



**CASE No. AD (OI) – 23/2025**

**Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
Directorate General of Trade Remedies**

**FINAL FINDINGS**

**Anti-dumping Investigation Concerning Imports of “Linear Low-Density Polyethylene” (LLDPE) originating in or exported from the State of Kuwait, Malaysia, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia and the United Arab Emirates**



***Pictographic presentation of “Linear Low-Density Polyethylene” (LLDPE)***

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**F. No. 6/26/2025-DGTR**  
**Government of India**  
**Department of Commerce**  
**Ministry of Commerce & Industry**  
**Directorate General of Trade Remedies**  
**4th Floor, Jeevan Tara Building, Parliament Street, New Delhi – 110001**

**Dated: 25.06.2026**

**FINAL FINDINGS**  
**Case No. AD(OI)-23/2025**

**Subject: Anti-dumping Investigation Concerning Imports of “Linear Low-Density Polyethylene” (LLDPE) originating in or exported from the State of Kuwait, Malaysia, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia and the United Arab Emirates.**

**F. No. 6/26/2025-DGTR** - Having regard to the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the ‘Act’) and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, framed thereunder, as amended from time to time (hereinafter referred as the “AD Rules, 1995”):

**BACKGROUND OF THE CASE**

1. Chemicals and Petrochemicals Association of India (CPMA) (hereinafter referred to as the “applicant association”) filed an application, before the Designated Authority (hereinafter also referred to as the ‘Authority’) on behalf of Indian LLDPE Manufacturers, in accordance with the Customs Tariff Act, 1975 and AD Rules, 1995 for initiation of an anti-dumping investigation concerning imports of “Linear Low-Density Polyethylene” (hereinafter also referred to as the ‘product under consideration’ or the ‘PUC’ or the ‘subject goods’ or ‘LLDPE’) originating in or exported from the State of Kuwait (“Kuwait”), Malaysia, the Sultanate of Oman (“Oman”), the State of Qatar (“Qatar”), the Kingdom of Saudi Arabia (“Saudi Arabia”) and United Arab Emirates (“UAE”), hereinafter collectively referred to as the “subject countries”. Haldia Petrochemicals Limited (hereinafter referred to as “HPL”) and HPCL-Mittal Energy Limited (hereinafter referred to as “HMEL”), collectively referred to as the “domestic industry” provided the injury information and Reliance Industries Limited has filed a support letter.
2. And whereas, in view of the duly substantiated application filed by the applicant, the Authority issued a public notice vide Notification No. 6/26/2025-DGTR dated 30<sup>th</sup> June 2025, published in the Gazette of India, initiating an anti-dumping investigation into imports of PUC from the subject countries in accordance with Rule 5 of the anti-dumping rules to determine the existence, degree and effect of any alleged dumping of the subject goods and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the alleged injury to the domestic industry.

## **A. PROCEDURE**

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

### **A.1 Initiation**

- i. The Authority notified the embassies of the subject countries in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance with Rule 5(5) of AD Rules, 1995.
- ii. Further, pursuant to a request by the Government of United Arab Emirates for pre-initiation consultation under para 3 of Art. 7.2 of India-UAE Comprehensive Economic Partnership Agreement, a consultation was conducted with the Government of UAE on 29.06.2025.
- iii. A request was made to DGCI&S and DG Systems to provide the transaction-wise details of imports of the subject goods for the injury period as well as the period of investigation. The Authority has relied on the DG Systems data for determination of the volume of imports and required analysis after due examination of the transactions.
- iv. In accordance with Rule 6, upon examination of the application and finding prima facie evidence of dumping, injury, likelihood and causal link, the Authority issued a public notice dated 30th June 2025, published in the Gazette of India, Extraordinary, initiating the anti-dumping investigation concerning the imports of the subject goods from the subject countries.
- v. In accordance with Rule 6(2) of AD Rules, 1995, the Authority sent a copy of the initiation notification to the governments of the subject countries, through their embassies in India, known producers and exporters from the subject countries, known importers/users, the domestic industry, 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.

### **A.2 Period of Investigation**

- vi. The period of investigation (POI) for the purpose of the present investigation is 1st January 2024 to 31st December 2024 (12 months). The injury investigation period [IIP] covers a period of FY 2021-22, FY 2022-23, FY 2023-24 and the POI.

### **A.3 Circulation of non-confidential version of the application**

- vii. Pursuant to Rule 6(3) of AD Rules, 1995, the Authority furnished a copy of the non-confidential version of the application to the known producers/exporters and to the governments of the subject countries, through their embassies in India.
- viii. Pursuant to Rule 6(4), questionnaires were issued to known producers, exporters, importers, and users of the PUC in India to obtain necessary information, including details of normal value and net export price. A copy of the non-confidential version of the application was provided to other interested parties, wherever requested.

### **A.4 Participation by the interested parties**

- ix. The following producers/exporters from the subject countries have responded by filing questionnaire responses:

Kuwait	Equate Petrochemical Co. (“Equate”)
Malaysia	No producer has participated from Malaysia
Oman	M/s OQ Polymer L.L.C. (“OQ Polymer”)
	OQ Marketing L.L.C. (“OQ Marketing”)
Qatar	Qatofin Company Limited Q.P.J.S.C (“Qatofin”)
	Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) Q.P.J.S.C (“Muntajat”)
	QatarEnergy Marketing (“QEM”)
	TotalEnergies Petrochemicals France - Qatar Branch Office (“Total Energies”)
Saudi Arabia	Al-Jubail Petrochemical Company ("Kemya")
	Arabian Petrochemical Company ("Petrokemya")
	Eastern Petrochemical Company ("Sharq")
	Jubail United Petrochemical Company ("United")
	Rabigh Refinery & Petrochemical Company (“RRPC”)
	Sadara Chemical Company (“Sadara”)
	Yanbu National Petrochemical Company ("Yansab")
	Saudi Basic Industries Corporation (“SABIC”)
	SABIC Asia Pacific Pte. Ltd. (“SAPPL”)
	SPDC
	ExxonMobil Asia Pacific Pte. Ltd.
	Dow Saudi Arabia Product Marketing B.V. (“DSA”)
	Dow Chemical Pacific (Singapore) Private Limited (“DCP (S)”)
	Dow Chemical Pacific (Singapore) Private Limited, Dubai branch (“DCP (D)”)
	Dow Chemical International Pvt. Ltd. Dubai Branch (“DCIPL”)
UAE	Abu Dhabi Polymers Co. Ltd (“ADPCL”)
	Borouge PTE Ltd.
	SRJ Global F.Z.E.

x. The following importers/users have responded by filing questionnaire responses:

- i. SABIC Research and Technology Pvt. Limited (“SRTPL”)
- ii. ExxonMobil Company India Private Limited (“EMCIPL”)

- xi. In response to the initiation notification, no association has participated or filed questionnaire submissions in the present investigation. All India HDPE/PP Woven Fabric Manufacturers Association has made legal submissions which have been considered by the Authority.
- xii. 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.
- xiii. An economic interest questionnaire was issued to all the known producers and exporters, importers, and the domestic industry. The economic interest questionnaire was also shared with the administrative line ministry. The economic interest questionnaire was filed only by the domestic industry.
- xiv. Foreign producers, exporters and other interested parties who have not responded, or have not supplied information relevant to this investigation, have been treated as non-cooperative.

#### **A.5 Further procedure**

- xv. The non-confidential versions of the submissions filed by the various interested parties were made available to all participating interested parties. A list of all the interested parties was uploaded on the DGTR website along with a request therein to all of them to email the non-confidential version of their submissions to all the other interested parties.
- xvi. 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 15<sup>th</sup> April 2026. The parties presenting their views in the oral hearing were directed to make written submissions of the views expressed orally, followed by rejoinder submissions.
- xvii. 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, such parties have been considered as non-cooperative and recorded the findings on the basis of the facts available.
- xviii. In accordance with Rule 7, the information provided by the interested parties on a confidential basis was examined with regard to the sufficiency of such confidentiality claims. On being satisfied, the confidentiality claims have been accepted wherever warranted and such information has been considered as confidential and not disclosed to the other interested parties. Wherever possible, parties providing information on a confidential basis were directed to provide sufficient non-confidential version of the information filed on a confidential basis.
- xix. In accordance with Rule 8, the accuracy of information and data provided by the domestic industry and interested parties were verified by the Authority during the course of the investigation to the extent considered relevant, practicable, and necessary. The verification of submitted data and documents forms the basis of the final finding and the Authority has relied on the verified data of the domestic industry for its analysis in the present proceedings.
- xx. The Authority vide para 5 of the initiation notification dated 30<sup>th</sup> June 2025 sought comments on the scope of the PUC within 15 days of initiation. The interested parties were further granted additional time to file comments on PUC and PCN (Product Control Number) methodology till 20<sup>th</sup> July 2025. The Authority, after considering the submissions made by the interested parties, *vide* notification dated 22<sup>nd</sup> August 2025, notified the final scope of PUC and PCN. All the interested parties were directed to file questionnaire responses in accordance with the PUC as finalized, within 15 days of

notifying the PCN methodology. At the request of some interested parties, the time limit was further extended to 12<sup>th</sup> September 2025.

- xxi. The non-injurious price has been calculated based on the optimum cost of production and cost to produce and sell the domestic like article in India, based on the information furnished by the applicants and having regard to the Generally Accepted Accounting Principles (GAAP) and as per the principles laid down in Annexure III of the AD Rules, 1995.
- xxii. The submissions made by the interested parties during the course of this investigation, to the extent supported with evidence and considered relevant to the present investigation, have been appropriately considered by the Authority, in this final findings.
- xxiii. A disclosure statement dated 19.06.2025 was issued by the Authority, in accordance with Rule 16 of AD Rules, 1995, disclosing the essential facts under consideration in the matter relating to the present anti-dumping investigation. The comments to the disclosure statement received from all interested parties, to the extent found to be relevant and non-repetitive, have been considered in these final findings.
- xxiv. ‘\*\*\*’ in this document, represents information furnished by an interested party on a confidential basis and so considered by the Authority under the AD Rules, 1995.
- xxv. The exchange rate adopted by the Authority for the subject investigation is 1 US\$ = ₹ 84.58.

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

### **B.1 Views of other interested parties**

- 4. The following submissions have been made by the other interested parties:
  - i. LLDPE is primarily of three types, based on the comonomer used during its polymerization, viz. C-4(Butene based), C-6(Hexene based) and C-8(Octene based). The applicants do not manufacture C-8 based LLDPE and had admitted the same during the oral hearing. Product scope cannot include products which are not produced and sold in commercial quantities.
  - ii. C-8 based LLDPE has enhanced properties compared to standard LLDPE and commands a significant price premium over the base grades.
  - iii. As C-8 based LLDPE has not been exported to India it cannot be subjected to anti-dumping duties. Accordingly, all C-8 based LLDPE must be excluded from the product scope.
  - iv. As the C-4 and C-6 LLDPE produced by the applicants cannot individually directly substitute C-8 based LLDPE and only a combination of the two can substitute C-8 based LLDPE, it cannot be said that physical and chemical characteristics of C-4 and C-6 LLDPE are similar to those of C-8 based LLDPE.
  - v. Production of C8 LLDPE by Reliance Industries Ltd., which is not a constituent of domestic industry, cannot provide the ground for including LLDPE within the scope of the PUC. It is not sufficient if only supporters to the investigation are manufacturing C-8 based LLDPE. Supporters should be part of the investigation in entirety.
  - vi. In the absence of participation by other producers, the Authority cannot verify whether the other producers are manufacturing C-8 based LLDPE or not.
  - vii. The applicants do not manufacture powder form of LLDPE and accordingly, the same should be excluded. HMEL’s grades M2024L and M5026L have high flow index however, the form and usage of such grades is different. As such, MG200024 and MG500026 (powder form for compounding) should be excluded from the scope of the PUC.

