as determination of like article must be done for the period of investigation only. The User Industry, as part of its letter dated 21st January, 2026, also placed on record independent test reports demonstrating that the said customised grades failed to meet the performance parameters for viscosity and fogging.
 - xv. The Authority has noted that the issue concerning the product under consideration has also been examined in previous anti-dumping investigations, wherein the Authority did not allow any exclusions from the product scope on the grounds being raised presently. However, in the final findings issued in 2024, the issue of high viscosity grades was not addressed.
 - xvi. The Authority has not taken cognizance of or recorded any findings on the test reports from BITS Pilani, SGS India and FILK Germany filed by the User Industry, thus failing to discharge its obligation of evaluating material evidence placed on record. The Authority has relied on the generalised assertion that most fogging arises from plasticizers, thereby disregarding the evidence placed on record by the User Industry demonstrating that compliance with stringent automotive fogging standards is not achievable by downstream formulation adjustments but rather requires the use of resins specifically engineered to minimise volatile emissions.
 - xvii. The Authority has not questioned the applicability of ISO 6452 yet has failed to examine whether the use of resins other than low fog resins materially increases the risk of non-compliance with ISO 6452, thereby disregarding the commercial and regulatory realities governing supply chains.
 - xviii. The Authority observed that the import data does not reflect a significant difference in the prices of low fog grades and regular grades. Price convergence cannot negate technical non-substitutability.
 - xix. The Authority has rejected the request for exclusion of grades with pseudoplastic and thixotropic properties on the presumption that such properties do not render the products technically distinct from conventional resins. This disregards the detailed technical submissions of the User Industry demonstrating that these rheological characteristics are intrinsic, performance-defining properties.
 - xx. The Authority has rejected the request for exclusion of certain grades recognised under IS 17658:2021 on the premise that differences in technical characteristics are insufficient to establish non-substitutability.–Various courts have held that the relevant test under is not whether a producer *can* manufacture a grade but whether it *does* manufacture and sell that grade in commercial quantities in the ordinary course of trade.
 - xxi. In consideration of the divergent technical outcomes and interpretations placed before the Authority, the Authority is requested to direct an independent technical

evaluation by a recognised expert institution before arriving at any conclusion on scope or likeness.

- xxii. The domestic industry has claimed that it has supplied grades suitable for high viscosity and low fogging applications and has filed feedback letters received from certain consumers as evidence. These letters have been claimed completely confidential, which has been allowed by the Authority.—The continued non-disclosure of customer identities, grade-wise sales during the period of investigation, and timing of alleged supplies has caused serious procedural prejudice to the User Industry and has vitiated the Authority’s reliance on the domestic industry’s submissions relating to high viscosity and low fog suitability.
- xxiii. The Authority has placed reliance on the capacity expansion of 41,000 MT operationalised by the domestic industry in February 2024. However, this is a post-POI development and therefore of limited relevance.
- xxiv. The Authority’s assessment of price undercutting and price suppression/depression is flawed. The Authority has conducted its analysis based on aggregated and incomplete data, without due regard to product heterogeneity, grade-wise differentiation, end-use segmentation or level of trade adjustments.
- xxv. The comparison between prices of ethylene and the landed price of imports of PVC Paste is fundamentally misconceived. Import prices are influenced by a combination of factors, including long-term contracts, inventory corrections, global demand, freight normalisation etc.

I.2 Comments of the domestic industry

194. The following comments were filed by the domestic industry:

- i. It is the consistent stand of the domestic industry that its resins are suitable for high viscosity applications with proper formulation strategies. Without prejudice, the evidence on record shows that there is at least asymmetrical or one-way substitutability between the so-called “high viscosity” grades imported from the subject countries and the “regular grades” produced by the domestic industry. If high viscosity grades are excluded from the product scope, users may import high viscosity grades, modify their viscosities by using appropriate additives and use them for low viscosity applications. This is in line with the decision of CESTAT in *Merino Panels v Designated Authority* (2015) wherein it was held that the standard for determining substitutability is an “overlap in uses”.
- ii. The average import price of INOVYN 370HD, which has been claimed is a high viscosity grade, is almost the same as the average import price from EU and Japan, justifying its inclusion in the product scope.
- iii. The domestic industry has also developed Grade 120(C), which is a customised, high-viscosity variant of its existing grades. The domestic industry has provided evidence that this grade meets high viscosity requirements, which has not been disputed by other interested parties.

