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**F. No. 6/43/2024-DGTR  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Directorate General of Trade Remedies  
4th Floor, Jeevan Tara Building, 5, Parliament Street, New Delhi -110001**

**Dated: 18<sup>th</sup> March, 2026**

**NOTIFICATION**

**(Final Findings)**

**CASE NO. AD (OI)-40/2024**

**Subject: Final Findings in the anti-dumping investigation on imports of ‘Liquified Natural Gas Fuel Tank (LFT)’ originating in or exported from China PR.**

Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter referred to as “the Act”) and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, thereof, as amended from time to time (hereinafter referred as the “Anti-Dumping Rules” or “the Rules”);

**A. BACKGROUND OF THE CASE.**

1. Whereas, M/s Inox Limited (hereinafter referred to as the ‘applicant’) filed an application, before the Designated Authority (hereinafter also referred to as the “Authority”) in accordance with the Customs Tariff Act, 1975 and the Anti-dumping Rules for initiation of an anti-dumping duty investigation concerning the imports of ‘Liquified Natural Gas Fuel Tank (LFT)’ (hereinafter to be referred to as the “subject goods” or the “the product under consideration” or the “LFT”), originating in or exported from China PR (hereinafter referred to as the “subject country”).
2. And whereas, in view of the duly substantiated application filed by the applicant, the Authority issued a public notice vide Notification No. 6/43/2024- DGTR dated 24th December 2024, published in the Gazette of India, initiating an anti-dumping investigation into imports of the product under consideration from China PR in accordance with Rule 5 of the Anti-Dumping Rules to determine the existence, degree and effect of any alleged dumping of the subject goods and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the alleged injury to the domestic industry.

**B. PROCEDURE**

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

**3.1 Initiation**

- a. In accordance with the Rule 5(5), the Authority notified the embassy of the subject country in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation.
- b. The Authority issued a public notice dated 24<sup>th</sup> December 2024, published in the Gazette of India, Extraordinary, initiating the anti-dumping investigation concerning the imports of the subject goods from the subject country. The Authority sent a copy of the initiation notification to the government of the subject country, through their embassy in India, known producers and exporters from the subject country, known importers/users, the domestic industry, the other Indian producers as well as other interested parties, as per the addresses made available by the applicant and requested them to make their views known in writing within the prescribed time limits.

**3.2 Circulation of non-confidential version of the application**

- a. The Authority provided a copy of the non-confidential version of the application to the known producers/exporters and to the governments of the subject country, through their embassy in India, in accordance with Rule 7(3) of the Rules. A copy of the non-confidential version of the application was provided to other interested parties, wherever requested.

**3.3 Participation by Exporters of Subject Country**

- a. The Authority sent exporter questionnaire to the following known producers/exporters in subject country in accordance with Rule 6(4) of the Rules:

b.

SN	Name of producer/exporters in the subject countries.
1	Zhangjiagang Furui Cit Co. Ltd.
2	Shandong Auyan New Energy Technology Co. Ltd.
3	Shijiazhuang Enric Gas Equipment Co. Ltd

- c. In response to the above, none of the producers/exporters from China PR have responded and filed exporter’s questionnaire response.

- d. Foreign producers, exporters and other interested parties who have not responded to the Authority, or have not supplied information relevant to this investigation, have been treated as non-cooperating in this investigation.

### **3.4 Participation by Importers/Users**

- a. The Authority send importer's questionnaire to the following known importers/users of the product under consideration in India calling necessary information in accordance with Rule 6(4) of the Rules.
  - a. Advantek Fuel Systems Private Limited
  - b. Amol-Prala Clean Energy Pvt. Ltd.
  - c. Ashok Leyland Limited
  - d. Blue Energy Commercial Vehicles Private Limited
  - e. Maharashtra State Road Transport Corporation
  - f. Tata Motors Limited
  - g. Shigan Group
  - h. VE Commercial Vehicles Limited
  - i. VRV Asia Pacific Private Limited
- b. The following users/importers have registered in the present investigation.
  - a. Advantek Fuel Systems Pvt. Ltd.
  - b. Amol Prala Clean Energy Pvt. Ltd.
  - c. Blue Energy Commercial Vehicles Limited
- c. Amol Prala Clean Energy Pvt. Ltd had filed submissions but has later withdrawn all its submissions. Accordingly, the submissions made by Amol Prala Clean Energy Pvt. Ltd have not been considered.

### **3.5 Period of Investigation and Injury Period**

- a. The period of investigation (POI) for the purpose of present investigation is 1st April 2023 to 30th June 2024 (15 months). The injury period for the investigation will cover the periods 1st April 2020- 31st March 2021, 1st April 2021- 31st March 2022. 1st April 2022- 31st March 2023 and the period of investigation.

### **3.6 Further procedure**

- a. 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. 6/43/2024- DGTR dated 24th December 2024, the Authority initiated the present proceedings.
- b. 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.

- c. 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 country in India, known producers and exporters of the product under consideration in the subject country, known importers of the subject goods in India and other interested parties, as per the information made available in the application.
- d. In accordance with Rule 6(3), the Authority provided a copy of the non-confidential version of the application to the government of the subject country through its embassy in India, known exporters of the subject imports and to other interested parties who requested in writing for a copy of the application.
- e. The Authority sent questionnaires to the government of the subject country through its embassy in India. The government of the subject country was requested to forward the Initiation Notification and the questionnaires to the producers of the subject goods in their country and advise them to respond to the questionnaire within the prescribed time limit.
- f. 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 subject country, all the known exporters, importers and users and the domestic industry. The EIQ was also shared with the administrative line ministry. Only the domestic industry has filed a response to the EIQ.
- g. 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 other interested parties.
- h. 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 15th July 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. Subsequently, a second oral hearing was conducted on 12 December, 2025 and the parties were directed to submit written submissions and rejoinders, in accordance with the prescribed procedure.
- i. 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 on the basis of the facts available.
- j. In accordance with Rule 7, the information provided by the interested parties on confidential basis was examined with regard to the sufficiency of such confidentiality claims. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted and such information has been considered as confidential and not disclosed to the other interested parties. Wherever possible, parties providing information on confidential basis were

directed to provide sufficient non-confidential version of the information filed on confidential basis.

- k. In accordance with Rule 8, the Authority, during the course of the investigation, satisfied itself as to the accuracy of the information supplied by the domestic industry and the interested parties, which forms the basis of these final findings. The information was verified to the extent possible and verified the data documents submitted by the domestic industry and the interested parties to the extent considered relevant, practicable and necessary.
- l. In accordance with Rule 8, the Authority conducted verification of the data provided by the domestic industry and other interested parties to the extent considered necessary for the present proceedings. The Authority has considered the verified data of the interested parties for its analysis in the present case.
- m. 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 domestic industry and having regard to the Generally Accepted Accounting Principles (GAAP).
- n. Wherever an interested party has refused access to or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the present final findings on the basis of the facts available.
- o. The Authority has considered all the arguments raised and information provided by all the interested parties to the extent the same is supported with evidence and considered relevant to the present investigation.
- p. The Authority circulated the disclosure statement containing all essential facts to all interested parties on 11th March 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
- q. “\*\*\*” in this final findings represents information furnished by an interested party on a confidential basis and so considered by the Authority under the Rules.
- r. The exchange rate adopted by the Authority for the subject investigation is 1 US\$=Rs 83.82.

## **C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE**

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

4. The other interested parties have made following submissions regarding product under consideration.
  - i. The LNG storage tanks manufactured by domestic producers currently suffer from several critical limitations in terms of technology, performance, and commercial viability.
  - ii. India-made LNG tanks demonstrate lower 'hold time'- i.e., the duration for which LNG can be retained without boil-off- leading to increased product loss and reduced operational efficiency.
  - iii. During the refueling process, the internal pressure in the tank often increases beyond safety thresholds, requiring venting of LNG into the atmosphere. This not only presents environmental hazards but also leads to financial losses for vehicle owners.
  - iv. The domestic manufacturing ecosystem lacks a sufficient product range, particularly in the 200-litre to 1500-litre segment, which is essential to meet diverse vehicle platform requirements.
  - v. Though domestic manufactured LNG tanks are certified by PESO, their actual performance in field applications is significantly inferior to international benchmarks.
  - vi. PESO approval is limited to design and safety parameters and does not involve ongoing quality surveillance or batch-wise performance validation after commercial production commences.

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

5. The domestic industry has submitted as follows with regards to the scope of the product under consideration and like article:
  - i. The scope of the product under consideration in the present investigation is Liquefied Natural Gas Fuel Tank.
  - ii. The product under consideration is a double walled cryogenic storage tank for liquefied natural gas (particularly methane gas). It is used for maintaining the temperatures of liquids contained in them.
  - iii. LNG tanks are specially designed to handle the extreme temperature, which is for LNG to be used as fuel and prevent boil-off gas (evaporation).
  - iv. The product under consideration requires PESO certificate. Each and every tank produced by the domestic industry is inspected and approved by or on behalf of PESO.
  - v. PESO certification is mandatory under Indian law and serves as a benchmark for quality and safety. PESO evaluates equipment design, manufacturing processes, and storage facilities.