- viii. The applicants' claim that pellet and powder forms are interchangeable does not address the fact that the form and usage of the grades produced by the Respondents is different and accordingly, the same should be excluded from the scope of the PUC.
- ix. SABIC's grades 6821NJ and 6318B which are C-6 based LLDPE must be excluded as they have higher tear and tensile strength, which is not produced by the domestic industry.
- x. The domestic industry has not countered the argument that there exists a substantial demand-supply gap in India for C6 LLDPE. It has neither provided grade-wise production or demand data.
- xi. There is significant price difference between non-metallocene grades N0118L / N0120L and metallocene grades (such as F0120LM / F0118LM / N0118LM / N0120LM). This price difference is as high as 15% on the basis of HMEL price circular.
- xii. Sadara is primarily engaged in the exports of Higher Alpha Olefin LLDPE ("HAO LLDPE"), whereas HMEL and HPL primarily produce C4 LLDPE. C4 based LLDPE is used for applications in plastic bags, grocery bags, secondary bags etc. whereas C6 and C8 based LLDPE are primarily used in high-performance applications with demanding requirements because of its significantly higher toughness, higher impact resistance and better heat seal properties, such as standup pouches (SUP), heavy duty shipping sacks (HDSS), powder/liquid sachet, pillow pouch, back sheet film for diaper/feminine hygiene etc.
- xiii. HAO LLDPE is a premium product, offering enhanced performance and command higher prices. Also, there is a substantial demand and supply gap for HAO LLDPE in India.
- xiv. Borstar® LLDPE grades "having MFI/MFR of 0.25 g/10min or lower (FB2230, FB1200 and FB1350) are produced using proprietary Borstar® bimodal technology. These have high molecular weight with bimodal molecular weight distribution and low melt flow ratio. They are not produced by the domestic industry in India.
- xv. These grades have superior mechanical properties which also provides a matt finish. It also allows production of thicker film sheets, that, is up to 2mm thickness. All this is not possible with the use of conventional LLDPE. Moreover, Borstar® LLDPE grades allow for easy write-on with excellent print registration and definition. This requirement is not met by conventional LLDPE produced by the domestic industry.
- xvi. Unlike the LDPE investigation, maximum density has not been prescribed. Accordingly, the Authority should clarify the maximum density of LLDPE which is covered within the scope of the PUC.

## **B.2 Views of the domestic industry**

5. The following submissions have been made on behalf of the domestic industry:
  - i. No importer or user has made a single submission concerning product exclusion or alleged that grades supplied by the domestic producers including the applicants are not comparable or are not technically/ commercially substitutable.
  - ii. Since the recent Middle East crisis, the Indian producers have been the exclusive supplier to the user industry and meeting the Indian demand for all grades. In these facts, no exclusion is warranted.
  - iii. Exclusion of C-8 based LLDPE and Higher Alpha Olefin (HAO) based LLDPE is not warranted as the applicant producers manufacture C4 and C6 Metallocene grades, which, when proportionately mixed, competes directly with C8 based LLDPE.

- iv. LLDPE used to manufacture standup pouches, heavy duty shipping sacks, liquid sachets are not manufactured by using any single monomer based LLDPE. Rather, a combination of butene and other grades are used to manufacture such products.
- v. The Indian industry does manufacture grades identical to or those that directly competes with C6, C8 LLDPE and Enhanced LLDPE being imported into India. HMEL has submitted invoices pertaining to C6 based LLDPE. Further, Reliance Industries Limited produces C8 based LLDPE.
- vi. HPL manufactures the PUC in compounded form.
- vii. The applicants have not only manufactured powdered form of LLDPE but also the pellet form of LLDPE and that competes directly with the powder form of LLDPE exported by SABIC.
- viii. With respect to exclusion of SABIC Grades MG200024 and MG500026, it is submitted that powder form is used by masterbatch manufacturers, who can either choose to import the powder form and add the additives by themselves or directly use the pellet form of LLDPE. Thus, the pellet form of LLDPE sold by applicants competes directly with the powder form of LLDPE exported by SABIC.
- ix. SABIC Grades 6821NJ and 6318BJ have not been imported into India and therefore, the question of exclusion of such grades does not arise. Regardless of this fact, it is submitted that HMEL produces similar and comparable grades.
- x. HMEL produces similar grades having similar characteristics, 6821NJ and 6318B, particularly tensile strength, which usually is the determinative factor. As such, if these grades were to be imported, they would directly compete with the grades being manufactured by HMEL.
- xi. While ADPCL and Borouge have pointed out minor technical differences between the products, no evidence has been provided to establish that the comparable grades available domestically are commercially non-substitutable.
- xii. Matte or gloss finish of the end product (film) is not an inherent characteristic of the subject goods, rather it depends on the finish desired by the processor itself, and the goods manufactured by the applicants' or other Indian producers are also used for making matte-based films.
- xiii. Melt flow index does not play a significant role in the decision of the customers' use of the subject goods, which is evident from the fact that applicant companies have sold their subject goods to the same customers, who use both imported and domestic products interchangeably.
- xiv. Proprietary technology cannot be a ground for exclusion when products manufactured by the Indian LLDPE producers and by Borouge are being used interchangeably and compete in the same market.
- xv. Metallocene and other high-performance-based grades are commercially referred to as metallocene grades, the technically name of such grades might be different as "Metallocene" is an exclusive trademark used by Exxon.
- xvi. Metallocene LLDPEs or high-performance LLDPEs are manufactured either through Metallocene catalysts or other metallocene family catalysts and therefore, must be classified as Metallocene Grade.
- xvii. Metallocene grades supplied by Abu Dhabi Polymers Company Ltd. and Borouge is traded under the name "Anteo". Similarly, Sadara Chemicals supplies such goods under the names such as Dowlex 5400 G and classified them as high-performance LLDPE, whereas SABIC supplies them under the name SUPEER and mentions the same as metallocene
- xviii. The domestic industry had requested for clubbing of performance enhanced grades with Metallocene grades and no interested party has made any objections to the same.

- xix. The Authority must verify whether exporters have correctly classified their product into the appropriate PCN category and ensure that high-performance or metallocene grades are classified under the metallocene category.
- xx. The demand is pre-dominantly for C4 based LLDPE which accounts for 80–90% of total demand and imports. The properties of C6 and C8 based LLDPE are same as the product manufactured by the applicants, the specific technical qualities can be achieved by combining C4 based LLDPE with Metallocene grades in appropriate proportion.
- xxi. The domestic industry, though not manufacturing C8-based LLDPE, produce C4 and C6 Metallocene grades, which when proportionately combined are technically and commercially substitutable with C8 based LLDPE. Other domestic producers, including Reliance Industries Ltd., which is part of the Indian industry and a supporter in the investigation, manufacture and sell C8-based LLDPE in commercial quantities. As per Rule 2(b) of the AD Rules, 1995, the domestic industry covers all domestic producers of the like article, not only the applicants before the DGTR. Since the objective of anti-dumping duties is to protect the entire domestic industry, C8-based LLDPE cannot be excluded from the product scope.
- xxii. The powder form of LLDPE is an intermediate product to which additives and pigments are added to make pellets. The domestic industry manufactures comparable grades in pellet form, which directly compete with the powder form exported by SABIC, as masterbatch manufacturers can use either form.
- xxiii. Other interested parties have submitted that products manufactured by applicants cannot be used for high-performance application. The said assertion is inaccurate. LLDPE used in the such applications are not manufactured from a single monomer but a combination of C4 based LLDPE and other grades such as C6 Metallocene Grade produced by the applicants or C8 based LLDPE manufactured by other Indian manufacturers. Therefore, goods manufactured by the applicants are substitutable with products exported by other producers.
- xxiv. No evidence is provided that comparable domestic grades are commercially non-substitutable or differ in price or cost. As per the definition of “like article,” goods need not be identical but need to have similar characteristics. Claims based on lower melt flow index from Borouge’s proprietary technology are irrelevant, as such products and domestic goods are used interchangeably by the same customers.
- xxv. The domestic industry can produce LLDPE of any density within the Indian Standard range of 908.4 to 940.4 kg/m<sup>3</sup>, with applicants having produced up to 938 kg/m<sup>3</sup> during the POI and capable of reaching 940.4 kg/m<sup>3</sup> without any additional machinery changes.
- xxvi. There exist significant price differences between Metallocene and Non-Metallocene grades. The two grades were initially not separated due to negligible imports of Metallocene grades from the subject countries.

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

6. The product under consideration as clarified through PUC/ PCN Methodology Notification dated 22<sup>nd</sup> August 2025 is as below:

*“The product under consideration (hereinafter referred to as “PUC”) in the present investigation is Linear Low-Density Polyethylene, having*

*density of 908.4 to 940.4 kg/m<sup>3</sup> (hereinafter also referred to as “subject goods”).*

*LLDPE is a copolymer of ethylene and other alkenes such as butene, hexene or octene. This results in an essentially linear chain arrangement, with the comonomer (i.e. the butene, hexene or octene) forming short, regular chains on the main carbon backbone. It is a colourless, non-flammable, non-reactive solid with no odour. It is primarily used in raw material for plastic processing industry to make a variety of products such as packaging films, profiles, wire & cable, extrusion coating, rotational moulded, product, hi-low grades for injection moulding, master batches etc.”*

7. The PUC is classified in Chapter 39 titled “Plastics and Articles thereof” under HS Codes 3901 40 10 and 3901 10 10. The customs classification is indicative and is not binding on the scope of the product under consideration.
8. Additionally, to address the price difference between Metallocene and Non-Metallocene Grades, at the request of the interested parties the following PCNs were adopted:
  - a. **Metallocene Grades:** LLDPE Grades produced using Metallocene catalyst.
  - b. **Non-metallocene Grades:** Conventional LLDPE Grades produced using catalysts other than Metallocene.

S.No.	Description	Grades	Code
1.	LLDPE Grades produced using Metallocene as catalyst	Metallocene Grades	MPG
2.	Conventional LLDPE Grades produced using catalyst other than Metallocene	Non-Metallocene Grades	NMG

9. The arguments made by the interested parties on the PUC and PCN methodology were examined carefully. It is noted that the claims have been primarily for exclusion of certain grades on the grounds that the domestic industry allegedly is not manufacturing the same or the grades produced by the applicants are technically or commercially not substitutable. The domestic industry on the other hand has refuted the submissions and claimed that products manufactured by them is interchangeably used by the same end users. They have claimed LLDPE of different monomers can be combined together to achieve the desired characteristics as the imported products. Further, the domestic industry has provided evidence of comparable grades being produced and sold by them in the Indian market by providing invoices and technical data sheet.
10. **Exclusion of powder form of LLDPE:** With regards to SABIC’s submissions concerning exclusion of powder grade LLDPE, it is noted that the domestic industry also manufactures powder form of LLDPE. The domestic industry has provided evidence in the form of sales invoices of powder form of LLDPE. It is further noted that the powder form of LLDPE is

primarily used by masterbatch manufacturers for compounding processes in which additives and color pigments are melted and then mixed into LLDPE, and subsequently LLDPE pellets are manufactured. Thus, a user has option to either carry out the compounding process itself or the same may be carried out by the LLDPE manufacturers who directly manufacture LLDPE pellets for such user. Accordingly, as the domestic industry is manufacturing powder form of LLDPE and since pellet and powder form of LLDPE are merely two forms of LLDPE, the Authority has not excluded the powder form of LLDPE from the product scope.