- iv. Fogging value of products made with PVC Paste is determined by the overall formulation strategy, including use of suitable anti-fogging agents. There are no standards defining the threshold for 'low fogging' for PVC Paste Resins.
- v. The evidence on record shows that there is at least asymmetrical or one-way substitutability between the so-called "low fog" grades imported from the subject countries and the grades produced by the domestic industry.
- vi. The import prices of the so-called low fog grades are similar to the prices of the grades supplied by the domestic industry, consumers could easily substitute domestic industry's grades with imported grades for non-low fogging applications. This fact has not been contested by the other interested parties.
- vii. The Authority has proposed to exclude cross-linked resins, including Grade PSH-10 produced by Kaneka. Without prejudice to its position that cross-linked grades do not warrant an exclusion, the domestic industry submits that Grade PSH-10 produced by Kaneka does not appear to be a cross-linked grade.
- viii. The Authority is requested to examine claims regarding cross-linked grades. If cross-linked grades are excluded, such exclusion may be granted only if satisfactory evidence of cross-linking accompanies a shipment.
- ix. In principle, the domestic industry does not object to the exclusion of Biovyn and other sustainable grades produced by Inovyn. However, such exclusion must be granted only subject to a price benchmark.
- x. The domestic industry requests the Authority to examine the data filed by the participating exporters and compare the cost of production and export price during the period of investigation. The domestic industry believes that exports from the subject countries are not only below normal value but are also below their own cost of production.
- xi. The prices of the major raw materials used in the production of the product under consideration have fluctuated significantly in the injury period. Fixed form duties would be preferable in present investigation as they will remedy dumping irrespective of price volatility of raw materials. Duties in benchmark or ad valorem form would not be effective considering such high price volatility.
- xii. The domestic industry has already made substantial investments in the Indian market, including its new facilities commissioned in 2024 at a cost of INR *** Cr. The domestic industry has planned further investments to expand its capacity and meet the supply-demand gap in India. However, cumulatively for 2022-23 and the period of investigation, the applicant has suffered a loss of Rs *** cr. Therefore, duties must be imposed for a full term of five years to ensure adequate time for the domestic industry to recover from the injurious effects of dumping.

I.3 Examination by the Authority

195. The Authority has examined the post-disclosure submissions filed by the interested parties. The Authority has examined herein below contentions raised by the interested parties in their post-disclosure submissions, to the extent considered relevant by the Authority. Post-disclosure submissions merely reiterating earlier submissions and which

have been adequately examined by the Authority have not been examined here again for the sake of brevity.

196. It has been argued by certain interested parties that the Authority has used conclusive and determinative language in the Disclosure Statement in contravention of the mandate under Rule 16, which does not allow the Authority to conclude contentious issues at the stage of the Disclosure Statement.
197. The Authority considers that the contention is misplaced. The Authority notes that under Rule 16, the Authority is required to disclose the essential facts under consideration, including conclusions on such facts, which would cumulatively form the basis for the Authority's decision to recommend or not recommend imposition of definitive measures in the final finding. The Authority notes that in line with the above, in the Disclosure Statement issued in the present case, it has examined the material on record, stated its views and conclusions resulting from such examination, and provided its reasoning therefor. It has been stated in the disclosure statement that notwithstanding the facts given (including facts given on a confidential basis), the Designated Authority would consider all replies given on merit, in order to arrive at a final determination. Thus, it was communicated that the disclosure statement is only a disclosure of essential facts under consideration by the Designated Authority and does not amount to final determination by the Designated Authority. The Authority draws reference to the findings of the High Court of Gujarat in *Nirma Limited v Union of India* (2017), wherein the Court held:

*31.5 Thus, while Article 6.9 does not prescribe a particular form for the disclosure of the essential facts, it does require in all cases that the investigating authority disclose those facts in such a manner that an interested party can understand clearly what data the investigating authority has used, and how those data were used to determine the margin of dumping. **The disclosure statement, therefore, contains the intermediate findings and conclusions of the designated authority on the essential facts** which would form the basis for the decision whether or not to apply definitive measures and not final conclusions on whether or not definitive measures are required to be applied. **In the opinion of this court, as rightly submitted by the learned counsel for the petitioners, the disclosure statement should contain the conclusions of the designated authority on those essential facts which would form the basis for its decision as to whether or not to apply definitive measures and not its conclusions on the basis of those essential facts. The conclusions on the basis of the essential facts are to be recorded in the final findings, viz., whether or not on the basis of such facts definitive measures are required to be applied. The contention that the disclosure statement is in the nature of a draft order, therefore, does not merit acceptance, inasmuch as, a draft order would also contain conclusions on whether or not definitive measures are required to be applied.***

198. The Authority considers that statements in the disclosure statement are the views which are formed upon the examination of the material on record, on the various issues under consideration and these do not amount to “pre-judgement” or “final adjudication”, as expressed by some interested parties. The interested parties are free to offer comments and the Authority in past various investigations has taken a different view in the final finding as compared to the disclosure statement. The observations in the disclosure statement do not amount to final determination by the Authority. In the present investigation, the Authority has duly considered the comments received from the interested parties and has duly taken them into account in arriving at its final determination-
199. It has been argued by certain interested parties that for the determination of the non-injurious price, the Authority has considered return on capital employed at the rate of 22%, without providing reasons therefor and without disclosing the historical rate of return on capital employed earned by the domestic industry. The Authority considers that it has been consistent practice to consider 22% return on capital employed. CESTAT in various investigations has held 22% return is appropriate specially in the absence of any evidence to the contrary. The Authority notes that in the present investigation, no evidence/submissions have been made by interested parties substantiating why 22% return on capital employed is not justified while determining the non-injurious price.
200. Certain interested parties have contended that they did not receive an effective opportunity of being heard as they were not given the opportunity to present their submissions on the factual and technical issues raised by lab test reports and technical evidence provided by the domestic industry. The Authority notes that under Rule 6(6), the interested parties received an opportunity to present their submissions and evidence available with them orally. In line with Rule 6(6), an oral hearing was held on 3rd September 2025. All interested parties were given an opportunity to present their views and arguments orally and subsequently reproduce them in writing, along with all supporting evidence they wish to place for the Authority’s consideration. In the present case, change in the Designated Authority necessitated a second oral hearing, which was held on 15th December 2025. In the second oral hearing, the domestic industry placed reliance on the test reports and other technical evidence (which were earlier filed as part of its rejoinder submissions dated 19th September 2025) and thereafter filed and circulated them with other interested parties part of its written submissions dated 19th December 2025. The Authority thus notes that in line with consistent practice, the other interested parties, including the user industry, received an opportunity to present their case orally as well as in writing through written submissions and rejoinder.
201. In the present investigation, the user industry sought additional time to offer comments on the submissions made by the domestic industry and the Authority allowed the same. Thereafter, the user industry filed additional submissions to supplement its rejoinder submissions on 21 January 2026 and also requested for additional oral hearing to submit their further comments. The Authority, infact, took the cognizance of the comments filed

by user industry on 21 January 2026. Therefore, it is considered that that the interested parties have received due opportunity to present their views and submissions on all technical and factual issues. Accordingly, the Authority considers that contentions relating to lack of a meaningful and effective hearing/opportunity are untenable in the facts and circumstances of the present case.

202. On the request for exclusion for grades not registerable under IS 17658:2021 the Authority notes that the relevant QCO never entered into force and the proposal to introduce QCO has rather been withdrawn. Therefore, grades not registerable under IS 17658:2021 were freely importable during the injury period and remain freely importable at present. In the disclosure statement, the Authority considered that the issue did not require determination since the Quality Control Order (“QCO”) mandating compliance with IS 17658:2021 has been withdrawn. Further, the exporters have not advanced sufficient justification for granting exclusion from the scope of the product under consideration. It is also seen that Inovyn, who demanded the exclusion in the investigation, had not disputed these observations of the Authority in its post-disclosure comments.
203. The interested parties have filed various submissions on the inclusion of high viscosity grades. It is seen that most of the submissions are mere reiterations of the previous submissions. In fact, there is no evidence on record indicating that the resin is the predominant determinant of the apparent viscosity of the plastisol.
204. The apparent viscosity of the plastisol may be modified by various formulation strategies, including varying the quantity and type of plasticiser, varying the shear and temperature applied, use of viscosity and thixotropy-altering additives etc. Through such formulation strategies, the apparent viscosity may be enhanced or suppressed as per the formulator’s requirement. This is an issue of technology for production of plastisol. The evidence provided by the interested parties has been examined in detail by the Authority and has been stated in the relevant section of this final finding to the extent necessary.
205. It is seen that the domestic industry too has filed evidence of additives specifically produced and marketed for modifying apparent viscosity and thixotropy of PVC Paste plastisols, which suggests that such modifications are standard practice in the downstream industry. It is also seen that even other producers of the product, including Inovyn and Westlake Vinnolit, have stated in the technical data sheet the different apparent viscosities that may be achieved using a given resin with different dosages of plasticiser & different shear applied.
206. The Authority notes that since apparent viscosity may also be lowered by use of viscosity suppressants, the grades claimed to be specialty “high viscosity” grades can serve as technical and functional substitutes for grades with lower viscosities. Further, an examination of the transaction-wise import data and data filed by Inovyn shows that the price of several grades purported to be high viscosity grades is quite comparable to the