- vi. The application process under PESO requires submission of test reports (i.e., lab reports from accredited facilities), technical specifications (i.e., detailed drawings, material composition, and safety features of products like pressure vessels or explosion- proof products), factory license and facility layout for site inspections, among other documents.
- vii. The applicant has certifications like ISO 9001 and IATF 16949 (International Quality Management System for Automotive Industry) for the subject goods. These certifications are the evidence that applicant maintains and prioritises quality of product.
- viii. Various users have provided satisfactory performance certification for the subject goods.
- ix. The product of the domestic industry is well accepted. The domestic industry has received various acknowledgement letters from the users for the product under consideration.
- x. The product manufactured by the domestic industry and those imported from the subject country share similar physical and chemical characteristics, manufacturing processes and technology, as well as functions and uses, making them commercially interchangeable.
- xi. The domestic industry has sold the product under consideration to the responding users. Admittedly there were very few instances wherein the users have raised issues with the product. The product being in new stage is expected to have some challenges. The domestic industry is continuously working to rectify them.
- xii. The domestic industry sells the subject goods in the export market and secured orders from renowned agencies. If the quality of the product would have been so bad, the domestic industry would not have survived in the export market.
- xiii. On the submission of the interested parties that the internal pressure in the tank provided by the domestic industry, often increases beyond safety thresholds, requiring venting of LNG into the atmosphere, the issue of pressure is not peculiar to the domestic industry alone and is equally applicable for all producers of the product owing to the nature of the tank.
- xiv. On the submission that the domestic industry lacks sufficient product range, the domestic industry has manufactured 200-litre to 990-liter LNG tanks during the injury period, establishing its capability in this segment.
- xv. Under the prevailing Gas Cylinder Rules, 2016, the approved capacity is restricted to less than 1,000 litres. Accordingly, any reference to capacities exceeding 1,000 liters is incorrect and constitutes a false claim.
- xvi. On the submission that the product supplied by the domestic industry has quality concerns, as per the information available with the domestic industry, the user has not imported the subject goods and has consistently only purchased from the domestic industry. Therefore, they cannot make statements and compare the quality of the domestic industry's product with the imported product.
- xvii. The users have made repeated purchases from the applicant. No tanks have been returned by these two entities. Further, admittedly few entities have returned the tanks. However, none of those entities have even filed concerns to the Authority.

- xviii. The domestic industry has sold \*\*\* tanks of 990L to the participating user. The domestic industry understands that \*\*\* tank is operational for almost 10 months and \*\*\* tanks have been in operation around 7 months. The domestic industry has not received any complaints from the user.
- xix. The domestic industry has also sold \*\*\* tanks of 400 liters tanks to the respondent. While admittedly there were certain concerns raised by the users in \*\*\* tanks, but that was 15 months after they were delivered to the respondent. Even then the domestic industry had assisted the customers by replacing them.
- xx. In India as well, the domestic industry has secured several orders from the OEMs and has signed an MOU with an entity for the conversion of substantial number of buses for Maharashtra State Road Transport Corporation.
- xxi. The product being in new stage is expected to have some challenges. The applicant is continuously working to rectify them.
- xxii. The consumers have in past, raised concerns on the tanks sold by applicant. However, applicant has taken prompt action in getting these concerns addressed.
- xxiii. The applicant has addressed large number of concerns even after more than 700 days.
- xxiv. Advantek Fuel Systems Pvt Ltd have made repeated purchases from the applicant.

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

- 6. The product under consideration was defined as 'Liquified Natural Gas Fuel Tank', also described as 'Liquid Fuel Tank' or 'LFT'.
- 7. A Liquified Natural Gas Fuel Tank is a double walled cryogenic storage tank for liquefied natural gas (particularly methane gas). Sample images of the product under consideration as provided by the domestic industry in the application are given below.



- 8. LNG fuel tanks are used for maintaining the temperatures of liquids contained in them. They are, in simpler terms, double walled vacuum cylinders with superinsulation used for the purpose of carrying fuel inside them that is used for combustion in commercial vehicles such as trucks. They have heat exchanger coil on one end that is used to vaporize the liquid fuel into vapors so that the same reaches the engine easily and can be used for

combustion. The product comes in capacities varying from 200 Liters to 990 Liters at 16 bars to 24 bars pressure rating.

9. The product is classifiable under Chapter 73 under the customs code 7311 00 90. It is also noted that the customs classification is indicative only and is in no way binding on the scope of subject investigation.
10. The demand for the product under consideration started growing from 2021-2022 as the truck companies started manufacturing LNG gas-based trucks in India. The demand for the product is still at nascent stage but is growing rapidly. The demand increased from \*\*\* trucks in 2021-2022 to \*\*\* trucks during the period of investigation.
11. The domestic industry has submitted that the demand for LNG trucks will increase from 1000 trucks in 2023 to 50,000 trucks. With the increase in the demand for trucks, the demand for the LNG tanks is also going to increase.
12. LNG Fuel Tanks are used in large vehicles such as trucks and other vehicles. Their primary usage is for containing and carrying methane gas which power vehicle engine. These vessels are used to store fuel for on road & off-road vehicles. As the fuel is being stored in liquid form, to use the same at engine, it needs to be converted into gaseous form. The function of conversion is being done with the help of heat exchanger installed in the product.
13. The product comes in capacities varying from 200 Liters to 990 Liters at 16 bars to 24 bars pressure rating. The diameter and thickness of the LNG Tanks in the range of 200 Liters to 450 Liters remains the same, and only their length changes whereas in the case of 990 Liters capacity LFT the length, diameter and thickness all changes.
14. The Authority had granted an opportunity to all the interested parties to file their submissions on the scope of the PUC and PCNs, within 15 days of the circulation of the receipt of intimation of initiation of the investigation. On January 15<sup>th</sup>, 2025, the Authority granted extension of time for filing the comments on PUC/PCN till January 21<sup>st</sup>, 2025. However, no comments were received from any of the interested parties. Therefore, the Authority adopted the same PCN methodology proposed by the domestic industry and mentioned in the initiation notification. The PCN methodology adopted in the present investigation is reproduced below.

S. No	ADOPTED PCN	PCN Code
1	From 200 to 300 litres	A
2	From 301 to 500 litres	B
3	From 501 liters to 750 liters	C
4	More than 751 liters	D

15. The Authority has analyzed the contention of the interested parties regarding the quality of the product supplied by the applicant. The Authority notes that each product manufactured by the domestic industry is required to be statutorily certified by Petroleum and Explosives Safety Organization (PESO), which is also a statutory requirement for importing the product under consideration in India. The Authority notes that in a situation where there is a regulatory authority in the country, controlling the quality and specifications of the product and the product cannot be sold by any party without a license from PESO, there is no basis to contend that the quality of a product conforming to PESO standards and passed by PESO is not acceptable.
16. The Domestic Industry has submitted that the application process for PESO certification involves evaluation of equipment design, manufacturing processes, and storage facilities. The application process also requires the applicant to submit lab reports from accredited facilities, which evaluates technical specifications like detailed drawings, material composition, and safety features of products like pressure vessels or explosion- proof products, factory license and facility layout for site inspections, etc. Therefore, to claim that PESO approval is limited to design and safety parameters and does not involve ongoing quality after commercial production commences would not be correct.
17. The domestic industry placed evidence showing that the various entities like Maharashtra State Road Transport Corporation, to which the domestic industry has supplied the product under consideration, have actually appreciated the quality of product. The domestic industry has also sold the product under consideration to the participating user. The Authority has also taken note that the domestic industry has placed evidence on record from users appreciating the quality of its product, which shows that the quality of the domestic industry's product is at par with the imported product.
18. The Authority analysed DG system data and notes that only one interested party has exclusively imported the product under consideration into India.
19. On the submission of the interested parties that the domestic manufacturing ecosystem lacks a sufficient product range, the domestic industry has placed evidence that it has manufactured and sold product under consideration in the range of 200- liter to 990- litre segment during the injury period. This covers complete product range of the product consumed in the period of investigation and injury period. Therefore, the submission of the interested party lacks merits.
20. Therefore, the product under consideration is concluded as 'Liquified Natural Gas Fuel Tank', also described as 'Liquid Fuel Tank' or 'LFT'.
21. The Authority notes that the product produced by the domestic industry are comparable to the imported goods from the subject country in terms of chemical characteristics, product specifications, technical specifications, manufacturing process, and technology, functions and uses, pricing, distribution and marketing, and tariff classification of the

goods. The two are technically and commercially interchangeable. Accordingly, the Authority holds that the products produced by the domestic industry are 'like article' to the product under consideration imported from the subject country in terms of Rule 2(d) of the Rules.