11. **Exclusion of Higher Alpha Olefin (“HAO”) based LLDPE:** With regards to SABIC Group’s and Sadara’s request for exclusion of high alpha olefin, that is, C6 and C8 based LLDPE, it is noted that the domestic industry is indeed manufacturing C6 based LLDPE. With regards to C8 based LLDPE, the domestic industry has submitted that although it does not manufacture C8 based LLDPE, it is used in combination with other LLDPE monomers such C4 or C6 and the properties exhibited by C8 based LLDPE can be achieved by a combination of C4 and C6 metallocene grades. It is noted that none of the individual users have participated in the present investigation and the user Association, All India HDPE/PP Woven Fabric Manufacturers Association has not objected to this claim of the domestic industry. It is further noted that none of the interested parties have also provided any evidence to contradict this claim of the domestic industry.
12. The Authority notes that SABIC Group has requested for exclusion of C8 based LLDPE also on the ground that domestic industry is not producing and selling such grades in commercial quantity. While the domestic industry does not manufacture C8 based LLDPE, it does manufacture C4 and C6 grades which they have claimed that when combined in certain proportions are technically and commercially substitutable with the imported C8 based LLDPE. The said assertion by the domestic industry has not been rebutted by the other interested parties. The applicant association has also submitted invoices for C8 based LLDPE which is being manufactured and sold by Reliance Industries Limited, supporter of the present investigation. Irrespective of the production of C8 based LLDPE by the supporter, the Authority notes that the properties of C8 based LLDPE can be achieved by a combination of C4 and C6 metallocene grades, and accordingly, has not excluded C8 based LLDPE from the product scope.
13. Regarding the argument of Sadara that there exists a significant demand supply gap for C6 based LLDPE in India and that the domestic industry has not countered this argument or provided grade wise production or demand data, it is noted that the question of exclusion from product scope does not depend upon demand of subject goods in India, rather the same is decided based on whether the domestic industry is producing and selling like article to the goods being imported into India.
14. **Exclusion of 6821NJ and 6318BJ Grades:** With regards to exclusion of SABIC Group’s exclusion request for grades 6821NJ and 6318BJ, the Authority notes that admittedly these grades have not been exported to India. It is further noted that SABIC Group has requested exclusion of these goods primarily on the grounds that SABIC grades have a higher tear strength. On the other hand, the domestic industry has provided evidence of comparable grades sold by them. In this regard, the Authority recalls Rule 2(d) of AD Rules, 1995 which states:

*““like article” means an article which is identical or alike in all respects to the article under investigation for being dumped in India or in the absence of such an article, another article”*

which although not alike in all respects, has characteristics closely resembling those of the articles under investigation”

15. It is noted from the above definition that two products can be considered like articles to each other, not only when they are identical or alike in all respects but also when such articles have closely resembling characteristics. In the present case, both SABIC grades and domestically produced comparable grades have high tear strength. The Authority notes that while tear strength of these grades differ, such difference by itself does not make the products not like article to each other. It is further noted that the tear strength also depends upon the thickness of the film. It is further noted that these grades have not been imported into India since the demand for these products do not exist in India. Accordingly, the Authority has not excluded SABIC Grades 6821NJ and 6318BJ.
16. **Exclusion of Borstar Grades:** With respect to exclusion of Borstar Grades (FB2230, FB1200 and FB1350) manufactured through bimodal Borstar technology, ADPCL has argued that these grades have higher molecular weight and low melt flow rate (lower than or equal to 0.25 g/10 min) and that the domestic industry does not manufacture subject goods having melt flow rate lower than 1g/10 min. As stated above, it is not necessary that two products must be alike in all respects. Apart from the low melt flow index, the subject goods exported by ADPCL and the goods produced by the domestic industry have closely resembling characteristics. Accordingly, low melt flow index cannot be considered a ground for exclusion. It is further noted that each producer may have different production technology used in the production process depending upon the licensor of such technology. However, unless such production process lends an attribute leading to distinguishable physical / chemical characteristics, difference in production process itself cannot become a ground for exclusion of a product. In this regard, the Authority notes that ADPCL has not provided any evidence establishing that the LLDPE produced by ADPCL and LLDPE produced by the domestic industry are commercially or technically not substitutable.
17. The Authority further notes that the ADPCL has submitted letters from certain domestic users to substantiate its claim that Borstar Grades have a specific end use application and that domestically produced goods cannot technically substitute the same. It is noted that none of these users have participated in the present investigation. The letters provided by them contain general information and similar sentences and phraseology. It is further noted that all these letters specifically rely on comparison with conventional C4 based LLDPE and do not address the quality or attributes of other LLDPE produced and supplied by the domestic industry. Whereas, Exhibit 3 provided by ADPCL as part of its submissions mention such characteristics for both metallocene and non-metallocene based LLDPE and not solely for conventional LLDPE. Accordingly, the Authority disagrees with ADPCL's claim and has not excluded Borstar Grades.
18. There are no known differences between the subject goods produced by the domestic industry and those imported from the subject countries. The subject goods produced by the domestic industry and the subject goods imported from the subject countries are comparable in terms of characteristics such as physical and chemical characteristics, manufacturing process and technology, functions and uses, product specifications, distribution and marketing, classification of the goods. The domestic industry has claimed that the subject goods, being imported into India, are identical to the goods produced by the domestic industry. There are no differences either in the technical specifications, quality, functions or end-uses of the dumped imports and the goods manufactured by the applicants. The goods produced by the domestic industry and the imported goods are technically and commercially substitutable and

accordingly, the Authority holds these products to be 'like article' under Rule 2 (d) of the AD Rules, 1995.

### **C. SCOPE OF THE DOMESTIC INDUSTRY & STANDING**

#### **C.1 Views of other interested parties**

19. The following submissions have been made by the other interested parties:

- i. The Petition contains insufficient evidence of injury for the purpose of initiation as required under Rule 2(b) and Art. 5.2 of AD Agreement and accordingly should not have been initiated.
- ii. The Petitioner has not relied on actual data but on estimated figures for total domestic production. If actual data is considered, the Petitioner may not be able to satisfy the standing requirements.
- iii. The Petitioner's standing is vitiated on account of exclusion of ONGC Petro Additions Ltd. ("OPAL") on the ground of it being a Special Economic Zone ("SEZ") unit during the POI. Rule 2(b) or Rule 5 of AD Rules, 1995 do not mandate exclusion of producer merely on account of being a SEZ unit. If OPAL is included as an eligible domestic producer, HPL and HMEL would not satisfy the requirement of Rule 5(3).
- iv. OPAL's exclusion from total domestic production is without sufficient justification as it had exited SEZ on March 08, 2025, and was part of the domestic tariff area at the time of filing of the application by the Petitioner.
- v. Irrespective of whether or not OPAL was operating in SEZ, its production must be included within the total domestic production as it is established in India and during the POI sold almost 85-90% of its LLDPE in Indian domestic market.
- vi. Exclusion of OPAL artificially reduces the total eligible production and thus, inflates the share of HPL and HMEL in total domestic production.
- vii. Based on the information provided in OPAL's Annual Report, if OPAL's production is included, the share of HPL and HMEL would fall below 25% threshold prescribed under Rule 5(3) of AD Rules, 1995. Accordingly, prior to reaching any conclusion regarding the fulfilment of Rule 5(3) of AD Rules, 1995, the Authority must verify the production and sales volume of all relevant domestic producers.
- viii. By seeking to exclude OPAL on the basis of its SEZ status, the Petitioner effectively disregards the economic reality that OPAL is a producer established in India that undertakes substantial production and sales of the PUC in the domestic market.
- ix. The Authority in the previous investigations (Electrical Insulators and Solar Cells) has accepted SEZ units to be eligible to be part of the domestic industry.
- x. This approach is also consistent with international practice. USITC in Large Residential Washers in the context of injury determination treated production in Foreign Trade Zones as domestic production. Similarly, the USITC in Microwave Ovens from Japan treated goods produced in Free Trade Zone as domestically produced goods. While these findings were determined in the context of injury analysis and not standing, the underlying principles remain the same.
- xi. European Commission normally treats producers operating in free zones as domestic producers for determination of standing and for definition of domestic industry. Free zones are part of the territory of the European Union pursuant to Article 243(1) of the Union Customs Code.
- xii. The SEZ framework does not prohibit domestic tariff area sales. Units operating in SEZs are permitted to supply goods to the domestic market, subject to applicable

- conditions, including duties and overall Net Foreign Exchange (“NFE”) requirements. Importantly, the requirement to maintain positive NFE pertains to the overall operational performance of the unit and does not negate or restrict the fact of domestic sales. Accordingly, the mere fact that a producer operates within an SEZ cannot be basis to exclude it from the domestic industry where it undertakes substantial sales in the domestic market.
- xiii. As HPL and HMEL are not representative of domestic industry and do not even account for 25% of total Indian production (if OPAL production is included), the Authority should have rejected the Petition.
- xiv. HPL and HMEL account for 26.33% of domestic sales (excluding OPAL), while OPAL itself has significant production capacity, indicating that its inclusion would materially alter the standing analysis.
- xv. Indian LLDPE industry is not fragmented and therefore, a share of 25-35% may not be accepted as constituting major proportion. Further, such a proportion does not automatically satisfy the requirement of major proportion. There is no practical difficulty in obtaining greater information, and therefore, the application must be rejected.
- xvi. The standing of HPL and HMEL falls significantly below the standard laid down by Appellate Body in *EC - Fasteners*, particularly once production of OPAL along with other domestic producers is taken into consideration. Further, if data of other Indian producers is considered, injury parameters would undergo significant change.
- xvii. If the Authority accepts the proposed definition of the domestic industry as the limited subset of producers, it would assess injury against a minor and self-selected proportion of less than 20% of the relevant Indian industry, leading to a material risk of distortion and skew the injury analysis, particularly given the much larger share of production held by the other major producers of the PUC.
- xviii. The share of domestic industry’s production must serve as a “substantial reflection of the total domestic production” such that the definition of “domestic industry” does not skew or distort the injury determination.
- xix. The object and purpose of anti-dumping duty is to protect domestic industry as a whole or those producers who are representative of the domestic industry due to their substantial/major share in Indian production. Anti-dumping duty cannot be imposed to protect interest of selected companies.
- xx. The Authority has failed to properly determine that the application has been filed “by or on behalf of the domestic industry”, as required under Rule 5(3) of the AD Rules.
- xxi. The Appellate Body in *EC – Fasteners* emphasized that “a major proportion” must represent a relatively high and genuinely representative share of total domestic production, assessed in light of all producers as a whole. It rejected the EU’s reliance on low shares such as 27% and even 36%, holding that such levels (particularly when derived from a self-selected or non-representative sample) do not meet the standard and distorts the injury analysis.
- xxii. The petitioners do not satisfy the separate requirement of major proportion under Rule 2(b) AD Rules, 1995. The minimum threshold for making an application under Rule 5(3) of AD Rules, 1995 cannot be extended to Rule 2(b).
- xxiii. The requirement of “major proportion” in Rule 2(b) is distinct from, and additional to, the 25% threshold under Rule 5(3). If a bare minimum share of 25–30% is accepted as sufficient in every case, the separate requirement in Rule 2(b) becomes redundant.
- xxiv. Para 4.9.11(iii) of Manual of Operating Practices does not create an absolute rule that every producer or group of producers who merely cross the bare threshold of 25% must be treated as constituting “a major proportion” of the total domestic production.

- xxv. The WTO Appellate Body in *EC – Fasteners* rejected equating the 25% threshold requirement for the purposes of ascertaining standing under Article 5.4 of the AD Agreement with the “major proportion” requirement and held it irrelevant for ascertaining “domestic industry” under Article 4.1 of the AD Agreement.
- xxvi. The Appellate Body explained that “a major proportion”, should be understood as a proportion defined by reference to the total production of domestic producers as a whole. “A major proportion” of such total production will standardly serve as a substantial reflection of the total domestic production.
- xxvii. Indeed, the lower the proportion, the more sensitive an investigating authority will have to be to ensure that the proportion used substantially reflects the total production of the producers as a whole.
- xxviii. While there is no strict numerical threshold for what constitutes a “major proportion”, the phrase has been understood to connote “important, serious or significant” proportion of total domestic production. Thus, the share of total production must serve as a “substantial reflection of the total domestic production” such that the definition of “domestic industry” does not skew or distort the injury determination.
- xxix. The Appellate Body in *EC – Fasteners (China)* (Article 21.5) held that even a proportion of 36% of the total domestic production remains low, even in the context of the fragmented fasteners industry.
- xxx. The Authority must call for complete and verified data from all major domestic producers for the POI before proceeding further. The Petitioner’s claim is based on a limited segment of the industry, while producers accounting for a substantial share of India’s total capacity have not supported any allegation of injury.
- xxxi. The information supplied by Reliance Industries Limited is deficient as it does not comply with requirements set out in Trade Notice No. 05/2021 dated July 29, 2021.
- xxxii. RIL has failed to provide documentary evidence for its installed capacity, domestic and export sales and accordingly, the same cannot be verified. Even if evidence has been provided subsequently, the information remains deficient at the stage of initiation and same must be rejected.
- xxxiii. RIL data is deficient and inconsistent with duplicate entries, making it unreliable.
- xxxiv. The subsequent filing of an updated support letter cannot cure the fundamental defect. The Petitioner did not transparently disclose the changes.
- xxxv. The Petitioner did not explicitly identify the changes made in the RIL support letter in its covering communication.
- xxxvi. The Petition claims that other Indian producers of LLDPE have supported the application, however, none of these producers have filed a support a letter in terms of Trade Notice 05/2021.
- xxxvii. The Authority must call for injury and cost data from other established Indian producers of the PUC referred to in the Petition, namely RIL, IOCL, GAIL, BCPL and OPAL to ensure that any injury assessment is representative of the domestic industry as a whole and not skewed by the inclusion of only some producers such as HMEL in this case.
- xxxviii. In absence of participation from other established players, the Authority cannot assess whether such players are earning profits or losses. The Authority should ask RIL to at least provide their figures for profitability.
- xxxix. The Authority in previous investigations such as Plain Medium Density Fibre Board (MDF) having thickness of 6mm and above has called for injury and cost related data from another producer related to the PUC.
- xl. The absence of any information from India’s largest producers can only be interpreted to mean that they are not facing any injury on account of subject imports, and their non-participation implies that they are not suffering injury.