import price of other grades being imported in India and the selling price of the product being sold by the domestic industry.

207. The Authority notes that the comparability of prices, seen together with the fact that the apparent viscosity may be enhanced as well as reduced by different formulation strategies, indicates that there is a clear overlap between different grades, which is the relevant standard for determining substitutability. It is possible for the consumers to substitute their requirements of products sold by the domestic industry with these grades for which exclusion has been sought.
208. The interested parties have contended that the Authority has disregarded “resin-level evidence” in favour of “hypothetical formulation possibilities”. However, the Authority considers that interested parties have not established that apparent viscosity is a resin-level feature. The interested parties have not established that such modifications (by varying plasticizer type and content, shear, temperature, additives etc.) fall outside the normal conditions of use.
209. The interested parties have also contended that there are inherent technical limits of downstream modifications and have relied upon a technical note by Westlake Vinnolit GmbH in June, 2025. However, the Authority notes that Westlake Vinnolit is in fact registered as an interested party in the present proceedings. Therefore, the Authority considers that a technical note from an interested party is in the nature of a contention and cannot be considered to be of probative value.
210. The interested parties have also contended that the Authority has considered grades developed after the period of investigation while determining likeness of imported and domestic articles. The Authority clarifies that the basis for disallowing the exclusion request is technical and commercial substitutability between the imported “specialty” grades and grades supplied by the domestic industry. Thus, while the grades offered by the domestic industry during the injury period could be used by the consumers for the purposes by adding appropriate additives, the domestic industry has customised its product to meet the requirement of the consumers by fine tuning the formulations at their end. The Authority notes that some customers have attested that the domestic industry has supplied the product suitable for meeting the disputed requirement.
211. The interested parties have also contended that the observations of the Authority in the disclosure statement that the issue of high viscosity was examined in the previous finding are factually incorrect. However, the Authority notes that an examination of the final findings issued vide F. No. 6/17/2023-DGTR dated 24th December 2024 clearly shows that while exclusion of high viscosity grades was requested, it was not excluded by the Authority. The Authority also notes that in the present investigation, it has considered all facts, submissions and evidence and has made detailed note of its examination and findings. Further, the Authority notes that since the issuance of the PUC methodology and consequent PCNs through notice dated 13th May, 2025, multiple modifications have

been made to the product scope and additional exclusions have been granted in the present findings. Therefore, the Authority considers that any concerns arising out of the PUC notice dated 13th May, 2025 or reference to previous findings of the Authority, are untenable.