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

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

22. The other interested parties have not made any submissions with regard to the scope of the domestic industry and standing.

**D.2. Submission of the domestic industry.**

23. The domestic industry has submitted as follows with regards to the scope of the domestic industry and standing:

- a. The applicant is a prominent manufacturer of cryogenic equipment. The domestic industry has over 30 years of experience in offering solutions across design, engineering, manufacturing and installation of equipment and systems for cryogenic conditions.
- b. Apart from the applicant, there is one more producer of the product under consideration.
- c. Inox India Limited accounts for majority of the subject goods in India.
- d. Inox India Limited has not imported the subject goods from subject country and is not related to any exporter in the subject country or importer of subject goods in India.

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

24. The Authority notes that the present application has been filed by Inox India Limited.

25. Rule 2(b) of the Rules defines Domestic Industry as follows:

*“(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”.*

26. Apart from applicant, there is one other producer of the product under consideration in India, Cryogas Equipment Private Limited. The Authority had sent communication to the other producer, but no information was received.

27. Inox India Limited has certified that it has not imported the product under consideration. The Authority has examined DG System's transaction-wise data and found that there are no imports of the product under consideration by Inox India Limited.
28. The Authority holds that the applicant is eligible domestic industry within the meaning of the Rule 2(b), and the application satisfies the criteria of standing in terms of Rule 5(3) of the Rules.

## **E. MISCELLANEOUS SUBMISSIONS AND CONFIDENTIALITY COMMENTS.**

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

29. The other interested parties have made following miscellaneous submissions:
  - i. The Authority in the present case has adopted 15 months period of investigation on the request of the domestic industry. The reason cited was merely practical difficulties. The Authority should examine the practical difficulties of the domestic industry which led to considering 15 months as period of investigation.
  - ii. In the event of recommendation of the anti-dumping duty, it is requested that the domestic industry be directed to provide a binding undertaking and quality assurance guarantee for a specified period to ensure public interest through uninterrupted and timely supply of the subject goods, consistent quality, compliance with prescribed standards, time-bound repair and replacement, and effective after-sales support on commercially reasonable terms.

### **E.2 Submission of the domestic industry.**

30. The domestic industry has made following miscellaneous submissions.
  - i. The anti-dumping rules provides that while the normal period of investigation is twelve months, the Authority may allow a different duration 6 months to 18 months if sufficient reasons are provided in writing.
  - ii. The Authority in the present investigation, only after proper scrutiny during the pre-initiation stage, accepted the applicant's proposal and duly recorded its reasoning in the notice of initiation. Therefore, such allegations should be rejected as they are without merit.
  - iii. The user industry, Blue Energy has filed highly deficient response, unreasonably claimed many crucial information confidential and fail to adhere to the Trade Notice No. 08/2021 ("TN, 08/2021").
  - iv. Blue Energy has claimed that the product supplied by the domestic industry is of substandard quality. However, it has been claimed the evidence submitted to the Authority has been confidential. This has prevented the domestic industry to safeguard its interest and providing any meaningful comments.
  - v. The Authority should reject the questionnaire response filed by Blue Energy in terms of Trade Notice No. 08/2021 ("TN, 08/2021") for being highly deficient.
  - vi. The request to mandate a binding undertaking and quality assurance guarantee from the applicant in the event of imposition of anti-dumping duty is without legal basis.

- vii. Issues relating to quality, after-sales service, repair, or replacement are governed by existing statutory regulations, and contractual arrangements between the buyer and the seller. It cannot be made conditional to the imposition of anti-dumping duty.

### E.3 Examination by the Authority.

31. Interested parties have contended that the adoption of a fifteen-month period of investigation is not appropriate. It is observed that, in accordance with the provisions of the anti-dumping rules, the Authority ordinarily considers a period of twelve months as the standard period of investigation. However, 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.
32. It is further noted that, in several previous investigations, the Authority has adopted period of investigation either shorter or longer than twelve months, depending upon the facts in each case. In the present matter, the domestic industry had submitted that adoption of a twelve-month period from July 2023 to June 2024 would have resulted in substantial practical difficulties in preparation and verification of costing data. The domestic industry had also clarified that the import volume and prices during fifteen-month period were comparable to those that would have prevailed in a twelve-month period, thereby ensuring that the impact of imports was not flawed.
33. The Authority notes that the interested parties have not disputed the accuracy of the reasons furnished by the domestic industry or considered by the Authority in adopting the fifteen-month period of investigation. Further, the interested party also has not provided the reasons why considering 15 months as period of investigation is inaccurate or inappropriate. The Authority observes that the selected period facilitates ease of data preparation and verification without causing any distortion or skewness in the analysis, given the comparable volume and value of imports during the relevant period.
34. The Authority compared the volume and price of imports during the 12 months and 15 months period, which is produced below. It is seen that considering a 12-month period (Jul 23 to Jun 24) instead of the period of investigation would have not shown any material difference in the facts. The landed price of imports is comparable, and the imports show comparable increase.

Particulars	UOM	Jul 23 to Jun 24	Apr 23 to Jun 24	Apr 23 to Jun 24 (A)
Import volume	PCS	287	387	310
Import value	Rs. Lacs	***	***	***
Import price	Rs/PCS	***	***	***

Source – DG System data.

35. The Authority also holds that consideration of accounting year as part of investigation period is desirable, particularly in those situations where its consideration would otherwise not skew the data. It is also noted that consideration of a fifteen-month period of investigation has not caused any prejudice or adverse impact on the outcome of the investigation or to bonafide interests of any set of interested parties. Accordingly, the Authority holds that the adoption of fifteen-month period of investigation is appropriate in the present case.
36. The Authority made available non-confidential version of the information provided by interested parties to all interested parties as per Rule 6(7) .
37. With regard to confidentiality of information, Rule 7 of Anti-dumping Rules provides as follows:

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

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

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

38. On the submissions that the Authority should mandate a binding undertaking for quality assurance and after sales services. It is submitted that the matters relating to the imposition of a binding condition for commercial undertakings fall outside the scope of the present investigation.
39. The submissions made by the domestic industry and the interested parties concerning confidentiality, to the extent considered relevant, were examined by the Authority and addressed accordingly. 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 on 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.

40. The Authority has consistently allowed interested parties to claim confidentiality in 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.

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

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

41. The other interested parties have made the following submissions.
  - i. For determining the domestic selling price of the subject goods in China PR, the Authority has considered cost of production of the domestic industry along with reasonable profits and general expenses. This methodology has loaded the inefficiency on part of the domestic industry and thus the cost of production results in substantial increase in the domestic selling price of Chinese exporters.

### **F.2 Submission of the domestic industry**

42. The domestic industry has made the following submissions.
  - i. None of the Chinese producers have participated in the present investigation. The absence of the participation by the producers from China is because of the fact that actual export price is lower than the export price reported by the domestic industry.
  - ii. The domestic industry requests the Authority to not provide any favorable outcome for the Chinese producer on account of non-cooperation.

- iii. The Chinese producers have access to materially low-priced steel which forms 60-70% share in the cost of production of the product under consideration.

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

#### **Normal Value**

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

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

*ii) When there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either: (a) comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or*

*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 profit, 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 transshipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.*

44. In case of China PR, Annexure- I to the Rules provides as follows:

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

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

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

*(2) There shall be a presumption that any country that has been determined to be, or has been treated as, a non-market economy country for purposes of an anti-dumping investigation by the designated Authority or by the competent the Authority of any WTO member country during the three-year period preceding the investigation is a non-market economy country.*

*Provided, however, that the non-market economy country or the concerned firms from such country may rebut such a presumption by providing information and evidence to the designated Authority that establishes that such country is not a non-market economy country on the basis of the criteria specified in sub-paragraph (3).*

*(3) The designated Authority shall consider in each case the following criteria as to whether:*

*(a) the decisions of concerned firms in such country regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment, are made in response to market signals reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs, substantially reflect market values;*

*(b) the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets other write-offs, barter trade and payment via compensation of debts;*

*(c) such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms, and*

*(d) the exchange rate conversions are carried out at the market rate :*

*Provided, however, that where it is shown by sufficient evidence in writing on the basis of the criteria specified in this paragraph that market conditions prevail for one or more such firms subject to anti-dumping investigations, the designated Authority may apply the principles set out in paragraphs 1 to 6 instead of the principles set out in paragraph 7 and in this paragraph].*

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

*“Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (“Anti-Dumping Agreement”) and the SCM Agreement shall apply in proceedings involving imports of Chinese origin into a WTO member consistent with the following:*

*(a) In determining price comparability under Article VI of the GATT 1994 and the Anti-Dumping Agreement, the importing WTO member shall use either Chinese prices or costs for the industry under investigation or a methodology that is not based on a strict comparison with domestic prices or costs in China based on the following rules:*