- xli. RIL and IOCL are consistent users of trade remedial measures. In the absence of cooperation from RIL, IOCL, GAIL, BCPL and OPAL, the Authority should consider that these domestic producers of LLDPE are opposed to the imposition of anti-dumping measures.

## C.2 Views of the domestic industry

20. The following submissions have been made on behalf of the domestic industry:
  - i. The injury information for the present investigation has been provided by HPL and HMEL. As mentioned above, besides the co-applicants, there are 5 other producers of LLDPE, namely, Reliance Industries Ltd., Indian Oil Corporation, Gas Authority of India Ltd. Brahmaputra Cracker and Polymer Ltd. and ONGC-Petro Additions Limited. It may be noted that during the POI and the injury period, ONGC-Petro Additions Limited functioned as a special economic zone unit and therefore could not be considered as a domestic industry.
  - ii. Paras 4.19.21 and 4.19.23 of DGTR's Manual of Operating Practices, clearly specify that units located in SEZ "are not be treated as domestic industry" and that "production of SEZ should not be included while estimating the total production of the country".
  - iii. The Authority in several recent cases such as *Solar Cells*, *Industrial Laser Machines* has considered SEZ based units as ineligible domestic producers and has treated sales of SEZ based producers as imports into India.
  - iv. HPL and HMEL account for almost 25%-35% of total LLDPE production in India. As such, HPL and HMEL's production constitutes a "major proportion" of total domestic production in India in terms of Rule 2(b) of AD Rules, 1995. The applicants submit that it is the Authority's practice to consider production more than 25% of total eligible domestic production as "major proportion". In this regard, the applicants rely on the explanation provided in Para 4.9.11 (iii) of DGTR's Manual of Standard Operating Practices dealing with the test of major proportion.
  - v. As admitted by the other interested parties, OPAL exited SEZ on March 08, 2025, 2 months after the end of the POI. Thus, OPAL's entry into domestic tariff area happened post-facto completion of POI.
  - vi. It is the Authority's consistent practice of assessing the total eligible domestic production based on production carried out during the POI, just as dumping and injury is not based on post-POI fact.
  - vii. In *EC – Fasteners*, the European Commission had issued questionnaires to approximately 318 known producers in the European Union, of which only 70 producers responded. Out of these 70 producers, the Commission had rejected the responses of 25 producers on the ground that they had failed to provide adequate information.
  - viii. The Commission, ultimately therefore, defined on the basis of the remaining 45 producers, thereby restricting the scope of domestic industry to only those producers who were willing to be included in the sample and excluding certain producers who had otherwise provided relevant information, thus creating a risk of material distortion in injury analysis.
  - ix. Moreover, the European Commission selected a sample of 6 domestic producers representing only 17.6% of the total Union production of the subject goods. This substantially narrowed the data coverage available for the injury analysis.
  - x. Thus, *EC – Fasteners* decision was rendered in a situation where relevant producers were methodologically excluded and the sample represented only a limited proportion of total production.

- xi. The Appellate Body in EC – Fasteners refrained from providing a minimum threshold but primarily proceeded on the basis that the investigating authorities should not exclude domestic producers through self-selection process, which would lower the data coverage and thereby introduce a material risk of distortion in the injury analysis.
- xii. It is submitted that neither the WTO Anti-dumping Agreement nor the Indian municipal laws provide any threshold for determining “major proportion”.
- xiii. Opposed to the facts in EC- Fasteners, where the sampled domestic producers constituted only 17.6% of total domestic production, in the present investigation, HPL and HMEL account for almost 25-35% of total LLDPE production in India.
- xiv. The Authority as a matter of practice as explained in Para 4.9.11 (iii) of DGTR’s Manual of Standard Operating Practices has considered production exceeding 25% as “major proportion” in terms of Rule 2(b) of AD Rules, 1995.
- xv. The 3 largest producers of LLDPE, accounting for more than 50% of Indian LLDPE production, have participated and submitted macroeconomic and price data.
- xvi. The applicants have also provided estimated sales and volumetric parameters for other Indian producers. Accordingly, the question of introducing “a material risk of distorting the injury determination” does not arise in the present investigation.
- xvii. The application has further been supported by Reliance Industries Ltd., which has provided supporter data as required under the applicable trade notices.
- xviii. The CESTAT in *Lubrizol (India) Pvt. Ltd. v. Designated Authority 2005 (7) TMI 132*, while explaining the term “major proportion” requirement held production accounting for 31% of total domestic production as major proportion. It further observed that “*major proportion of total domestic production cannot be viewed from the angle of solving a mathematical sum involving comparative measurements or size of different parts of a whole*”.
- xix. The Authority in several of its past findings (*Hot Rolled Flat Products of Alloy or Non-Alloy Steel dated 13.08.2025*) has rejected to interpret “major proportion” as production exceeding 50% of total domestic production and construed the same as significant proportion.
- xx. The Authority in several investigations has considered domestic producers accounting for 25-35% percent of total domestic production as domestic industry in terms of Rule 2(b) of AD Rules, 1995. In *PVC Suspension Grade Resin (Sunset Review)*, the Authority had held producers accounting for 30% of total production of subject goods in India as major proportion.
- xxi. The domestic industry submits that it has no objections or inhibitions to call data from other domestic producers. However, the non-participation of such producers in the present investigation should not constitute ground to deny relief to the domestic industry before the Authority.
- xxii. The Authority as part of the investigation procedure calls data from all producers. However, except RIL none of the other domestic producers have participated in the investigation,
- xxiii. The confidential version of RIL’s support letter was filed on record prior to the stage of initiation along with the application with all units of measurement and details of sales clearly identified in such letter as per the applicable trade notices.
- xxiv. Contrary to the facts urged by the other interested parties there has been no update in the RIL’s confidential support letter.
- xxv. The domestic industry constitutes major proportion in terms of Rule 2(b) of AD Rules, 1995 and therefore, the non-participation of other domestic producers does not prevent the Authority from examining the injury to the domestic industry before it.
- xxvi. The application has been filed by CPMA on behalf of Indian LLDPE producers. RIL has already filed its support letter with the Authority. Further, other members of CPMA,

IOCL and GAIL also supported the resolution to pursue appropriate trade remedial proceedings against the subject countries. Thus, Indian LLDPE producers have supported the allegation of injury. Moreover, subsequent to the initiation there has been no opposition from any of the domestic producers.

### C.3 Examination by the Authority

21. Rule 2(b) of the AD Rules, 1995 defines domestic industry as mentioned below:

*‘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’.*

22. The Authority notes that the application has been filed by CPMA on behalf of the Indian LLDPE Industry. Other interested parties have raised the following concerns regarding the standing of the domestic industry:

OPAL should have been included within the scope of total eligible domestic production

Haldia Petrochemicals Ltd. and HPCL-Mittal Energy Limited do not represent major proportion of the domestic industry

**a. OPAL should have been included within the scope of total eligible domestic production**

23. Other interested parties have argued that OPAL, despite being a SEZ unit, is a LLDPE producer located in India and accordingly, the domestic industry in its application has incorrectly excluded OPAL from the computation of total eligible domestic production. They have also contended that other jurisdictions consider producers located in Free Trade Zone within the scope of total eligible domestic production. Further, it has been claimed that if OPAL is included within the scope of total eligible domestic production, HPL and HMEL’s production would not be sufficient to qualify as applicant within Rule 5(3) of AD Rules, 1995.
24. In this regard, the Authority notes that the scheme of the SEZ Act, 2005 clearly establishes that SEZ units are treated as territories outside the customs territory of India for authorized operations and are fundamentally export-oriented entities. The Authority has already examined this issue in detail in prior proceedings and has recognized that SEZ units stand on a distinct legal and economic footing vis-à-vis producers operating in the Domestic Tariff Area (“DTA”).
25. Further, the Authority recalls Section 53 of the SEZ Act which expressly provides that an SEZ shall be deemed to be a territory outside the customs territory of India for the purposes of undertaking authorized operations. Further, Section 2(i) of the SEZ Act excludes SEZ areas from the definition of “Domestic Tariff Area”. The supplies from DTA units to SEZ units are treated as “exports”, and supply of goods from SEZ units to DTA units attracts customs duties, including anti-dumping duties, countervailing duties, and safeguard duties under Section 30 of

the SEZ Act. The legal framework therefore consciously creates an economic and customs distinction between SEZ units and DTA producers.

26. It is further noted that as per section 53 of SEZ Act, 2005, SEZ is admittedly outside the custom territory of India, however, it is within the geographical territory of India. In light of the aforesaid, assuming but not admitting that OPAL, which is a production unit falling within SEZ, whose production is required to be taken into consideration to compute the overall Indian production, yet the collective output of the domestic producers supporting the petition constitutes \*\*\*% of the total production of the PUC produced by the domestic Industry expressing support for the petition; there is no domestic producer who is opposed to the petition.
27. The Authority notes that the definition of domestic industry under Rule 2(b) of AD Rules, 1995 must be interpreted harmoniously with the SEZ Act, 2005 and the customs framework governing SEZ operations. Merely because an entity is incorporated in India or physically manufactures goods in India does not automatically render it part of the domestic industry for trade remedial purposes where the governing legal regime itself treats such entity as operating outside the customs territory of India. Further, the Authority in all its recent investigations has excluded SEZ units from the scope of the domestic industry. Accordingly, the Authority has excluded OPAL from the computation of total eligible domestic production.
28. The Authority further notes that other interested parties have also contended that as OPAL exited SEZ on March 08, 2025, that is, after the POI, and was part of the DTA at the time of filing of the application, it should have been considered as part of the total eligible domestic production. The Authority disagrees with this submission of the other interested parties. The Authority notes that the POI of the present investigation is CY 2024. All determinations pertaining to dumping and injury are to be based on the information pertaining to the POI. During the POI, OPAL continued to be a part of the SEZ and was not a DTA unit. Accordingly, for computation of total eligible domestic production under Rule 2(b) of AD Rules, 1995, the production undertaken by OPAL cannot be considered as part of total eligible domestic production.

**b. Haldia Petrochemicals Ltd. and HPCL-Mittal Energy Limited do not represent major proportion of the domestic industry**

29. Other interested parties have also contended that HPL and HMEL account for only 25%-30% of total production in India and as such do not account for total eligible domestic production. In this regard, other interested parties have relied on the decision of the Appellate Body in *EC – Fasteners* wherein the Appellate Body had held that domestic producers accounting for 27% of total domestic production did not constitute “major proportion” in terms of Art. 4.1 of the WTO Agreement on Anti-dumping.
30. The Authority notes that in the *Fasteners* investigation, the European Commission, while defining the domestic industry in the *Fasteners* original investigation, had limited the definition of domestic industry to only such producers which were willing to be included in the sample. Subsequent to the initiation of the investigation, the Commission received information from 70 producers out of 318 known producers. Thereafter, the Commission excluded 25 of these 70 producers from the scope of domestic industry definition, on the grounds that such producers expressed their unwillingness to be part of the sample, thereby, deliberately disregarded relevant information on record, and thus, introduced a material risk of distortion in injury

examination. In this regard, the Authority recalls the observations of the Appellate Body in *EC – Fasteners*:

*“429. According to the European Union's explanation, the Commission excluded 25 of these 70 producers from the domestic industry definition for various reasons, one of which was the producers' expressed unwillingness to be part of the sample.<sup>577</sup> However, as noted above, the sample of domestic producers is a smaller universe than the domestic industry, and the unwillingness to be part of the sample should not affect whether a producer should be part of the domestic industry. This is confirmed by the relevant facts in the fasteners investigation. Specifically, the Commission selected six producers as part of the sample, obtained relevant information from them, and verified the information on their premises. The Commission then used the information obtained from the sampled producers for its analysis of the "microeconomic" injury factors, but conducted its analysis of the "macroeconomic" injury factors on the basis of information obtained from all of the 45 producers included in the domestic industry definition. Thus, by including only those willing to be part of the sample in the domestic industry definition, the Commission's approach shrank the universe of producers whose data could have been used for part of the injury determination. Even though, due to the fragmented nature of the fasteners industry, the practical constraints on obtaining information may justify the inclusion of a smaller proportion of domestic production in the domestic industry definition, the Commission's approach in excluding those who provided relevant information but were unwilling to be part of the sample was unrelated to, and cannot be justified by, such practical constraints.”*