212. The interested parties have filed submissions on the exclusion of “low fogging” grades, that is, grades with fogging values <2mg. As noted in the disclosure statement, the interested parties were unable to establish that fogging value is a property intrinsic to PVC Paste Resins. As noted in disclosure statement, PVC Paste Resins are converted into plastisol (prepared by addition of plasticiser, stabiliser, fillers and other additives under carefully controlled shear and temperature). The plastisol is coated onto base fabrics to create fabrics coated with PVC plastisol, often referred to as “PVC-coated fabrics” or “artificial leather cloth” in the market, which are then used in automotive interiors. While references were made to fogging standards and fogging value requirements, upon examination it is seen that such standards, including ISO 6452, pertain only to fabrics coated with plastisol made of PVC and not to PVC Paste Resin. The interested parties were unable to establish a link between the fogging performance of a coated fabric and the PVC Paste Resin used to produce the fabric. As noted in the disclosure statement, there is no evidence on record indicating that production of coated fabrics with a fogging value <2mg requires the use of a special subset of PVC Paste Resins with special fogging values.
213. The Authority notes that fogging values may also be modified by use of anti-fogging agents. The Authority also noted from the information on record that a major proportion of the volatile matter and fogging value in a PVC-coated fabric comes from the plasticiser used and not the resin.
214. The Authority also notes that the evidence on record shows that coated fabrics produced using a plastisol made of Chemplast Grade 121 (which was produced and sold in commercial quantities in the period of investigation) and a suitable mix of appropriate plasticiser and additives shows low fogging properties. The Authority notes that the relevant test reports show that the test was conducted as per the photometric method in accordance with SAE J 1756:2006, which is one of the test methods cited by the other interested parties.
215. The interested parties have also contended that the Authority has not questioned the applicability of ISO 6452 and that despite acknowledging the existence of such standards, the Authority has not examined whether the use of non-low-fog resins materially increases the risk of non-compliance, thereby disregarding the commercial and regulatory realities governing automotive supply chains. The Authority considers such contentions to be misplaced. The Authority notes that in the disclosure statement, the Authority specifically noted that ISO 6452 pertains to fabrics coated with plastisol made of PVC and not to PVC Paste Resins. The Authority notes that during the course of the investigation, the interested parties have not established that use of non-specialty resins

for production of PVC-coated fabrics materially increases the risk of non-compliance with automotive fogging standards, nor was any such plea taken during the course of the proceedings.

216. It has been contended that the interested parties had submitted evidence of premium and differentiated pricing of grades with low fogging values, which has been disregarded by the Authority. It is seen that the interested parties have identified various grades as low fogging grades. The interested parties have compared the average import price of all grades claimed to be low fogging with all the other grades. An examination of the transaction-wise import data as well as the transaction-wise data filed by Inovyn shows that the prices of several grades claimed to be specialty low fog grades are comparable to prices of regular grades. The Authority also notes while the interested parties have disputed whether the grades supplied by the domestic industry can technically and functionally substitute imported specialty grades, it remains undisputed that imported specialty grades can technically and functionally substitute the grades produced by the domestic industry. Seen together with the fact that price of purported specialty grades and regular grades are comparable, the Authority considers that the specialty grades can technically and commercially substitute the grades produced by the domestic industry.
217. Thus, while the grades offered by the domestic industry during the injury period could be used by the consumers for the claimed speciality applications by adding appropriate additives, the domestic industry has customised its product to meet the requirement of the consumers, by fine tuning the formulations at their end. The Authority notes that some customers have attested that the domestic industry has supplied the product suitable for meeting the disputed requirement.
218. The Authority further considers that as long as grades forming part of the scope of the product under consideration are in commercial competition with like article supplied by the domestic industry and can cause injury to the domestic producer, the same are required to be covered within the scope of levy. The above is supported by CESTAT decision in the case of *Kajaria Ceramics v. Designated Authority, Huawei Technologies Co. Ltd. Versus Designated Authority and Merino Panels Vs Designated Authority*. Therefore, the Authority considers that there is sufficient justification for inclusion of high viscosity and low fogging grades inside the scope of the product under consideration.
219. In the disclosure statement, the Authority proposed to exclude Biovyn, Neovyn and Recovyn from the product scope. In the post-disclosure comments, Vestolit GmbH stated that it also produces certain low-carbon grades and sought exclusion of the same from the product scope. However, the Authority considers interested party has not established the comparability of these grades with the grades being excluded, nor provided any data relating to its pricing and has raised the issue at very belated stage. The interested party has thus not established the need for exclusion.