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

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

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

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

*(d) Once China has established, under the national law of the importing WTO member, that it is a market economy, the provisions of subparagraph (a) shall be terminated provided that the importing member's national law contains market*

*economy criteria as of the date of accession. In any event, the provision of subparagraph (a)(ii) shall expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO member, that market economy conditions prevail in a particular industry or sector, the nonmarket economy provisions of subparagraph (a) shall no longer apply to that industry or sector."*

46. It is noted that while the provision contained in Article 15 (a)(ii) have expired on 11th December 2016, the provision under Article 2.2.1.1 of WTO read with obligation under 15(a)(i) of the Accession Protocol require the criterion stipulated in para 8 of the Annexure I of the Rules to be satisfied through information/data to be provided in the supplementary questionnaire on claiming the market economy status.
47. The Authority notes that none of the producers/exporters from China PR have participated in this investigation to rebut this presumption as mentioned in para 8 of Annexure – I of the Rules. Under these circumstances, the Authority has to proceed in accordance with para 7 of Annexure – I of the Rules.
48. It is noted that paragraph 7 of Annexure-I to the AD Rules stipulates three methods of constructing the normal value for non-market economies: (a) on the basis of price or constructed value in a market economy third country; (b) export price from a third country to other countries, including India; and (c) on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted, if necessary, to include a reasonable profit margin. The Authority notes that under the provisions of paragraph 7 of Annexure-I to the AD Rules, the normal value must be determined on the basis of the price or constructed value in a surrogate country, the price of the exports from such country to other countries, including India, or on any other reasonable basis.
49. At the stage of filing the application, the domestic industry had submitted that the normal value for China PR should be constructed based on price actually payable in India, including reasonable profits for the like article being produced in India.
50. No information/evidence has been provided by the interested parties for the consideration of the normal value on the basis of the first and second methods. Therefore, the Authority has decided to construct normal value based on the third method, i.e., on any other reasonable basis. Under this, the normal value can be determined based on price actually paid or payable in India. For this purpose, the Authority has considered the optimized cost of production of the domestic industry, with a reasonable addition of selling, general and administrative expenses and profits.
51. The normal value for China PR has been determined on the basis of price payable in India calculated as per cost of production in India, duly adjusted for selling, general & administrative expenses and reasonable profits. Separate normal value has been

determined for each of the PCN, and thereafter one normal value for the PUC has been determined by the Authority. The normal value so determined is provided in the dumping margin table below.

**Export Price**

- 52. In absence of cooperation from any producers/exporters from China PR, the Authority has determined the net export price on the basis of DG system data. Since this data is on CIF terms, adequate adjustments have been made to arrive at ex-factory level. The export price for each PCN has been determined separately. The weighted average ex-factory export price, as determined, is shown in the dumping margin table below.
- 53. Based on normal value and export price as determined above, the dumping margin has been determined below.

**Dumping Margin Table**

SN	Name of Producer	Normal Value (\$/Nos.)	Net Export Price (\$/Nos.)	Dumping Margin (\$/Nos.)	Dumping Margin (%)	Dumping Margin (range)
A.	<b>China PR</b>					
1.	Any	***	***	***	***	50-60

**G. EXAMINATION OF INJURY AND CAUSAL LINK.**

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

- 54. The other interested parties have made the following submissions with regard to injury and causal link:
  - i. The subject goods from China has followed the demand trend and therefore rise in import volume from China should not be evaluated in isolation but with the fact of demand growth and the domestic industry’s position of starting commercial operations as a fresh player in the year 2021-2022.
  - ii. The gap between domestic industry’s selling price and the cost of sales has been the highest in the period of investigation when the landed price of imports was at maximum level and the gap between domestic sales and cost price was low when the landed price of imports was low.
  - iii. Any business entering the market takes time to establish itself and compete in the segment with the established players, especially when the product costs such a huge amount.
  - iv. The application for imposition of anti-dumping duty is motivated primarily by the intent to increase profits rather than genuine market concerns.

- v. In the coming future there will be a significant increase in market demand for LNG vehicle conversion. This upcoming demand surge is expected to result in better economic performance for the domestic manufacturers.
- vi. China operates over 1,000 LNG refueling stations and has deployed approximately 700,000 LNG-powered vehicles—a scale that far exceeds current adoption levels in India.
- vii. The Authority should consider that China has reached economies of scale, has technological difference, the private sector investments, innovations and advancements. This makes domestic product un-competitive in comparison to Chinese products.
- viii. The unit price of Chinese-origin LNG tanks are comparatively lower due to high-volume production, automated manufacturing process and long-term investments. Competitiveness should not be termed as dumping.
- ix. As per the admission of domestic industry, the estimated production capacity stands at only \*\*\* units annually. Such low production volumes lead to higher per-unit costs.
- x. The applicant is operating in a monopoly market and is charging excessively high prices. The 990-liter LNG tank was previously priced at ₹\*\*\*, which has only recently been revised to ₹\*\*\* plus GST, likely in response to the potential threat of imports.
- xi. The delivery timelines exceed two months due to lack of inventory.
- xii. In the coming future respondents anticipate a significant increase in market demand for LNG vehicle conversion. This upcoming demand surge is expected to result in better economic performance for the domestic manufacturers.
- xiii. The tanks produced by domestic industry are largely manufactured using manual fabrication techniques, resulting in significantly higher production costs as compared to global standards.
- xiv. Imports have risen solely due to the inability of domestic products to meet market performance expectations.

## **G.2. Submission of the domestic industry.**

55. The domestic industry has made the following submissions with regard to injury and causal link:
- i. The domestic industry has substantial un-utilized capacity to meet major portion of the increased demand. However, the continued inflow of dumped imports from China has restricted its ability to scale up production and utilized the installed capacity at optimum level.
  - ii. The domestic sales of the domestic industry decreased in 2022-2023. During the period of investigation, the imports from subject country sharply increased and at the same time the domestic sales of the domestic industry declined.
  - iii. The capacity utilisation of the domestic industry remained low in the period of investigation.
  - iv. With the increase in the imports from subject country, the inventory of the domestic industry has increased sharply.

- v. The market share of the subject imports increased in 2022-2023 and has sharply shot up during the period of investigation.
- vi. The dumped imports are undercutting the cost of the domestic industry and as a result, the domestic industry has been forced to sell below its cost of production. The price undercutting is negative in the period of investigation.
- vii. For LNG tanks with capacity more than 750 liters, the domestic industry was forced to match the import price of the product, which is even less than the raw material cost. The Chinese producers were able to sell the product at such low prices because their raw materials are heavily subsidised by the Chinese Government.
- viii. The domestic industry was profitable till 2022- 2023. In the period of investigation, the cost of sales increased, but the domestic industry had to decrease its selling price due to decrease in import price.
- ix. The domestic industry was operating in losses during the period of investigation.
- x. The adverse effect of dumped imports on the domestic industry's prices should also be required to be seen in the context of loss of sales by the domestic industry. The demand increased but the domestic industry's sales did not increase in consonance. The entire increase in demand has gone to the dumped imports.
- xi. In light of the growing demand for the product in India, the domestic industry has decided to expand its capacity and set up a new plant with an investment of Rs. \*\*\* cr. This has been done with the hope that anti-dumping duties will be recommended to create a level playing field.
- xii. The productivity of the domestic industry during the entire injury period remained very low considering the capacity set up by them.
- xiii. The domestic industry has incurred negative returns on cash profits and negative returns on PBIT and negative returns on the capital employed during the period of investigation.
- xiv. The domestic industry has recorded negative growth in the period of investigation in terms of all prices and various volume parameters.
- xv. The cash profit of the domestic industry has also steeply declined over the injury period.
- xvi. The dumping margin is not only positive but also very significant.
- xvii. Apart from the imports from China PR, there were imports from USA as well. However, imports from USA are in insignificant volume and are priced much higher than Chinese prices.
- xviii. The domestic industry has provided information on the price of 990-liter tank sold by them. It could be seen that price of 990-liter tanks is nowhere near to ₹\*\*\* or ₹\*\*\* plus GST as claimed by the users.
- xix. The argument of the responding users that delivery timelines exceed two months due to lack of inventory is incorrect. The domestic industry's capacity to produce is close to \*\*\* tanks per month. Also, the inventory with the domestic industry has continuously increased over the injury period.
- xx. China's competitiveness, economies of scale, technological advancement, and private sector investments are done with the extensive support provided by the

Government of China to its LNG tank manufacturers. The support provided by the government has significantly distorted the market conditions.

- xxi. The low prices of the product under consideration also attributable to the fact that the major raw material, i.e., Steel is heavily subsidised. The steel sector is classified under the basic and pillar industries and is also part of the 'encouraged' industries.
- xxii. Steel forms 60-70% share in the cost of production of the product. Authority had in the sunset review of countervailing duties on the imports of Hot rolled cold rolled held that the Government of China exercises a strict control over the steel industry by law. The Authority had quantified a subsidy margin of about 25%. It is evident that the Chinese producers have access to materially low raw material prices because of the support of the Government of China which is allowing them to export the product under consideration at such low prices.