31. As can be noted from the Appellate Body's observations, the European Commission restricted the definition of domestic industry to only such producers which were willing to be included in the sample. By limiting the domestic industry coverage to only such producers the Commission “*shrank the universe of producers whose data could have been used for part of the injury determination*” as it excluded producers “*who provided relevant information but were unwilling to be part of the sample*”.
32. In contrast to the above facts, the present investigation was initiated based on the injury information data provided by Haldia Petrochemicals Ltd. and HPCL-Mittal Energy Limited who account for more than \*\*\*% of total Indian production. Prior to the stage of initiation, the application was supported by Reliance Industries Limited, which provided information pertaining to installed capacity, production, value, and volume of domestic and export sales for the injury period. Subsequent to the initiation of the investigation, the Authority called for information via email dated 08.07.2025 from other domestic producers, namely Indian Oil Corporation Limited, Gas Authority of India Limited and Brahmaputra Cracker Polymer Limited and Reliance Industries Limited to provide the complete injury information. However, apart from Reliance Industries Limited, which provided information as a supporter of the investigation as per the applicable trade notices, none of the other producers responded to the same. The Authority notes that non-participation by other domestic producers does not lead to a material risk of distortion. In this regard, the Authority recalls the Panel's observation in *China – Autos (US)* wherein the following was observed:

*“7.214. We find the US contention that MOFCOM's registration requirement introduced a material risk of distortion, as a process*

*capable of leading to self-selection among domestic producers in the definition of the domestic industry, to be unconvincing. We note that there are multiple steps that must be taken in AD and CVD investigations, and IAs face logistical constraints in this regard. In previous cases, panels and the Appellate Body have concluded that an IA must be allowed some flexibility in how it ensures an orderly conduct of its investigations, for instance by establishing deadlines for interested parties to come forward to be considered for inclusion in the domestic industry.<sup>336</sup> We consider that the same need for flexibility justifies the use of a registration process, which essentially requires interested parties to come forward by a deadline and make themselves known to the IA to be considered part of the domestic industry. The mere fact that some producers may choose not to do so, i.e., "self-select" out of coming forward, to use the US terminology, does not, in our view, introduce a material risk of distortion in the IA's process of defining the domestic industry. In our view, merely that domestic producers might choose not to participate does not mean that the registration requirement leads to a definition of domestic industry inconsistent with Articles 4.1 and 16.1. Provided a registration strikes an appropriate balance between the rights of interested parties to participate in an investigation, and administrative efficiency, we see nothing in the relevant provisions that would preclude it."*

33. In the present investigation, the Authority did call for information from all domestic producers of the PUC, however, such information was not provided. Unlike the European Commission, the Authority has not disregarded any information which is available on record. The Authority further notes that there is no legal requirement that the applicants must constitute at least 50% of the total Indian production. As noted by the Panel in *Argentina -Definitive Anti-Dumping Duties on Poultry from Brazil*, "the reference to a major proportion suggests that there may be more than one "major proportion" for the purpose of defining "domestic industry"".
34. The Authority further notes that major proportion cannot be determined on the basis of mathematical calculation. In this regard, the Authority recalls the observations of the Hon'ble Customs, Excise and Service Tax Appellate Tribunal in *Lubrizol (India) Pvt. Ltd. vs. Designated Authority* [2005 (187) E.L.T. 402 (Tri. - Del.), wherein, it was held that in order to constitute major proportion, it is not necessary that production of domestic industry before the Authority should exceed more than 50% of total production in the country.

*"15.1 We may note here that the words "major proportion of the total production" in Rule 2(b) defining the 'domestic industry' are also capable of being construed so as to mean significant proportion or important part of the total production which may not necessarily exceed 50%. The word "major", as per the Oxford Dictionary, means "important, serious or significant". The word "proportion", in the context, would mean share. Therefore, the expression "major proportion" would, in the context, of total production of domestic industry, mean significant or important share. Such an interpretation is clearly permissible and going by it, **the share of the petitioner in total domestic production, being more than 31%, was undoubtedly a significant or important share i.e. a major proportion thereof. The words "major proportion of total domestic production" cannot be viewed from the angle of solving a mathematical sum involving***

*comparative measurements or size of different parts of a whole. The phrase is used in the context of the production output of domestic producers and admits of a broad interpretation so as to take in its sweep collective output that constitutes a significant or important share of the total domestic production of the article by the producers engaged in the manufacture or engaged in any activity connected with the manufacture of such article, as contemplated by Rule 2(b)...*"

35. The Authority further notes that the Appellate Body's observations in *EC – Fasteners* is limited to only such circumstances wherein the Authority by way of registration process for domestic producers introduces a risk of material distortion. In this regard, the Authority recalls the findings of the Panel in *China – Autos (US)*:

“7.220. ... . Moreover, the Appellate Body noted that the IA had, in fact, identified and obtained information from more producers than the 45 it ultimately included in the domestic industry. The Appellate Body concluded that by including in the domestic industry only those producers willing to be included in the sample, the IA's approach shrank the universe of producers whose data could have been used in making the injury determination.”

36. In the present case, the Authority upon initiation called for information from all domestic producers. Further, the question whether HPL and HMEL satisfy “major proportion” in terms of Rule 2(b) AD Rules, 1995 has also been assessed independently of Rule 5(3) of AD Rules, 1995. Accordingly, the Appellate Body's observations in *EC – Fasteners* are not applicable to the present case.

37. The Authority further notes that information related to domestic producers that are outside the scope of the domestic industry is not relevant to evaluate the economic factors having a bearing on the state of the domestic industry. In this regard, the Authority recalls the observations of Panel in *EC – Bed Linen*, wherein it observed the following:

*““6.182 However, our conclusion with respect to the second aspect of India's claim is different. As we have noted, the determination of injury has to be reached for the domestic industry as defined by the investigating authorities, in this case the 35 producers comprising the "Community industry" as defined by the European Communities. In our view, information concerning companies that are not within the domestic industry is irrelevant to the evaluation of the "relevant economic factors and indices having a bearing on the state of the industry" required under Article 3.4. This is true even though those companies may presently produce, or may have in the past produced, the like product, bed linen. Information concerning Article 3.4 factors for companies outside the domestic industry provides no basis for conclusions about the impact of dumped imports on the domestic industry itself. If other present or former bed linen producers had been considered part of the domestic industry, the fact that some of them went out of business would be relevant to the evaluation of the impact of dumped imports on the domestic industry. But given that the European Communities defined the domestic industry as 35 producers of bed linen, information concerning other companies does not inform the evaluation of "factors and indices having a bearing on the state of the industry" under Article 3.4 of*

*the AD Agreement, and thus cannot serve as the basis of findings regarding the impact of dumped imports on the domestic industry.”*

38. It has been this Authority’s consistent practice to consider major proportion as significant proportion and not just producers accounting for more than 50% of total domestic production.
39. Based on the information provided in the application, the following table represents the total eligible domestic production of subject goods in India:

<b>Indian Production (MT)</b>				
<b>Name of Producer</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>POI</b>
Haldia Petrochemicals Limited (Applicant)	***	***	***	***
HPCL-Mittal Energy Limited (Applicant)	***	***	***	***
Reliance Industries Limited (Supporter)	***	***	***	***
Gas Authority of India Limited	***	***	***	***
Indian Oil Corporation Limited	***	***	***	***
Brahmaputra Cracker and Polymer Limited	***	***	***	***
<b>Total Production</b>	<b>16,69,245</b>	<b>16,90,915</b>	<b>18,44,069</b>	<b>22,25,014</b>
HPL and HMEL’s share in total production	***	***	***	***
<b>Range</b>	<b>0-10</b>	<b>0-10</b>	<b>20-30</b>	<b>25-35</b>
<b>Applicants + Supporter</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>

40. The Authority notes that other Indian interested parties have contested the total Indian production estimation provided by the domestic industry. In this regard, the Authority has recomputed the total eligible Indian production based on the Ministry of Chemicals and Fertilizers data for the injury period including the POI<sup>1</sup>. The Authority has considered the total production reported in Report for FY 2021-22, 2022-23 and 2023-24. Further, given that the POI is not a financial year, the Authority estimated production for Jan’24 – Mar’24 and Apr’24 – Dec’24 by apportioning data for FY 2023-24 and FY 2024-25, respectively. The Authority also referred to OPAL’s Annual Reports for the aforesaid periods and applied the same methodology to compute its sales. Further, inventory to turnover ratio was applied for arriving at production figures for OPAL. The production so assessed is as below:

<b>Indian Production (MT)</b>

<sup>1</sup> <https://chemindia.chemicals.gov.in/Publicationspdf/Statistics-at-a-Glance-2024.pdf>

Name of Producer	2021-22	2022-23	2023-24	POI
Haldia Petrochemicals Limited (Applicant)	***	***	***	***
HPCL-Mittal Energy Limited (Applicant)	***	***	***	***
Reliance Industries Limited (Supporter)	***	***	***	***
Other Indian Producers	***	***	***	***
OPAL	***	***	***	***
Total Production*	29,14,100	24,24,400	27,50,000	28,42,700
Total eligible production (Total production ex. OPAL)	22,81,600	17,91,900	22,32,500	22,30,325
HPL and HMEL's share in total production	***	***	***	***
Range	0-10	0-10	20-30	25-35
Applicants + Supporter	***	***	***	***
Range	40-50%	60-70%	60-70%	70-80%

41. The Authority notes that the total production estimation provided by the domestic industry and the production estimated by the Authority based on the Report for the POI are in the same range. For the determination whether the domestic industry constitutes major proportion of the total eligible domestic production, the Authority has relied on the production figures based on the Report. Based on the same, the Authority notes that the share of HMEL and HPL's production in total eligible production is \*\*\*, which is in the same range as the share claimed by the domestic industry.
42. The Authority further notes that HMEL and HPL are the second and third eligible largest producers of LLDPE (excluding OPAL) in India and account for 25%-30% of total Indian production. Further, along with the Supporter, HPL and HMEL account for \*\*% of total Indian production. Accordingly, the Authority considers that Haldia Petrochemicals Ltd. and HPCL-Mittal Energy Limited constitute 'major proportion' in terms of Rule 2(b) of the AD Rules, 1995. Further, the Authority has considered macroeconomic data pertaining to other producers mentioned in the Report.
43. Insofar as data concerning other domestic producers is concerned, the Authority called for complete injury information from all domestic producers of the subject goods as per the

prescribed format through its mail dated 08.07.2025. The information called included information pertaining to sales, cost of production and profitability of the domestic producers. However, none of the other domestic producers provided such information to the Authority. The Authority only received a support letter from Reliance Industries Limited which was already filed with the Authority prior to initiation. It is also noted that neither the Authority nor the domestic industry can compel any domestic producer to submit information pertaining to injury parameters.

44. The Authority further notes that the applicants have not imported the subject goods from the subject countries. Moreover, the applicants are not related to any exporter of the subject goods in the subject countries or importer of the subject goods in India. Further, the production of the applicants' accounts represents a significant and important proportion of the total eligible domestic production and thus accounts for a major proportion of the total eligible domestic production. Thus, the applicants constitute domestic industry as defined under Rule 2(b) of the AD Rules, 1995, and the application satisfies the requirement of standing in terms of Rule 5(3) of the AD Rules, 1995.
45. With respect to support letter filed by Reliance Industries Limited, the Authority notes that there is no difference between the letter filed at the stage of initiation and the letter circulated with the updated non-confidential version of the application. The domestic industry in the updated non-confidential version of the application only appropriately mentioned the unit of measurement therein based on the comments of the other interested parties. Accordingly, the Authority does not find any infirmity in the support letter.

## **D. CONFIDENTIALITY**

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

46. The other interested parties made the following submissions in this regard:
- a. The domestic industry has claimed excessive confidentiality.
  - b. The Petitioner has claimed confidentiality over details of total Indian production of the PUC.
  - c. The domestic industry has belatedly circulated the updated non-confidential version of the application.

### **D.2 Comments of the domestic industry**

47. The following submissions have been made by the domestic industry in this regard:
- a. The domestic industry has provided data as per Trade Notice 10/2018.
  - b. The other interested parties are requesting to file certain information, which no longer form part of the application format.