220. On the comments that the Authority has erred in allowing this confidentiality claim with regard to the names of the users who have found the product supplied by the domestic industry to meet high viscosity and low fogging properties, the Authority notes that customer names are business sensitive, and the domestic industry has justified the need for treating them as confidential in the present case. The domestic industry has also submitted that such public disclosure contrary to the explicit instructions of the consumers would result in significant prejudice to commercial relationships and market standings of the domestic industry. The Authority also notes that the Mayur Uniquoters Limited and HR Polycoats Limited, which are members of the user industry and registered interested parties, have themselves claimed names of their suppliers and customers as confidential in their questionnaire responses. Accordingly, the Authority considers it appropriate to allow the confidentiality claim with respect to names of the users of the customized grades produced by the domestic industry.
221. On the comment that the import prices are influenced by large number of factors and the comparison with ethylene prices is not correct, the Authority notes the comparison with ethylene has been undertaken with a view to examine whether the imports have moved in line with the raw material prices. It is also seen from the data of the participating producer that the export price to India is below the cost of production of the producer and the dumping margin is in the range of 100%. When the export price has declined to such an extent that the producer in subject countries have exported to India at losses, the submission that other factors such as long-term contracts, inventory corrections, global demand, freight normalisation have influenced the prices is not correct.

M. CONCLUSIONS AND RECOMMENDATIONS

222. 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 on the basis of above analysis of the dumping, injury and causal link, the Authority concludes as follows:
- i. The product under consideration in the present investigation is “*Polyvinyl Chloride Paste Resin*” also known as “*PVC Paste Resin*” or “*Emulsion PVC Resin*”.
 - ii. The scope of the product under consideration excludes subject goods with a K value less than 60K, PVC Blending Resins, co-polymers of PVC Paste Resin, battery separator resins, Grades PVC 173GB and 174GY produced by Inovyn, which are non-grinded emulsion grades, grades sold by the registered names Biovyn®, Neovyn® and Recovyn® and cross-linked resins.
 - iii. The Authority considers that exclusion of a product on the basis of production process is not warranted. The product under consideration can be produced using emulsion polymerisation and micro-suspension polymerisation. The parties have not been able to establish that the goods produced by the two processes differ in terms of essential product characteristics. It is the consistent practice of the Authority that mere difference in production process does not, per se, imply

- existence of a different product. Further, the issue was examined in previous findings concerning the product, where the exclusion was disallowed.
- iv. The Authority holds that exclusion of high viscosity resins is not warranted. An examination of the material on record shows that apparent viscosity is a property measured at the level of plastisol, which is a downstream product made by mixing PVC Paste Resin, plasticiser, fillers, stabilisers and other additives. While PVC Paste Resin may influence the apparent viscosity of the plastisol, there is no evidence on record to demonstrate that it is the sole or the predominant determinant of the apparent viscosity of the plastisol.
 - v. The apparent viscosity of the plastisol can be achieved by modifying formulations, including varying quantity and type of plasticiser, varying shear and temperature applied, use of viscosity and thixotropy-altering additives etc. Through such formulation strategies, the apparent viscosity may be enhanced or suppressed as per the formulator's requirement. There is clear overlap in uses, which is the relevant standard for determining substitutability. An examination of the transaction-wise import data shows that the price of several grades claimed to be high viscosity grades is comparable to the import price of other grades and selling price of the domestic industry. Therefore, imports of the purported specialty grades can substitute the grades supplied by the domestic industry. Therefore, the Authority considers that an exclusion of high viscosity grades is not warranted.
 - vi. Exclusion of low fogging grades is not warranted. While references have been made to fogging standards (such as ISO 6452) and low fogging requirements, such standards pertain to fabrics coated with PVC plastisol. The evidence on record does not establish a link between the fogging performance of the fabric and the PVC Paste Resin used. The evidence on record shows that the major proportion of the volatile matter and fogging in a fabric coated with PVC plastisol comes from the plasticiser used, not the resin. It is also seen from lab test reports that a coated fabric produced using a plastisol made of Chemplast Grade 121 (which was produced during the POI in commercial quantities) and a suitable mix of appropriate plasticiser and additives shows low fogging properties. Further, an examination of the transaction-wise import data shows that the price of several grades purported to be low fogging grades is comparable to the import price of other grades as well as the selling price of the domestic industry. Therefore, imports of the purported specialty grades can substitute the grades supplied by the domestic industry. Further, the issue was also examined in previous findings concerning the product and the exclusion request was disallowed.
 - vii. The Authority considers that exclusion of grades with pseudoplastic and thixotropic properties is not warranted, as the request has not been substantiated with evidence.
 - viii. The Authority considers that exclusion of certain grades on the basis of IS 17658:2021 is not warranted. All eight grades identified by IS 17658:2021 can be produced on the same production lines by making changes to certain process control parameters such as reaction temperature and reaction time. Since all grades can be produced on the same production lines, capacities deployed for the