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

- 56. Rule 11 of Antidumping Rules read with Annexure II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, "*... taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on the domestic producers of such articles...*". In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, inventory, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Anti-Dumping Rules.
- 57. The Authority has taken note of the various submissions made by the domestic industry and other interested parties on injury and causal link and has analyzed the same considering the facts available on record and applicable laws.
- 58. It is not necessary that all parameters of injury should show deterioration. Some parameters may show deterioration, while some others may not. The Authority evaluates all injury parameters and, thereafter, concludes whether the domestic industry has suffered injury due to dumping. The Authority has examined the injury parameters objectively taking into account the facts and arguments submitted by the domestic industry and other interested parties.
- 59. As regards the submission that the China has achieved economies of scale and the domestic industry is in-competitive in comparison to Chinese products, the Authority has examined the data of the domestic industry. The Authority notes that the landed price of

the - imported PUC is below the raw material cost considered for calculation of non-injurious price. Therefore, the claim that the China has achieved economies of scale is incorrect. The Authority also notes that the major raw material cost for the product under consideration is steel, and the domestic industry contended that the same has been found subsidized by the Government of China.

60. As regards the submission of other interested parties that the estimated production capacity of the domestic industry stands at only \*\*\* units annually, the Authority has verified the data, and it is seen that the capacity with the domestic industry is \*\*\* pieces, which can be extended to \*\*\* pieces (if machinery works in three shifts as undertaken by the domestic industry in the year 2021-22). Further, it has also been seen that the domestic industry has decided to expand its capacity by setting up a new plant of \*\*\* tanks per annum with an investment of Rs. \*\*\* cr. Therefore, the claimed number by the interested parties does not appear to be correct.
61. As regards the submission of other interested parties that the domestic industry for 990-litre tank was charging ₹\*\*\*, which is recently revised to ₹\*\*\* plus GST, the domestic industry has submitted information regarding the pricing of 990-liter tank. It is seen that the price structure of the domestic industry is significantly lower than the price mentioned by the interested parties. The domestic industry has sold the product at price of Rs \*\*\* in the period of investigation which is lower than the raw material cost of the domestic industry. Therefore, the submission of the interested party cannot be accepted.

### G.3.1. Volume effect of the dumped imports

#### a. Assessment of demand/consumption

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

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Sales of the domestic industry	Nos.	***	***	***	***
	Trend	Indexed	100	7,400	6,400	6,200
2	Sales of other producers	Nos.	***	***	***	***
3	Import from subject country	Nos.	-	12	110	310
4	Import from other countries	Nos.	-	3	4	11
5	<b>Total demand</b>	Nos.	***	***	***	***
	Trend	Indexed	100	10,100	18,000	38,560
6	Capacity in India	No.	***	***	***	***
	Trend	Indexed	100	150	100	100

63. It is seen that the demand for the product increased in 2021-22, which further increased in 2022-23 and in the period of investigation. The demand has continuously increased over the injury period.
64. At present, the demand for the product under consideration is \*\*\* pieces. Against this demand, the domestic industry has a capacity of \*\*\* tanks which can be extended to \*\*\* tanks. In view of the growing demand for the product, the domestic industry has submitted that it has decided to expand its capacity by setting up a new plant of \*\*\* tanks per annum with an investment of Rs. \*\*\* cr.

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

65. The information on volume of imports in absolute terms and relative terms over the injury period and in the period of investigation is as below.

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Subject countries imports	Nos.	-	12	110	310
2	Other imports	Nos.	-	3	4	11
3	Total imports	Nos.	-	15	114	321
4	Subject countries import in relation to					
A	Indian production	%	***	***	***	***
	Trend	Indexed	-	100	1,297	2,187
B	Demand	%	***	***	***	***
	Trend	Indexed	-	100	514	676
C	Total Imports	%	***	***	***	***
	Trend			100	120	121

66. It is seen that:
- The subject imports started entering the domestic market in 2021-2022, increased in 2022-2023 and then sharply increased in period of investigation.
  - The imports from subject country increased in relation to Indian production, Indian demand and total imports in 2022-2023 in comparison to 2021-2022 and further increased in the period of investigation.

**G.3.2. Price effect of dumped imports**

67. In terms of Annexure II (ii) of the Rules, with regard to the effect of the dumped imports on prices, the Authority is required to consider whether there has been a significant price undercutting by the dumped imports as compared with the price of the like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.

**a. Price undercutting**

68. Price undercutting has been determined by comparing the net sales realization of the domestic industry with the landed price of the imports for the period of investigation. The table below shows the price undercutting from the subject country.

SN	Particulars	UOM	Average
1	Landed price	₹/Nos.	***
2	Net Sales Realisation	₹/Nos.	***
3	Price Undercutting	₹/Nos.	***
4	Price Undercutting	%	Negative

69. It is seen that the landed price of subject imports in the period of investigation is marginally above the selling price of domestic industry resulting in marginal negative price undercutting.
70. The domestic industry has claimed that it was forced to reduce its prices in view of growing imports in the country. The domestic industry has submitted that it has offered its product to the consumer below import prices in view of increasing its sales.

**b. Price suppression / depression**

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

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Cost of sales	₹/Nos.	***	***	***	***
	Change	₹/Nos.		***	***	***
	Trend	Index	100	118	127	141
2	Selling price	₹/Nos.	***	***	***	***
	Change	₹/Nos.		***	***	***
	Trend	Index	100	75	76	63

72. It is seen that in the year 2021-2022, the cost of sales of the domestic industry increased by Rs \*\*\* per piece, the selling price declined by Rs \*\*\* per piece. The cost of sales has further increased in 2022-23 by Rs\*\*\* per piece but the selling price increased only by Rs \*\*\* per piece. The rate of increase in selling prices was lower than the rate of increase in cost sales of the domestic industry.
73. In the period of investigation, the cost of sales has further increased by Rs \*\*\* per piece, the selling price has declined by Rs \*\*\* per piece.

74. Over the injury period, while the cost of sales has increased by Rs \*\*\* per piece, the selling price has declined by Rs \*\*\* per piece. While the cost has increased, the prices have declined.
75. It is seen that over the injury period, the domestic industry's prices are depressed.
76. The table below shows the landed price of imports and the cost and selling price of the domestic industry for the comparable PCN.

SN	Particulars	UOM	POI
1	Cost of sales	₹/Nos.	***
2	Net selling price	₹/Nos.	***
3	Landed price	₹/Nos.	***

77. It is observed that the landed price of imports is below the cost of sales of the domestic industry. The landed price of imports being below the cost of sales has prevented the domestic industry from charging adequate remunerative prices. Therefore, the dumped imports have adversely impacted the prices of the domestic industry.

#### **G.3.4. Impact on economic parameters of the domestic industry.**

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

##### **a. Capacity, production, capacity utilization and domestic sales.**

79. Information on capacity, production, capacity utilization and domestic sales over injury period is as follows:

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Installed capacity	Nos	***	***	***	***
	Trend	Index	100	150	100	100
2	Production PUC+NPUC	%	***	***	***	***

	Trend	Index	100	184	97	108
3	Capacity utilization	%	***	***	***	***
	Trend	Index	100	123	97	108
4	Production – PUC	Nos	***	***	***	***
	Trend	Index	100	2,175	1,400	2,360
4	Domestic sales	Nos	***	***	***	***
	Trend	Index	100	7,400	6,400	6,200

80. It is seen that: -

- a. The plant of the applicant is not dedicated to the domestic like product alone and is used for producing other tanks as well.
- b. The capacity of the domestic industry has remained the same over the injury period except in 2021-2022. In 2021-2022, due to the urgent requirements of oxygen cylinders in view of surge in COVID 19 cases, the domestic industry increased its capacity to \*\*\* tanks by running the plant in three shifts.
- c. The domestic industry commenced production of the domestic like product in the base year. The production increased in 2021-2022, declined in 2022-2023, and increased again in the period of investigation.
- d. When seen over the injury period, the production of the domestic like product has increased.
- e. The capacity utilization of the domestic industry increased in 2021-22 but declined in 2022-23 and increased again in the period of investigation.
- f. The domestic sales of the domestic industry increased in 2021-22, declined thereafter upto the period of investigation.

**b. Market share.**

81. Information on market share of imports and the Indian industry over the period was as follows:

SN	Market share of	UOM	2020-21	2021-22	2022-23	POI (A)
1	Domestic industry	%	***	***	***	***
	Trend	Index	100	73	36	16
2	Other producer	%	***	***	***	***
	Trend	Index	-	100	9	5
3	Imports from subject country	%	***	***	***	***
	Trend	Index	-	100	514	676
4	Other countries imports	%	***	***	***	***
	Trend	Index	-	100	75	98

82. It is seen that: -

- a. The market share of the domestic industry declined continuously and significantly over the injury period.