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

48. With regard to confidentiality of information, Rule 7 of AD Rules, 1995 provides as follows:

*'Confidential information:*

*(1) Notwithstanding anything contained in sub-rules (2), (3) and (7) of rule 6, sub-rule(2) of rule 12, sub-rule(4) of rule 15 and sub-rule (4) of rule 17, the copies*

*of applications received under sub-rule (1) of rule 5, or any other information provided to the designated authority on a confidential basis by any party in the course of investigation, shall, upon the designated authority being satisfied as to its confidentiality, be treated as such by it and no such information shall be disclosed to any other party without specific authorization of the party providing such information.*

- (2) *The designated authority may require the parties providing information on confidential basis to furnish non-confidential summary thereof and if, in the opinion of a party providing such information, such information is not susceptible of summary, such party may submit to the designated authority a statement of reasons why summarization is not possible.*
- (3) *Notwithstanding anything contained in sub-rule (2), if the designated authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorise its disclosure in a generalized or summary form, it may disregard such information.'*

49. Equate and RRPC have contended that the domestic industry has claimed confidentiality over total Indian production data in the application. The same has been disclosed by the Authority above.
50. With respect to disclosure of country-wise value and volume data, the Authority notes that the same has been disclosed by the domestic industry in the updated non-confidential version of the application.
51. Equate and Qatofin have contended that the domestic industry has circulated the updated non-confidential version of the application belatedly. The Authority notes that an updated non-confidential version of the application was circulated by the domestic industry on 11.04.2026 after Equate and Qatofin circulated their comments on confidentiality to the domestic industry for the first time on 09.04.2026. The updated petition mainly addresses the comments on confidentiality filed by the said exporters. It is noted that circulation of non-confidential versions of submissions is incumbent upon the interested parties themselves. Subsequent to the circulation of comments on 09.04.2026, the domestic industry circulated the updated version of the non-confidential application to the interested parties including Equate and Qatofin. Thus, since the comments on confidentiality were circulated by Equate and Qatofin belatedly, to which the domestic industry responded on 11.04.2026. Accordingly, it cannot be considered that the domestic industry has circulated a belated response.
52. Other interested parties have claimed that the domestic industry has not conformed to the Trade Notice No. 10/2018 with respect to the non-confidential version of the application. In this regard, it is noted that the comments of the other interested parties were circulated to the domestic industry, subsequent to which the domestic industry has provided the country-wise import data (volume and value), capacity utilization in required format, aggregated volume of production of other Indian producers, adjustments made to normal value, and export price. The domestic industry has further submitted that other comments by the interested parties are no longer part of the application format pertaining to confidentiality.
53. The information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claims. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted and such information has been considered confidential and not disclosed to the other interested parties. Wherever possible,

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

54. A list of all the interested parties was uploaded on DGTR's website along with the request to all of them to email the non-confidential version of their submissions to all other interested parties.

## **E. MISCELLANEOUS SUBMISSIONS**

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

55. The following submissions have been made by the other interested parties:
- a. The initiation of investigation is against the spirit of India-UAE CEPA as imports from UAE have demonstrably declined during the POI.
  - b. The Petition contains inconsistent data and hence should be terminated.

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

56. The following submissions have been made by the domestic industry:
- a. The domestic industry requests the Authority to disregard all legal and factual submissions made by All India HDPE Manufacturers Association and requests the Authority as it has neither filed any questionnaire response, nor has it filed any other submission/ document to establish its locus.
  - b. The Association has not provided its complete list of members, its by-laws, minutes of meeting to demonstrate which members have authorized it to participate in the present proceedings. In absence of the same, no weight should be lent to the submissions made by the Association.

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

57. The Authority notes that trade remedial investigations are initiated based on *prima facie* evidence of dumping, injury and causal link as required under AD Rules, 1995. It is further noted that decline in imports cannot constitute a reason to not initiate an investigation if the evidence in the application contained information concerning dumping, injury and causal link. The Authority, as stipulated under India-UAE Comprehensive Economic Partnership Agreement, carried out pre-initiation consultation with representatives from the Government of UAE and provided them the opportunity to present arguments which have been considered by the Authority in these final findings.
58. With regards to inconsistency in data contained in the application, the Authority notes that the final findings, disclosure statement and the initiation of investigation was based on data which was duly verified by the Authority from the accounting records of the domestic industry.
59. With respect to non-filing of user questionnaire by the All India HDPE/PP Woven Fabric Manufacturers Association, the Authority notes that in line with its consistent practice and

keeping in view that no other Indian user has participated in the investigation, it has allowed and considered legal submissions from the association.

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

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

60. The following submissions have been made by the other interested parties concerning the determination of normal value, export price and dumping margin:
- i. The petition did not contain sufficient evidence of dumping to justify initiation of investigation against Qatar and Kuwait.
  - ii. The petitioner has failed to demonstrate that it made any credible efforts to substantiate its claim that reliable information on prevailing prices in the State of Qatar, Kuwait and the other subject countries; or exports to third countries, were unavailable.
  - iii. LLDPE price indices and market assessments are widely published. In fact the Petitioner was aware that the Authority in previous investigation concerning LDPE from State of Qatar had found domestic sales prices to be representative.
  - iv. The Authority must find that the petition did not contain accurate and adequate evidence of dumping. Accordingly, the investigation must be terminated.
  - v. Where domestic prices are not available, the petitioner is required to rely either on export prices or cost of production in country of origin. There was no basis to estimate the normal value based on the costs of Indian producers.
  - vi. Art. 5.2 of AD Agreement requires disclosure of benchmark for normal value used for calculation of dumping margin. The Authority should have rejected the petition as normal value was not based on either of the methods.
  - vii. The applicant has not provided any basis for not considering the cost of production available in the country of origin and has also not explained why the costs of Indian domestic producers reflect the costs in the State of Saudi Arabia, Qatar, and Oman.
  - viii. The reference to related-party supply does not justify disregarding actual transfer prices without demonstrating that such transactions are not at arm's length or that they do not reasonably reflect market value.
  - ix. Separate dumping and injury margin must be computed for Rabigh Group, Kemya Group and Sadara Group from Saudi Arabia on the basis of their individual responses.
  - x. Absence of dumping from UAE on similar products (LDPE) has been established in past investigation.
  - xi. There is no particular market situation (PMS) in Saudi Arabia, Qatar, and Kuwait. No evidence has been provided to demonstrate the existence of the same apart from general assertion.
  - xii. The Authority recently in *Monoethylene Glycol from Kuwait, Saudi Arabia and Singapore*, observed that there was no direct evidence of PMS in Kuwait during the POI.
  - xiii. The Authority in previous investigation against Saudi Arabia has refused to consider that PMS affects price comparability.
  - xiv. The Authority in *LDPE investigation* had determined that there was no raw material/utility price distortion in UAE.
  - xv. The Petitioner has made a sweeping and unsubstantiated allegation that the GCC is affected by PMS due to government intervention in the pricing of certain input materials and utilities, without providing any basis.

- xvi. The Authority has rejected such misplaced assertions in the past investigations such as *Linear Alkyl Benzene (LAB) from Iran and Qatar* and *Low-Density Polyethylene (LDPE) from Qatar, Saudi Arabia, Singapore, Thailand, United Arab Emirates and United States of America*. Accordingly, such general and unfounded assertions of existence of PMS must be dismissed.
- xvii. The Panel's decision in *Australia – A4 Copy Paper* requires the Petitioner to establish such a situation preventing proper comparison between domestic and export sales, in addition to PMS.
- xviii. RRPC should be awarded the weighted average rate determined for the SABIC Group.
- xix. RRPC was earlier held by Saudi Aramco and Sumitomo Chemical at 37.5% each, with the balance 25% held by public shareholders. Aramco acquired 22.5% additional stake in RRPC from Sumitomo in October 2025. RRPC and SABIC are under common control of SABIC.
- xx. The Authority had awarded RRPC duty applicable to SABIC Group in the recently concluded MEG investigation.
- xxi. The response of a cooperating producer/exporter cannot be rejected merely because another entity which exported a small portion of the producer's product has not filed a questionnaire response.
- xxii. Majority of export volume by RRPC was exported through SABIC and some quantity was exported through Sumitomo. With Aramco's announcement of acquiring 22.7% share of 37.5% Sumitomo's stake in RRPC, Sumitomo's role became limited.
- xxiii. Even if the Authority considers that RRPC's export chain is not fully on record on account of Sumitomo's non-participation, it must still use the information that has been placed on record by the cooperating producer and the cooperating related entity to the extent that such information satisfies the requirements of Annex II.
- xxiv. RRPC has also furnished resale price information and profitability statement of Sumitomo as part of verification documents. Accordingly, non-participation of Sumitomo cannot be converted into grounds for rejecting RRPC's entire questionnaire response.
- xxv. The Authority in *Polystyrene* and *Acetone* findings applied facts available only to the extent of non-cooperating sales channel.
- xxvi. The non-participation of related producer PrefChem from Malaysia is irrelevant for determination of anti-dumping duties for producers/exporters in Saudi Arabia.
- xxvii. The Authority in *PVC Suspension Resin, Halobutyl-Rubber and Isobutylene-Isoprene Rubber* granted cooperating exporters an individual duty rate even when related producers from non-subject countries did not cooperate in the investigation.
- xxviii. SHARQ is a 50-50 joint venture of SABIC and SPDC. Mitsubishi Corporation is not an affiliate of the SABIC group, rather Mitsubishi Corporation is a shareholder of SPDC. Under Trade Notice No. 09/2018 it cannot be said that Mitsubishi is related to either Sharq or SABIC.
- xxix. Mere relationship between 2 parties is not sufficient to establish control. The Authority in *Anodized aluminium frames for solar panels/modules* has held that examination must focus on whether one entity is "*legally or operationally in a position to exercise restraint or direction over the latter*".
- xxx. Mitsubishi holds only 33.34% of SPDC's share, whereas SPDC holds 50% of share of Sharq. Neither Sharq nor Mitsubishi holds more than 5% in Sharq and therefore, it cannot be said Mitsubishi and Sharq are related entities.
- xxxi. Sharq is 50:50 joint venture between SABIC and SPDC and none of them are in a position to legally or operationally exercise restraint or direction over Sharq and thus, they cannot independently exercise control over Sharq.

- xxxii. While SABIC and SPDC together can control Sharq, Mitsubishi is only a minority shareholder in SPDC and therefore cannot legally or operationally exercise restraint over SPDC.

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

61. The following submissions have been made by the domestic industry concerning the determination of normal value, export price and dumping margin:
- i. The Authority must examine whether complete domestic and export sales channel has been reported by the participating exporters from the subject countries.
  - ii. The non-confidential version of the SAPPL's questionnaire response makes no reference to the fact that it has supplied subject goods manufactured by PRefChem to India.
  - iii. It is unclear whether PRefChem goods supplied by SAPPL to India are actually goods originating in Malaysia or goods originating in Saudi Arabia which were subsequently traded through PRefChem and SAPPL and therefore, exported to India.
  - iv. As is evident from SAPPL's questionnaire, SAPPL has clearly stated that it has supplied goods manufactured only by producers in KSA.
  - v. SABIC's response also does not mention that it has supplied subject goods manufactured in other subject countries to India.
  - vi. The only logical conclusion emanating from SAPPL and SABIC's response is that goods exported from PRefChem, Malaysia are actually goods originating in Saudi Arabia which were traded and exported through PRefChem and SAPPL.
  - vii. SABIC Group's related producer, PRefChem in Malaysia, Sharq's related exporter, Mitsubishi Corporation and Petro Rabigh's related exporter Sumitomo Chemical Asia Pte. Ltd. has not participated in the investigation.
  - viii. Para 12.20 of the Manual of Operating Practices clearly stipulates that responding producer has to file a complete response in respect of all related entities who are involved in exports of PUC for being considered cooperative and getting an individual dumping margin.
  - ix. In view of the incomplete sales channel, the Authority should reject entirety of response of SABIC Group, including Sadara and Kemya.

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

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

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

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

*(a) comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6);*

*(b) Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely 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.'*

63. The Authority sent questionnaires to the known producers/exporters from the subject countries, as well as to the appropriate diplomatic representative advising them to provide information in the form and manner prescribed by the Authority within the prescribed time limit.