- production of a given grade can be redirected for production of any other grade as per need and market demand.
- ix. Chemplast Sanmar Limited constitutes "domestic industry" within the meaning of Rule 2(b). Chemplast Sanmar satisfies the requirement of standing as prescribed in Rule 5(3).
 - x. The Authority holds that confidentiality claims relating to names of customers made by the domestic industry and interested parties are justified.
 - xi. Consideration of a period of 18 months (1st April 2023 to 30th September 2024) as the period of investigation is justified as it will allow for a comprehensive assessment of the conditions of the market and injury to the domestic industry, and it has covered the period during which the anti-dumping investigation was in process on the product under consideration against other countries.
 - xii. For Inovyn Europe Limited and its related companies Inovyn Deutschland GmbH, Inovyn France SAS, Inovyn Sverige AB, Inovyn Trading Services and Inovyn Italia, the dumping margin determined is 100-110%. It is seen that the export price to India is below the cost of production of the producer.
 - xiii. The domestic industry has operationalised fresh capacities of 41,000 MT in February 2024. Despite the capacity expansion undertaken by the domestic industry, there is a supply-demand gap. The domestic industry has submitted evidence that it has obtained approval for total capacity expansion of 70,000 MT, but the plans for further expansion have been put on hold due to dumping of the product under consideration in the market.
 - xiv. The domestic industry has suffered cash loss and loss before interest and tax in the period of investigation, which shows that injury cannot be attributed to capacity expansions.
 - xv. Imports from the present subject countries were low in volume till 2022-23 and imports from China PR, Korea, Malaysia, Norway, Taiwan and Thailand (which are now attracting anti-dumping duties) commanded a major share in demand. Import volumes from the present subject countries increased in 2023-24 but with the imposition of anti-dumping duty on other countries in June 2024, the imports from the subject countries shot up sharply in the first half of 2024-25. The period saw steep decline in the imports from other countries attracting duties. It is therefore, seen that with the imposition of anti-dumping duty on China, Korea, Malaysia, Norway, Taiwan and Thailand, the dumping of the product under consideration has shifted to the present subject countries.
 - xvi. The landed price of subject imports has not moved in line with the prices of Ethylene (the basic raw material) over the injury period. In the period of investigation, the decline in the landed price has been much steeper than the decline in raw material prices. With a decline in the landed price of imports there was a corresponding increase in import volumes. From the responses filed by the cooperative producers, it is seen that the export price to India is below their cost of production.
 - xvii. Price undercutting is positive in the period of investigation. The dumped imports have depressed the prices of the domestic industry in the market.

- xviii. The domestic industry was profitable in 2020-21 which increased in 2021-22. The domestic industry suffered losses in 2022-23, which further increased in the period of investigation. The losses suffered in 2022-23 were attributable to dumping of the product under consideration from other countries which are now subject to duty.
 - xix. The cash profit of the domestic industry increased in 2021-22, turned into cash losses in 2022-23 and then further declined in the period of investigation. The return on capital employed by the domestic industry has consistently declined over the injury period and is significantly negative in the period of investigation.
 - xx. The magnitude of dumping and injury margin is positive and significant during the period of investigation.
 - xxi. The domestic industry has cumulatively suffered losses of over INR *** Cr during the period of investigation. Significant financial losses and negative return on capital employed, the ability to raise capital investment has been impacted.
 - xxii. The present deterioration in performance cannot be attributed to features inherent to the domestic industry, alleged internal inefficiencies or costs associated with capacity expansion. The domestic industry has not suffered injury due to other factors. Material injury caused to the domestic industry is due to dumping of the product under consideration from the subject countries
 - xxiii. The imposition of anti-dumping measures does not restrict imports from the subject countries in any way.
 - xxiv. The impact of proposed anti-dumping duty on downstream industries is insignificant. The Authority notes that anti-dumping duties were imposed in the past. There is no evidence to suggest that there was any adverse impact on the downstream industry as a result of the duties previously in force. The domestic industry has provided information on the share of the product under consideration in the end product, and it is seen that share of the product under consideration is miniscule.
 - xxv. Anti-dumping duty would ensure that the imports are entering the Indian market at fair prices and a level playing field is maintained between the foreign exporters and the domestic industry.
 - xxvi. Imposition of anti-dumping duty would not be against the larger public interest.
223. The Authority notes that the investigation was initiated and notified to all the possible interested parties and adequate opportunity was given to the domestic industry, exporters and other interested parties to provide positive information on the aspect of dumping, injury and causal link. 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 duty is required to offset dumping and injury. Therefore, the Authority considers it necessary and recommends the imposition of anti-dumping duty on imports of the subject goods from the subject countries.
224. Kaneka Corporation, Japan and Mitsui & Co. Ltd., Japan (trader/exporter of Kaneka) has submitted an undertaking to the Authority and has agreed not to sell the product under