- b. The market share of the other producers remained negligible except for 2021-2022.
- c. The market share of subject imports has continuously increased during the entire injury period.
- d. The imports from subject country hold the highest and predominant share in demand during the period of investigation.
- e. The market share of imports from the non-subject countries remained negligible.
- f. The market share of the domestic industry continuously declined and at the same time, the market share of the imports from subject country continuously increased. During the period of investigation, the market share of the domestic industry was \*\*\*% whereas the market share of the imports was \*\*\*%.

**c. Profitability, cash profits and return on investment.**

83. Information on profitability, return on investment and cash profits is as follows:

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Profit/(Loss)	₹/Nos	***	***	***	***
	Trend	Index	100	39	34	(3)
2	Profit/(Loss)	₹ lakhs	***	***	***	***
	Trend	Index	100	2,864	2,145	(192)
3	PBIT	₹/Nos	***	***	***	***
	Trend	Index	100	39	33	(3)
4	PBIT	₹ lakhs	***	***	***	***
	Trend	Index	100	2,862	2,141	(187)
5	Cash Profit	₹/Nos	***	***	***	***
	Trend	Index	100	39	37	6
6	Cash Profit	₹ lakhs	***	***	***	***
	Trend	Index	100	2,857	2,336	348
7	ROCE	%	***	***	***	***
	Trend	Index	100	146	29	(3)

84. It is seen that the profits of the domestic industry consistently declined over the injury period. The profits have culminated into financial losses in the period of investigation.
85. The domestic industry has earned profit before interest, cash profit and a positive return on capital employed till 2022-2023. The domestic industry suffered losses before interest and a negative return on capital employed during the period of investigation. While the cash profit is positive, it has declined by\*\*\*% over the injury period.

**d. Inventories.**

86. Information on inventories is as follows:

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	Opening inventory	Nos.	***	***	***	***
2	Closing inventory	Nos.	***	***	***	***
3	Average inventory	Nos.	***	***	***	***
	Trend	Index	100	245	291	464

87. It is seen that the average inventory of the domestic industry has increased significantly over the injury period.

**e. Employment, wages and productivity**

88. Information on employment, wages and productivity over the injury period is as under:

SN	Particulars	UOM	2020-21	2021-22	2022-23	POI (A)
1	No of employees	Nos	***	***	***	***
	Trend	Index	100	124	152	229
2	Salary & Wages	₹ Lacs	***	***	***	***
	Trend	Index	100	2,155	1,842	3,116
3	Productivity per day	No/Days	***	***	***	***
	Trend	Index	100	2,175	1,400	2,360
4	Productivity per employee	No/Emp	***	***	***	***
	Trend	Index	100	1,757	919	1,033

89. The number of employees increased during the entire injury period. Salary and wages also increased during the injury period. Productivity per day and per employee remained abysmally low.

**f. Growth.**

90. The information on growth is provided below: -

SN	Particulars	UOM	2021-22	2022-23	POI
1	Capacity utilization	Y/Y	23%	-21%	12%
2	Production quantity	Y/Y	2075%	-36%	111%
3	Domestic sales volume	Y/Y	7300%	-14%	22%
4	Profit/Loss per unit	Y/Y	-61%	-13%	-109%
5	Profit/Loss Rs Lakhs	Y/Y	2764%	-25%	-111%
6	Cash profits Rs per MT	Y/Y	-61%	-5%	-85%
7	PBIT Rs per MT	Y/Y	-61%	-14%	-109%

91. The Authority notes that domestic industry has recorded negative growth in the period of investigation in terms of all price parameters. While volume parameters have recorded positive growth in production and capacity utilization, the domestic sales and market share have recorded negative growth. The growth in production and capacity utilization is very low considering the growth in the demand for the product.

**g. Magnitude of dumping**

92. 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 in the period of investigation.

**h. Ability to raise capital investment.**

93. It is noted that the profitability and return on capital employed by the domestic industry was negative during the period of investigation. The domestic industry was earning losses during the period of investigation. Therefore, the dumping of the product has impacted the ability to raise capital investment. However, in view of the significant projected growth in the demand of the product, the domestic industry has post the initiation of the anti-dumping investigation, taken decision to set- up a new plant of \*\*\* tanks per annum with an investment of Rs. \*\*\* crores to cater to the increased demand.

**i. Factors affecting domestic prices.**

94. Examination of import price shows that the import price from the subject country is materially below the cost of sales of the domestic industry. As imports from the subject country entered the domestic market at such prices, the domestic industry has been unable to align its prices in line with the increase in the cost of sales. The fact that the imports are entering Indian market below the cost of the domestic industry and the domestic industry has suffered significant losses, establishes the adverse impact of the dumped imports. Therefore, the imports from the subject country have affected the prices of the domestic industry.

**j. Negative impact on the cash flow.**

95. The low-priced imports have prevented the domestic industry from selling the product at remunerative prices. The cash profit of the domestic industry has steeply declined over the injury period. It is therefore seen that the dumping of the product has negatively impacted the cash flow of the domestic industry.

**k. Conclusion on injury.**

96. The examination of the imports of the product under consideration and performance of domestic industry shows that:
- a. The imports from the subject country have increased. There were no imports from subject country in the base year, but the imports entered the Indian market in 2021-22 and sharply increased over the injury period.
  - b. The imports have increased in absolute terms and in relation to production and demand.

- c. The price undercutting is negative. The domestic industry has claimed that it was forced to reduce its prices in view of growing imports in the country.
- d. The domestic industry has submitted that it has offered its product to the consumer below import prices in view of increasing its sales.
- e. Imports from the subject country have depressed the prices of the domestic industry as the domestic industry has been unable to increase the prices. While the cost of sales increased by Rs \*\*\* per tank, the selling price declined by Rs \*\*\* per MT.
- f. Production and capacity utilization of the domestic industry have increased but the increase is not in line with the increase in demand.
- g. The majority of the demand is being catered by the dumped imports. The domestic industry's market share has declined.
- h. The domestic industry has suffered losses in the period of investigation. The domestic industry also suffered loss before interest. From a situation of Rs \*\*\* per tank profit in the year 2022-23, the domestic industry has suffered a loss of \*\*\* per tank in the period of investigation.
- i. The cash profit of the domestic industry has declined steeply.
- j. The dumping margin is above de-minimis level.
- k. The dumped imports are factor affecting the prices of the domestic industry.

97. The Authority concludes that the domestic industry has suffered material injury.

#### **H. CAUSAL LINK & NON-ATTRIBUTION ANALYSIS**

98. As per the Rules, the Authority is required to, inter alia, examine any known factors other than dumped imports which are injuring or are likely to cause injury to the domestic industry, so that the injury caused by these other factors may not be attributed to the dumped imports. It was examined whether other factors listed under the Rules could have contributed to the injury suffered by the domestic industry.

**a. Volume and price of imports from non-subject countries.**

99. The table below shows the import volume and price from third countries.

SN	Country	UOM	2020-21	2021-22	2022-23	POI (A)
1	Import volume from Non subject countries	Nos.	-	3	4	11
2	Import price	₹/Nos	-	***	***	***

100. It is seen that import volume from other countries is very low and the price at which is coming at a price higher than subject country and are non-injurious.

**b. Contraction in demand and / or change in pattern of consumption.**

101. The demand for the product under consideration has increased over the injury period. The demand is likely to increase more in future.

**c. Trade restrictive practices.**

102. The Authority notes that there is no trade restrictive practice.

**d. Development of technology.**

103. The Authority notes that information on record shows that technology for production of the product has not undergone any change.

**e. Export performance.**

104. The Authority has considered the injury data for the domestic operations separately for the injury analysis. Therefore, export performance is not the cause of injury to the domestic industry.

**f. Performance of other products.**

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

106. The Authority notes that other known factors which could have caused injury to the domestic industry have been duly examined in the non-attribution analysis above and do not appear to have caused injury to the domestic industry. The following factors establish that injury is caused due to dumping.

- a. The imports from subject country are at dumped prices.
- b. Due to dumping of the product, the prices of the domestic industry are depressed.
- c. Due to dumping of the product, the profits, cash profits and return on investment of the domestic industry have declined. The domestic industry has suffered losses, loss before interest and steep decline in cash profits.
- d. The imports from the subject countries have increased because they are at dumped prices. The imports have taken away the market share of the domestic industry who has been unable to increase its market.

**I. MAGNITUDE OF INJURY MARGIN.**

107. The Authority has determined the 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 has been determined by adopting the information/data relating to the cost of production provided by the domestic industry. The non-injurious price has been compared with the landed price of the product under consideration from the subject country for calculating injury margin. For determining the non-injurious price, the best utilization of the raw materials and utilities and best utilization of production capacity has been considered. Extraordinary or non-recurring expenses and/or assets have been excluded from the cost of production and/or non-injurious price. A reasonable return

(pre-tax @ 22%) on average capital employed (i.e., average net fixed assets plus average working capital) deployed for the product under consideration has been allowed for recovery of interest, corporate tax, and profit to arrive at the non-injurious price as prescribed in Annexure III of the Rules.