64. The following producers have participated in the investigation:

<b>Country</b>	<b>Name of Producer/ Exporter</b>	<b>Producer-Exporter / Exporter</b>
Kuwait	Equate Petrochemical Co. ("Equate")	Producer-Exporter
Malaysia	No producer has participated from Malaysia	-
Oman	M/s OQ Polymer L.L.C. ("OQ")	Producer-Exporter
	OQ Marketing L.L.C. ("OQM")	Exporter
Qatar	Qatofin Company Limited Q.P.J.S.C ("Qatofin")	Producer-Exporter
	Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) Q.P.J.S.C ("Muntajat")	Exporter
	QatarEnergy Marketing ("QEM")	Exporter
	TotalEnergies Petrochemicals France - Qatar Branch Office ("TotalEnergies")	Exporter
Saudi Arabia	Al-Jubail Petrochemical Company ("Kemya")	Producer-Exporter
	Arabian Petrochemical Company ("Petrokemya")	Producer-Exporter
	Eastern Petrochemical Company ("Sharq")	Producer-Exporter
	Jubail United Petrochemical Company ("United")	Producer-Exporter
	Rabigh Refinery & Petrochemical Company ("RRPC")	Producer-Exporter
	Sadara Chemical Company ("Sadara")	Producer-Exporter
	Yanbu National Petrochemical Company ("Yansab")	Producer-Exporter
	Saudi Basic Industries Corporation ("SABIC")	Exporter

	SABIC Asia Pacific Pte. Ltd. (“SAPPL”)	Exporter
	SPDC	Exporter
	ExxonMobil Asia Pacific Pte. Ltd. (“EMAPPL”)	Exporter
	Dow Saudi Arabia Product Marketing B.V. (“DSA”)	Exporter
	Dow Chemical Pacific (Singapore) Private Limited (“DCP (S)”)	Exporter
	Dow Chemical Pacific (Singapore) Private Limited, Dubai branch (“DCP (S) (D)”)	Exporter
	Dow Chemical International Pvt. Ltd. Dubai Branch (“DCIPL”)	Exporter
UAE	Abu Dhabi Polymers Co. Ltd (“ADPCL”)	Producer-Exporter
	Borouge PTE Ltd. (“Borouge”)	Exporter
	SRJ Global F.Z.E.	Exporter

65. Other interested parties have contested the allegation of particular market situation against the subject countries. The Authority notes that the domestic industry has not placed sufficient evidence on record. Accordingly, the Authority has not examined the allegation, and no adjustment on account of particular market situation has been made either to the cost of production or normal value and export price.
66. Where an exporting producer has exported through multiple sales channels (enumerated below), the Authority has determined a weighted average normal value and compared with the weighted average export price of that exporter to determine the dumping margin. Further, where an exporter has exported more than one PCN, dumping and injury margin has been determined PCN wise, and weighted average dumping and injury margin for the producer as whole has also been determined.
67. The Authority also notes that several related producers have also participated in the investigation. The Authority has determined individual dumping and injury margins for such producers and has also determined weighted average dumping and injury margin for the group. The final duty recommendation, if any, for all related producers would be based on the lower of the weighted average dumping or injury margin for the group. The following table represents the sales channel of the participating producers in the present investigation:

Sales Channel	Producer	Exporter 1*	Exporter 2*	Exporter 3*	
Domestic	Equate	-	-	-	UR customers
Export	Equate	-	-	-	UR customers
Domestic	OQ Polymers	OQ Marketing	-	-	UR customers
Export	OQ Polymers	OQ Marketing	-	-	UR customers
Domestic	Qatofin	Muntajat			UR customers
	Qatofin	QEM	-	-	UR customers
Export	Qatofin	Muntajat	-	-	UR customers

		QEM	-	-	UR customers
		Muntajat	Total Energies	-	UR customers
Domestic	Petrokemya	SABIC	-	-	UR customers
Export	Petrokemya	SABIC	SAPPL		UR customers
Domestic	Sharq	SABIC			UR customers
Export	Sharq	SABIC	SAPPL		UR customers
	Sharq	SPDC	Mitsubishi		UR customers
Domestic	United	SABIC			UR customers
Export	United	SABIC	SAPPL		UR customers
Domestic	Yansab	SABIC			UR customers
Export	Yansab	SABIC	SAPPL		UR customers
Domestic	Kemya	SABIC			
Export	Kemya	SABIC	SAPPL		UR customers
Export	Kemya	EMCAP			UR customers
Domestic	RRPC	SABIC			UR customers
	RRPC	Sumitomo			UR customers
	RRPC				UR customers
Export	RRPC	SABIC	SAPPL		UR Customer
	RRPC	Sumitomo			UR Customer
Domestic	Sadara	SABIC			UR Customer
	Sadara	DMS			UR Customer
Export	Sadara	SABIC	SAPPL		UR Customer
	Sadara	DSA	DCP (S)		UR Customer
	Sadara	DSA	DCP (S)	DCIPL	UR Customer
	Sadara	DSA	DCIPL		UR Customer
	Sadara	DSA	DCP(S) (D)	UR exporters	UR Customer
Domestic	ADPCL	Borouge			UR Customer
Export	ADPCL	Borouge			UR Customer
	ADPCL	Borouge	SRJ (UR Exporter)		UR Customer

*\*All exporters are related unless specifically mentioned that they are unrelated (UR Exporter).*

68. The Authority notes that several producer-exporters, related and unrelated exporters, have participated in the present investigation. These producer-exporters have sold the subject goods both in their home market and exported to India through related party sales channels. During the course of investigation, the Authority found that in certain cases producers were selling at high prices to their related exporters and subsequently these related exporters were exporting the goods at dumped prices to India. Accordingly, as mandated under S.9(A) of the Customs Tariff Act, 1975, the Authority has determined both normal value and export prices from the point of first resale to independent customers after deducting SGA expenses and profits of related exporters and SGA expenses of producers to determine the ex-factory value at the producer level.
69. In this regard, the Authority notes that all producers from Saudi Arabia namely, Kemya, Petrokemya, Sharq, United, RRPC, Sadara, and Yansab, are either controlled directly or indirectly by SABIC or Saudi Aramco, the majority shareholder (70%) of SABIC and thus, have been considered as related parties. The shareholding patterns are as follows:

Producer	Shareholding	Direct Shareholder	Shareholding	Shareholder of Direct Shareholder
Kemya	***	SABIC	***	Saudi Aramco
	***	Exxon Chemical Arabia Inc.	***	
Petrokemya	***	SABIC	***	Saudi Aramco
RRPC	***	Saudi Aramco	***	
	***	Sumitomo Chemical Co.	***	
	***	Public Shareholding	***	
Sharq	***	SABIC	***	Saudi Aramco
	***	SPDC	***	Mitsubishi Corporation
United	***	SABIC	***	Saudi Aramco
	***	General Organization for Social Insurance	***	
Yansab	***	SABIC	***	
	***	Public	***	
SAPPL	***	Saudi Aramco	***	Saudi Aramco
Sadara	***	Excellent Performance Chemicals Company	***	Saudi Aramco
	***	Dow Saudi Arabia Holding B.V.	***	

70. Based on the above, the Authority has considered Kemya, Petrokemya, Sharq, United, RRPC, Sadara, and Yansab as related producers and form part of the same group, Saudi Aramco – SABIC Group.

71. The Authority notes that the sales channel for two producers, namely Sharq and RRPC of the SABIC Group, is incomplete on account of non-participation of related exporters. With respect to Sharq, the Authority notes that Sharq has exported the subject goods through its related entity SPDC which in turn resold them to its related entity Mitsubishi Corporation (“Mitsubishi”), which has further exported to India. Mitsubishi has not participated in the present investigation. In view of Sharq’s incomplete sales channel, the domestic industry has claimed that Sharq’s questionnaire response should be rejected.
72. The Authority notes that as part of the questionnaire response, participating exporters are required to furnish information concerning export and domestic sales channels, including the fact whether any related or unrelated exporters were part of such sales channels. Further, the questionnaire requires non-producer related entities involved in the exports of the PUC to submit Part I, Part II along with Appendix-5. Further, in Appendix 3A, the Authority specifically requires the participating exporter to identify the relationship between the exporter and customer, that is, whether they are related or not, and the nature of the relationship. This information is sought to ensure accurate determination of net export price, as there may be instances wherein the exporter’s related or unrelated exporter may be dumping. In the absence of accurate information concerning all export sales channels, the Authority would neither be able to determine the price at which the goods were finally exported to India nor the landed value of such goods in India.
73. In the present investigation, Sharq and SPDC did not provide a complete and accurate disclosure of their sales channel in their original questionnaire response filed on September 12, 2025. Specifically, SPDC omitted to even disclose in its narrative questionnaire response that it had made sales to India through its related party Mitsubishi. Furthermore, SPDC not only omitted to provide information pertaining to two columns namely, “If Related” (relationship between exporter and customer) and “what relationship” (nature of relationship”), but in fact deleted these columns altogether from Appendix 3A. Except SPDC, other entities of SABIC Group had reported these columns accurately.
74. As the questionnaire entails filing of comprehensive information, at times, inadvertent omissions can happen. To rectify such omissions, *vide* email dated October 12, 2025, the Authority provided a second opportunity to all exporters and specifically requested the exporters to clarify the names of all related producers, exporters, and exporters who were engaged in the sales or production of the subject goods in their response (Question (h) of General Questions). Sharq and SPDC were also directed to complete their questionnaire response. However, in its response SPDC did not communicate to the Authority that its exports to India through Mitsubishi Corporation constituted related sales. Despite a specific question raised by the Authority, SPDC, in its revised appendices, once again failed to report export sales between SPDC and Mitsubishi as related party sales or to identify Mitsubishi Corporation as a related party. SPDC again in its questionnaire deleted the columns pertaining to relationship with its customer (Mitsubishi). Therefore, it follows that SPDC deliberately omitted information pertaining to its relationship with Mitsubishi.
75. The Authority further notes that Sharq has contended that Mitsubishi is not an affiliate of Sharq and that Mitsubishi does not control Sharq. In this regard, the Authority notes that prior to examining the relationship between Mitsubishi and Sharq, the Authority must examine the relationship between Mitsubishi and SPDC. Mitsubishi holds 33.34% share in SPDC, and thus directly holds more than 5% of shares in SPDC and indirectly holds more than 5% share in Sharq. The Authority further recalls its recently concluded investigation concerning imports of

Mono ethylene Glycol, wherein it had held SPDC and Mitsubishi Corporation to be related, which was not contested either by Sharq or SPDC or Mitsubishi Corporation. The Authority has also perused the questionnaire response filed by Mitsubishi Corporation in that case and found that Mitsubishi Corporation had reported purchases from SPDC as related party purchases. In view of these facts, the Authority finds SPDC and Mitsubishi to be related to each other and Sharq to be indirectly related to Mitsubishi. Accordingly, the Authority has applied best information available to determine the export price and normal value of sales made by Sharq in terms of Rule 6(8) of AD Rules, 1995.

76. The Authority notes that SABIC Group has not disclosed non-participation of another related producer, namely PRefChem from Malaysia. While export transactions in Appendix 3A/ Appendix 3B of SAPPL and SABIC listed exports by PRefChem, in response to the questions in the supplementary questionnaire response, neither of them clarified non-participation of PRefChem (50% owned by Saudi Aramco and 50% by Petronas). On account of non-participation of PRefChem, the Authority has determined the dumping and injury margin for Malaysia based on best available information in terms of Rule 6(8) of AD Rules, 1995.
77. It is also noted that RRPC's export sales channel is incomplete on account of the non-participation of its related exporter Sumitomo. RRPC has relied on this Authority's findings in Polystyrene to claim that its response only to the extent of non-participation by its related exporter, should be rejected. The Authority notes that in Polystyrene, all related exporters of the exporter (Takht-e-Jamshid Pars Assalouyeh Petrochemical Company) had cooperated, and the Authority had determined the export price for unrelated exporters in terms of Rule 6(8) of AD Rules, 1995. RRPC has also relied on the Authority's determination in Acetone, wherein it had applied best information for non-cooperating sales channel. The Authority notes that even in Acetone, the non-cooperating sales channel pertained only to unrelated exporters. Apposite to the facts in that case, in the present investigation, RRPC's exports to India are made through only related parties, that is, SABIC and Sumitomo. Accordingly, neither of the findings mentioned above lends any support to RRPC's argument for partial consideration of its response.
78. The Authority notes that RRPC in Section E of its questionnaire response while admitting that it had exported the PUC through both Sumitomo and SABIC, it did not file questionnaire response for Sumitomo, nor did it specify any reason for its non-participation. *Vide* email dated October 12, 2025, the Authority enquired about RRPC's sales channels. RRPC in its response explained that in 2024 Saudi Aramco and Sumitomo had announced for acquisition of Sumitomo's 22.5% share capital in RRPC by Saudi Aramco. However, the Authority notes that the acquisition was finally completed in October 2025<sup>2</sup>, that is, outside of the POI. Furthermore, even after the acquisition, Sumitomo continues to hold more than 5% share in RRPC and therefore remains related in terms of Trade Notice 9/2018 dated.
79. RRPC also explained that Sumitomo was no longer interested in business and that it was RRPC's understanding that Sumitomo intended to exit the polymer business. The Authority notes that Sumitomo held significant shareholding in RRPC during the POI and thus remained a related party. As Sumitomo has not participated in the present investigation, the Authority notes that RRPC's sales channel remains incomplete. While the Authority exercises discretion in case of non-related exporters, in case of involvement of related exporters, the same

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<sup>2</sup> <https://www.aramco.com/en/news-media/news/2025/aramco-completes-acquisition-of-additional-stake-in-petro-rabigh>

relaxation cannot be extended as it would incentivize non-participation by related exporters with low export prices and thus, prevent the Authority from accurate determination of dumping. Accordingly, the Authority has determined the export price and normal value of RRPC in terms of Rule 6(8) of AD Rules, 1995.