consideration either directly or through intermediaries, to India at prices that have been accepted by the Authority and the domestic industry. In the said undertaking, Kaneka Japan has undertaken that it “shall not export the subject goods to India directly or through intermediaries to India at prices lower than:

(a) *FOB Basis (at any port in Japan)*

*FOB Japan VCM Prices as per the agreed benchmark (CMA Global Vinyl’s Monthly Market report – midpoint) plus a fixed mark up of USD *** per MT.*

(b) *CIF basis (at any port in India)*

FOB price as above plus actual ocean freight and actual insurance

(c) *ICD Deliveries (Conditional)*

Where delivery is upto an Inland Container Depot in India and inland movement within India is borne by the exporter and additional flat amount of USD 50 per MT shall apply.

This additional USD 50 per MT shall not apply where

- *Delivery is upto the Indian Sea Port or*
- *Indian movement is paid by the importer/buyer.*

225. Undertaking on same lines has also been submitted by Mitsui, Japan (trader/exporter of Kaneka, Japan). Accordingly, exports made by Kaneka Corporation, Japan directly or through Mitsui & Co. Ltd. shall be covered under undertaking and no antidumping duties are proposed to be imposed on exports made by Kaneka. The price undertaking shall take effect from the date on which the Central Government decides to implement the present final findings. The validity of the price undertaking would be for the duration for which anti-dumping duties is imposed by the Central Government and shall be subject to review as per the applicable provisions under the Rules. The said undertaking will not apply to (i) sales to importers holding advance licenses or (ii) sales to export-oriented units or SEZ unit. The company shall periodically provide relevant information to the Authority to establish that the said price undertaking is not being violated. Appropriate action, in accordance with the Rules, shall be taken in the event of any violation of the undertaking. Therefore, the imports of Kaneka Corporation, Japan will not attract anti-dumping duties.

226. 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 countries 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 Goods	Country of Origin	Country of Export	Producer	Duty (\$/MT)
1	2	3	4	5	6	7
1.	39041010*	'Poly Vinyl Chloride Paste Resin', also known as Emulsion PVC Resin*	European Union	Any country including European Union	Inovyn Europe Limited	417
2.	-do-	-do-	European Union	Any country including European Union	Any producer other than SN 1 mentioned above	464
3.	-do-	-do-	Any country other than countries attracting anti-dumping duty	European Union	Any producer	464
4.	-do-	-do-	Any country other than countries attracting anti-dumping duty	Japan	Any producer	469

* The scope of product under consideration excludes the following products.

i. Subject goods with a K value below 60K

ii. PVC Blending Resin

iii. All Co-polymers or co-polymer grades of the PVC paste resin

iv. Battery separator resins

v. Grades PVC 173GB and 174GY

vi Low-carbon grades Biovyn, Neovyn and Recovyn, accompanied by acceptable evidence of sustainability.

vii. Cross linked resins.

*The application of the individual duty rates specified for the companies mentioned in the above shall be conditional upon presentation to customs authorities of a valid commercial invoice, on which shall appear a declaration dated and signed by an official of the entity issuing such invoice, identified by his/her name and function, drafted as follows: 'I, the undersigned, certify that the (volume) of (product concerned) sold for export to the India covered by this invoice was manufactured by (company name and address) in Japan and European Union. I declare that the information provided in this invoice is complete and correct.' If no such invoice is presented, the duty applicable to all other companies shall apply.

This requirement is without prejudice to the verification procedures independently undertaken by the Customs authorities under the applicable customs law and regulations."

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

N. FURTHER PROCURE

227. 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