### Injury Margin Table

SN	Name of Producer	NIP (\$/Nos.)	Landed Price (\$/Nos.)	Injury Margin (\$/Nos.)	Injury Margin (%)	Injury Margin (range)
A.	China PR					
1.	Any	***	***	***	***	40-50%

## **J. INDIAN INDUSTRY'S INTEREST AND OTHER ISSUES**

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

108. The other interested parties have made following submissions on Indian industry interest:
- i. There is already a regulatory measure that is in place for imports. Any additional regulatory measures in the form of anti-dumping duty would hinder the interests of importers/users and the ultimate consumers.
  - ii. There is a basic customs duty of 10% which is already applicable for the imports of the subject goods. If any further duty in the form of anti-dumping duty is imposed, it will adversely affect the downstream market.
  - iii. The return on investment (ROI) typically exceeds two years in case of conversion of vehicle from diesel to LNG. Thus, make conversion commercially unattractive for fleet operators. Any additional cost in the form of anti-dumping duty would decrease the demand.
  - iv. The imposition of anti-dumping duty on imported LNG fuel tanks would result in a price escalation of more than 20%–25% for retrofitters.
  - v. The lack of economic viability for LNG retrofits is a critical factor and must be duly considered while assessing injury, market potential, or domestic industry viability.
  - vi. The imports from China may have unintended consequences on the nascent LNG ecosystem in India as present price structure of the domestically manufactured LNG tanks is not economically viable for both new vehicles builds and for diesel-to-LNG retro fitment.
  - vii. Retrofitters typically charge between ₹12.00 lakh to ₹18.00 lakh (excluding GST) for conversion of diesel vehicles to LNG, with a significant proportion of this cost being attributable to the LNG fuel tank itself. Any increase in the cost of this critical component will render the retrofitting business commercially unviable.
  - viii. There will be disproportionate impact of ADD on retrofitters as opposed to OEMs. The proposed imposition of Anti-Dumping Duty (ADD), which could increase the

tank cost by approximately ₹\*\*\* lakhs per unit. This will make the retrofitting business entirely unviable.

- ix. At this nascent stage of market development, the imposition of ADD on LNG tanks would be premature and counterproductive as it would disrupt market access, inflate costs, and restrict growth.
- x. The LNG fuel tank constitutes around 40-50% of the LNG retrofitting cost of a commercial vehicle. This implies that there will be an increase of ₹\*\*\* per vehicle and extends the return on investment by one year, thereby materially impairing project viability.
- xi. The fleet operator would not be willing to incur such an elevated upfront cost merely to recover the same over the notional 15-year lifecycle of an LNG Tank.
- xii. OEMs like Blue Energy, who imported the subject goods were able to successfully introduce LNG trucks into the Indian market. Whereas the entities who exclusively relied on the domestically manufactured LNG tanks have suffered financial losses, repeated project failures and in many cases, closure of LNG conversion project due to persistent performance issues.

## **J.2. Submission of the domestic industry.**

109. The domestic industry has made following submissions on Indian industry's interest:
  - i. Even if the antidumping duties were to have any impact on the downstream industry, truck driver and the ultimate consumer, the impact is insignificant.
  - ii. The impact on the truck producers ranges around 3 to 6%.
  - iii. For a truck driver, while the increase in cost is Rs\*\*\* per annum, which amounts to 0.22 Rs per KM. This will amount to increase in per KM running cost of Rs 35 by 0.61%. The truck drivers at the same time will save around Rs \*\*\* per annum if they switch to LNG.
  - iv. Even if the truck driver was to increase its prices, the increase in per KM price will be 0.22 Rs per KM on Rs 50 per KM, which is 0.43 %.
  - v. The impact of anti-dumping duty per kilometer is 0.43%. This impact is without considering the savings of the truck drivers and the income out of scrap sale. If these are considered, the impact will be negative.
  - vi. The applicant's selling price for a 450-litre LNG tank is ₹\*\*\* per unit. The retrofitthers' own admission that a ₹\*\*\* increase would extend ROI by only one year indicates their high margins; even then, returns would remain around 50%, far above the applicant's ROCE of about 22%.
  - vii. The impact of anti-dumping duty on a fleet operator will only Rs 0.22 per KM. While admittedly, the upfront cost may increase but the increase is only 6% of the total cost. The excess anti-dumping duty paid will be recovered within a year by the fleet operator through cost savings.
  - viii. Retrofitting is a service-oriented activity and primarily offer services related to the installation only. Retrofitting industry will pass on the increase in the cost. Hence, a change in the price of one component (i.e., the LNG tank) does not affect the viability of their operations.

- ix. On submission that OEMs like Blue Energy, who imported the subject goods were able to successfully introduce LNG trucks into the Indian market whereas entities who has procured domestically has suffered, Blue Energy has not only imported the subject goods but also has purchased from the applicant and has not made even a single return during the injury period. Infact, Blue Energy has not come forward and raised a quality concern.
- x. The participating interested parties as well have not returned even a single tank. This shows that these two entities, among other entities, are also able to successfully install tanks, which was supplied by the domestic industry.

**Estimated Impact of the Anti-Dumping Duty on the Downstream Industry as submitted by Domestic Industry**

110. The Domestic industry has submitted that the impact of anti-dumping duty (if imposed) on truck producers is 3% to 6% over the life of the asset for OEMs.

SN	Particulars	UOM	Tata Prima	Blue energy
1	Cost of a truck	Rs	***	***
2	Increase in cost on account of anti-dumping duty	Rs	***	***
3	Impact	%	3%	6%

111. The domestic industry has additionally claimed that the impact of anti-dumping duty on the downstream user would be Rs. \*\*\* per year. The domestic industry has provided the information as below.

SN	Particulars	UOM	Value
1	ADD	Rs	2,06,426
2	Average Useful Life of the LNG Fuel Tank	Years	10
3	ADD per annum	Years	20,643
4	Average running per annum	KM	96,000
5	Impact per km	Rs	0.22
6	Running cost per KM	Rs	35
7	Increase in cost	Rs	0.61%
8	Price charged per KM	Rs	50
9	Per year cost increase	Rs	20,643

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

112. The Authority considered whether recommendation of the anti-dumping duty will 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.

113. The Authority issued gazette notification inviting views from all the interested parties, including importers, consumers and other interested parties. The Authority also prescribed questionnaire for the users to provide the relevant information with regard to the present investigation, including possible effect of the anti-dumping duty on their operation. The Authority sought information on inter-alia, interchangeability of the product supplied by various suppliers from different countries, ability to switch sources, and the effect of the anti- dumping duty on the consumers.
114. It is noted that the purpose of anti-dumping measures, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. The Authority recognizes that the imposition of the anti-dumping duties might affect the price levels of the product under consideration as well as other downstream products manufactured by using the subject goods in India. However, fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures. On the contrary, the continuation of anti-dumping measures would prevent the decline of the domestic industry that may ensue as a consequence of low-priced imports from the subject country and help maintain the wider availability of choices to the consumers of the product under consideration.
115. The Authority had prescribed an economic interest questionnaire which was sent to all interested parties in this investigation. Apart from domestic industry, none of the interested parties have responded to the economic interest questionnaire.
116. The Authority notes that the condition of the domestic industry is vulnerable due to imports from subject country. The domestic industry was suffering losses in the period of investigation. The landed price of imports is below the raw material cost of the domestic industry. It is therefore considered that the imposition of anti-dumping duty will benefit the imposition of measures.
117. The Authority observes that retrofitters are entities engaged in converting existing diesel or gasoline-powered trucks into electric or LNG-based vehicles. Their core function involves modifying the original vehicle configuration by replacing certain components with new systems suitable for the alternative fuel operation. The Authority further notes that the activity undertaken by retrofitters is essentially service-oriented in nature. They are primarily involved in the installation and integration of components and are not engaged in the manufacture or trading of such parts. Typically, a retrofitter procures the required components from the open market and undertakes only the installation and conversion work on the specific vehicle. In this context, the retrofitters would have the ability to pass on any incremental cost, including any increase in tank price, to the end customer or downstream user of the converted vehicle. Accordingly, it cannot be

concluded that the imposition of anti-dumping duty would adversely impact the commercial or operational viability of retrofitters.

118. Regarding the submission of the interested parties on return on investment employed to extend by one year if there is an increase in price of the product by Rs. \*\*\*, the average useful life of the truck is 15 years. The product being a capital goods meant to provide return on the capital employed over the period of time. In this instance, as per the own admission of interested parties with increase in product cost by Rs. \*\*\*, the return on investment will extend just by one year. This demonstrates that the interested parties would continue to earn substantial and commercially viable profit margins over the remaining life of the asset.
119. On the submission that Blue Energy has imported the subject goods and thus able to successfully introduce LNG trucks into the Indian market, it is noted that Blue Energy not only imported the subject goods but also has purchased from the domestic industry. Blue Energy being a registered interested party has not even come forward and made submissions regarding the quality of the product. Therefore, any submission by other interested parties on behalf of Blue Energy is not appropriate.
120. Regarding the contention that the domestic industry has not made adequate investments in product innovation, the Authority notes that the product is in development phase. In view of the growing demand for the product, the domestic industry has submitted that it has made a decision of setting up a new plant of\*\*\* tanks per annum capacity with an investment of Rs. \*\*\*crore.

#### **J.4 Estimated Impact on downstream users**

121. The submission made by the interested parties have been analyzed. The duty amount has been considered at estimated duty of \$\*\*\*for one piece/unit of LFT. Further the truck cost as well as estimated duty amount has been amortized @15 % rate of depreciation (Rate of Depreciation for motor vehicles as per Income Tax Act) applying written down value method. On the basis of analysis, it is noted that the Additional Duty (ADD) impact on truck running costs per kilometer remains proportionally constant at about\*\*\* of the truck's amortized value each year, whereas the absolute effect diminishes steadily as the truck depreciates. In year one, the ADD adds ₹0.28 per km, which is a 0.80% increase over the base running cost of ₹35/km. By the year ten, this impact falls to just ₹0.06 per km, raising costs by only 0.19%. This decline occurs because both the duty impact and amortization values reduce in line with the truck's depreciating cost, while the average annual running distance remains fixed at 96,000 km. Overall, the ADD has a miniscule effect on operating expenses, with its influence tapering off over time, making it a relatively minor contributor to per-kilometer costs compared to the base running cost.

Year	Cost of a truck (Amount in ₹)	Duty (Amount in ₹)	Amortisation of truck @15% Written Down value Method (Amount in ₹)	Per year ADD Amortization Impact @ 15% (Amount in ₹)	Total Impact of ADD over life of Asset (%)	Amortised Cost of ADD impact per annum (Amount in ₹)	Average Running per Annum (In Kms)	Impact per KM (Amount in ₹)	Running cost per KM (Amount in ₹)	Increase in cost per KM (in %)
1	60,00,000	***	***	***	***	***	96,000	0.28	35	0.80%
2	51,00,000	***	***	***	***	***	96,000	0.24	35	0.68%
3	43,35,000	***	***	***	***	***	96,000	0.20	35	0.58%
4	36,84,750	***	***	***	***	***	96,000	0.17	35	0.49%
5	31,32,038	***	***	***	***	***	96,000	0.15	35	0.42%
6	26,62,232	***	***	***	***	***	96,000	0.12	35	0.35%
7	22,62,897	***	***	***	***	***	96,000	0.11	35	0.30%
8	19,23,463	***	***	***	***	***	96,000	0.09	35	0.26%
9	16,34,943	***	***	***	***	***	96,000	0.08	35	0.22%
10	13,89,702	***	***	***	***	***	96,000	0.06	35	0.19%

### K. Post Disclosure Comments:

#### K.1 Submission by other interested Parties;

122. No Comments have been received from the any other interested party.

#### K.2 Submission by the Domestic Industry:

123. Domestic Industry has submitted that ,

1. The Authority has found that the imports from the subject country are at dumped and injurious prices. The economic parameters of the domestic industry show steep deterioration due to the dumped imports.
2. The impact of the anti-dumping duty on the downstream product is minuscule.
3. In view of the growing demand, the domestic industry decided to expand the capacity by [\*\*\*] tanks with an investment of [\*\*\*] crore. In future there will be no demand and supply gap, and the downstream producers do not need to rely on imports.
4. Given the fact that the product is still at nascent stage and the domestic industry is suffering because of the dumped imports, duties are required to be imposed for a period of 5 years.
5. Since there is significant fluctuation in the cost and price of different types of tanks, ad valorem form of duty is most appropriate form of anti-dumping duty.

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

The Authority notes that submissions made already addressed earlier in the disclosure statement. The findings above ipso facto deal with these arguments of interested parties.

### **L. CONCLUSION**

124. 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 to the domestic industry, the Authority concludes as follows:
- a. The product under consideration is 'Liquified Natural Gas Fuel Tank (LFT)', also described as 'Liquid Fuel Tank' or 'LFT'.
  - b. The product comes in capacities varying from 200 Liters to 990 Liters at 16 bars to 24 bars pressure rating. The diameter and thickness of the LNG Tanks in the range of 200 Liters to 450 Liters remains the same, and only their length changes whereas in the case of 990 Liters capacity LFT the length, diameter and thickness all changes.
  - c. The product is classifiable under Chapter 73 under the customs code 7311 00 90.
  - d. The domestic industry has sold the product under consideration to the participating user.
  - e. The domestic industry has placed to record evidence showing that it has manufactured and sold product under consideration in the range of 200-litre to 990-litre segment during the injury period. This covers the complete product range.
  - f. The product manufactured by the domestic industry and the subject goods exported from the subject country are like article to each other in terms of Rule 2(d) of the Rules.
  - g. Other than applicant, there is one other producer of the subject goods in India, namely Cryogas Equipment Private Limited.
  - h. The applicant has not imported the product under consideration.
  - i. The applicant constitutes domestic industry within the meaning of Rule 2(b) and satisfies the criteria of standing in terms of Rule 5(3) of the Rules.
  - j. The period of investigation for the present investigation is 1st April 2023 to 30th June 2024 (15 months), and the injury examination period covers April 2020 to March 2021, April 2021 to March 2022, April 2022 to March 2023 and the period of investigation.
  - k. The Authority has, pursuant to Rule 5(3A) of the Rules, provided sufficient reasoning within the initiation notification for considering a 15-month period of investigation.
  - l. The application contained all information relevant for the purpose of initiation of the anti-dumping investigation and necessary evidence in terms of Rule 5(2) of the Rules to justify the initiation of the present investigation for determination of

- dumping and material injury to the domestic industry in terms of Rule 5 (3) of the Rules.
- m. No interested party from China PR participated in the present investigation to rebut the non-market economy presumption as mentioned in para 8 of Annexure-I of the Rules. Therefore, normal value for China PR is determined as per facts available.
  - n. Normal value for China PR has been determined separately for each of the PCNs on the basis of price payable in India calculated as per cost of production in India, duly adjusted for selling, general & administrative expenses and reasonable profits.
  - o. In the absence of cooperation from any producers/exporters from China PR, the Authority has determined the net export price on the basis of DG system data. Since this data is on CIF terms, adequate adjustments have been made to arrive at ex-factory level. The export price for each PCN has been determined separately and a weighted average ex-factory export price has been determined.
  - p. The dumping margin determined for producers/exporters from China PR is positive and significant.
  - q. Demand for the product under consideration has increased over the injury period.
  - r. Imports from subject country has increased substantially both in absolute and relative terms over the injury period.
  - s. The landed price of the subject imports in the period of investigation is marginally above the selling price of the domestic industry resulting in marginal negative price undercutting.
  - t. The landed price of the imports is below the cost of sales of the domestic industry. The landed price of imports being below the cost of sales has prevented the domestic industry from charging adequate remunerative prices.
  - u. The capacity of the domestic industry remains same over the injury period except in 2021-2022.
  - v. The market share of the domestic industry declined continuously over the injury period. At same time, imports from subject country hold pre-dominant share in demand during the period of investigation. The market share from non-subject countries remained negligible.
  - w. The domestic industry has suffered losses in the period of investigation. The domestic industry also suffered loss before interest.
  - x. The domestic industry has not suffered due to other factors. Material injury caused to the domestic industry is due to dumping of the product under consideration from subject country.
  - y. The non-injurious price has been determined by adopting the information/data relating to the cost of production provided by the domestic industry.
  - z. The injury margin determined for producers/exporters from China PR are positive and significant.
  - aa. The impact of anti-dumping duty on downstream producers is insignificant.
  - bb. 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.
  - cc. Imposition of anti-dumping duty would not be against the larger public interest.

**M. RECOMMENDATIONS**

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

**Duty table**

SN	Heading	Description	Country of origin	Country of export	Producer	Duty as % of CIF
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	7311 00 90*	Liquified Natural Gas Fuel Tanks	China PR	Any country including China PR	Any	45%
2	-do-	do-	Any country other than China PR	China PR	Any	45%

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

127. Landed value of imports for the purpose of this Notification shall be the assessable value as determined under the Customs Act, 1962 (52 of 1962) and includes all duties of customs except duties under sections 3, 3A, 88, 9 and 9A of the said Act.

**N. FURTHER PROCURE.**

128. An appeal against the determination/review of the 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)**