### **F.3.1 Determination of Normal Value and Export Price**

#### **a) Normal Value for producers/exporters from Kuwait**

##### Normal value for Equate Petrochemical Company (“Equate”)

80. Equate has reported domestic sales of \*\*\*MT in the POI. The producer has claimed that all domestic sales are to unrelated parties. The producer has claimed adjustments on account of insurance, inland transportation, credit cost, and any other deduction. The Authority to the extent such claims could be verified from the documentary evidence provided by Equate has accepted such adjustments in the normal value. The cost of production as claimed by Equate to the extent that same could be verified and could be legally substantiated by Equate has been considered by the Authority. It is noted that more than 80% of domestic sales were found to be profitable, accordingly, all sales have been considered for determination of normal value. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

##### Normal value for non-cooperating producers

81. The normal value for non-cooperative producers/exporters from the Kuwait has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The normal value so determined is mentioned in the dumping margin table below.

#### **b) Export price for producers / exporters from Kuwait**

##### Export price in case of Equate

82. Equate has reported \*\*\*MT as exports of NMG PCN during the POI. The producer has claimed that it has made direct as well as indirect exports through an unrelated exporter of the subject goods to India. The unrelated exporter has not participated in the investigation. It is noted that export sales made through the unrelated exporter are insignificant. The producer has claimed adjustments on account of ocean freight, insurance, inland transportation, port and other related expenses, credit cost, and any other deduction. The Authority to the extent such claims could be verified from the documentary evidence provided by Equate has accepted such adjustments in the export price. The Authority has taken into account the direct sales made to Indian customers on the basis of quantity and value reported in the appropriate appendices, and has also considered export price on the basis of facts available for the channels for which export price to India was not available as unrelated exporters did not cooperate in this investigation. The net export price so determined is shown in the table below.

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

83. The export price for non-cooperative producers/exporters from Kuwait has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The net export price so determined is mentioned in the dumping margin table below.

#### **Normal Value for producers/exporters from Malaysia**

Normal value for non-cooperating producers.

84. No producer-exporter from Malaysia has participated in the present investigation. Accordingly, the normal value for non-cooperative producers/exporters from Malaysia has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The normal value so determined is mentioned in the dumping margin table below.

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

85. The export price for non-cooperative producers/exporters from Malaysia has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The net export price so determined is mentioned in the dumping margin table below.

**Normal Value for producers/exporters from Oman**

Normal value for OQ Polymers LLC

86. OQ Polymers LLC has reported domestic sales of \*\*\*MT in its domestic market. These sales have been made through its related exporter OQ Marketing LLC. OQ Polymers LLC has claimed adjustments on account of inland transportation. The Authority to the extent such claims could be verified from the documentary evidence provided by OQ Polymers has accepted such adjustments in the normal value. The cost of production as claimed by OQ Polymers to the extent that same could be verified and could be legally substantiated by OQ Polymers has been considered by the Authority. It is noted that only \*\*\*% of domestic sales were found to be profitable, accordingly, only profitable sales have been considered for determination of normal value. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

Normal value for non-cooperating producers.

87. The normal value for non-cooperative producers/exporters from Oman has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The normal value so determined is mentioned in the dumping margin table below.

Export price for OQ Polymers LLC

88. OQ Polymers LLC has reported sales of \*\*\*MT of exports of NMG PCN during the POI. OQ Polymers LLC has claimed that it has made only indirect exports to India through its related exporter, OQ Marketing LLC. OQ Polymers LLC has claimed adjustments to export price on account on shipping cost. OQ Marketing LLC has claimed adjustment for credit cost. The Authority to the extent such claims could be verified from the documentary evidence provided by OQ Group has accepted such adjustments in the export price. The net export price so determined is shown in the table below.

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

89. The export price for non-cooperative producers/exporters from Oman has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The net export price so determined is mentioned in the dumping margin table below.

## **Normal Value for producers/exporters from Qatar**

### Normal value for Qatofin Company Limited Q.P.J.S.C. (“Qatofin”)

90. Qatofin has reported domestic sales of \*\*\*MT in its domestic market. These sales have been made through its related exporter Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) Q.P.J.S.C. (“Muntajat”). Qatofin has claimed adjustments on account of marketing fees. Further, its related exporter, Muntajat has claimed adjustments on account of insurance, inland transportation, credit cost, LC charges, bank charges, credit insurance, and documentation charges. The Authority to the extent such claims could be verified from the documentary evidence provided by Qatofin and its related exporters has accepted such adjustments in the normal value. The cost of production as claimed by Qatofin to the extent that same could be verified and could be legally substantiated by Qatofin has been considered by the Authority. It is noted that more than 80% of domestic sales were found to be profitable, accordingly, all sales have been considered for determination of normal value. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

### Normal value for non-cooperating producers.

91. The normal value for non-cooperative producers/exporters from Qatar has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The normal value so determined is mentioned in the dumping margin table below.

### Export price for Qatofin

92. Qatofin has reported sales of \*\*\*MT of exports of NMG PCN during the POI. Qatofin has claimed that it has made only indirect exports to India through its related exporters, Muntajat, QatarEnergy Marketing and Total Petrochemicals France - Qatar Branch Office. Qatofin has claimed adjustments to export price on account of inland transportation. Total Petrochemicals France – Qatar Branch Office has claimed ocean freight, insurance, credit cost, bill of lading fee, lift on lift off charges, custom charges, LC charges, credit insurance and documentation charges. Qatar Energy Marketing has claimed adjustments on account of ocean freight, insurance, credit cost, LC charges, bank charges, credit insurance, and documentation charges. Muntajat has claimed adjustments on ocean freight, insurance, credit cost, bill of lading, lift on lift off, custom charges, LC charges, custom charges, bank charges, credit insurance, and documentation charges. The Authority to the extent such claims could be verified from the documentary evidence provided by Qatofin and its related exporters has accepted such adjustments in the export price. The net export price so determined is shown in the table below.

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

93. The export price for non-cooperative producers/exporters from Qatar has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The net export price so determined is mentioned in the dumping margin table below.

## **Normal Value for producers/exporters from Saudi Arabia**

### Normal value for Kemya

94. Kemya has reported domestic sales of \*\*\*MT in the POI of NMG PCN. All domestic sales have been made through related exporter SABIC. The producer has not claimed any

adjustments SABIC has claimed adjustments on account of handling& packaging, documentation, storage, land transportation and credit insurance. The Authority to the extent such claims could be verified from the documentary evidence provided by Kemya has accepted such adjustments in the normal value.

95. The Authority found that except Kemya all other producers in Saudi Arabia which are related to Kemya and are using the same sales channel (through SABIC) have claimed selling and distribution expense. Kemya subsequently in its Supplementary Questionnaire Response also continued to claim no adjustments. To verify whether such costs were borne by its related exporter, the Authority checked per unit adjustments claimed by SABIC for other producers and found that per unit expenses borne by SABIC for Kemya were in the same range as other producers. The Authority also noted that sales made to SABIC were not ex-factory but rather FOB transactions. The Authority also noted that Kemya was located in the same geographic region as its related producers and therefore, there was no reason for not reporting adjustments for selling and distribution expenses. As all other producers were bearing selling and distribution expenses in addition to which SABIC was also bearing expenses in selling such goods, the Authority also adjusted Kemya's selling price by applying per unit rate reported in Appendix 4A of its related producers in terms of Rule 6(8) of AD Rules, 1995. Further, the cost of production as claimed by Kemya to the extent that same could be verified and could be legally substantiated by Kemya has been considered by the Authority. It is noted that only \*\*\* % of domestic sales were found to be profitable, accordingly, only profitable sales have been considered for determination of normal value. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

#### Normal value for PetroKemya

96. PetroKemya has reported domestic sales of \*\*\*MT in the POI of NMG PCN. All domestic sales have been made through related exporter SABIC. PetroKemya has claimed adjustments on account of selling and distribution expense. SABIC has claimed adjustments on account of handling& packaging, documentation, storage, land transportation and credit insurance. The Authority to the extent such claims could be verified from the documentary evidence provided by PetroKemya has accepted such adjustments in the normal value. The cost of production as claimed by PetroKemya to the extent that same could be verified and could be legally substantiated by PetroKemya has been considered by the Authority. The Authority used such cost to carry out the ordinary course of trade test. It is noted that more than 80% of domestic sales were found to be profitable, accordingly, all sales have been considered for determination of normal value. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

#### Normal value for Sharq

97. Sharq has reported domestic sales of \*\*\*MT in the POI of NMG PCN. For reasons mentioned above, Sharq's normal value has been determined in terms of Rule 6(8) of AD Rules, 1995. The Authority has considered the highest normal value of cooperating producers from Saudi Arabia as the normal value for Sharq. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

#### Normal value for United

98. United has reported domestic sales of \*\*\*MT in the POI of NMG PCN. All domestic sales have been made through related exporter SABIC. United has claimed adjustments on account

of inland transportation. SABIC has claimed adjustments on account of handling& packaging, documentation, storage, land transportation and credit insurance. The Authority to the extent such claims could be verified from the documentary evidence provided by United has accepted such adjustments in the normal value. The cost of production as claimed by United to the extent that same could be verified and could be legally substantiated by United has been considered by the Authority. The Authority used such cost to carry out the ordinary course of trade test. It is noted that more than 80% of domestic sales were found to be profitable, and accordingly, all sales have been considered for determination of normal value. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

#### Normal value for Rabigh Refinery and Petrochemical Company

99. RRPC has reported domestic sales of \*\*\*MT in the POI of NMG PCN. For reasons mentioned above, RRPC's normal value has been determined in terms of Rule 6(8) of AD Rules, 1995. The Authority has considered the highest normal value of cooperating producers from Saudi Arabia as the normal value for RRPC. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

#### Normal value for Sadara Chemical Company

100. Sadara Chemical Company has reported domestic sales of \*\*\*MT in its domestic market. These sales have been made through its related entities Dow Material Sciences Co. and SABIC. Sadara has claimed adjustments on account of inland transportation, credit cost, packing cost and marketing fees. Dow Material Sciences Co. has claimed adjustments on account of inland transportation, credit cost, packing cost and any other deduction. SABIC has claimed adjustments on account of handling & packing, documentation, storage, land transportation, and credit insurance. The Authority to the extent such claims could be verified from the documentary evidence provided by Sadara has accepted such adjustments in the normal value. The cost of production as claimed by Sadara to the extent that same could be verified and could be legally substantiated by Sadara has been considered by the Authority. The Authority used such cost to carry out the ordinary course of trade test. It is noted that all sales were found to be loss-making.
101. As Sadara's all domestic sales were found to be loss-making, and as normal value for other producers in Saudi Arabia was available, the Authority relied on data of other cooperating producers in Saudi Arabia, for determination of Sadara's normal value. The Authority has considered normal value of NMG PCNs of fully cooperating producers with highest domestic sales in volume terms in Saudi Arabia. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

#### Normal value for Yansab

102. Yansab has reported domestic sales of \*\*\*MT in its domestic market. These sales have been through its related entity SABIC. Yansab has claimed adjustments on account of storage and transportation costs. SABIC has claimed adjustments on account of handling& packaging, documentation, storage, land transportation, and credit insurance. The Authority to the extent such claims could be verified from the documentary evidence provided by Yansab has accepted such adjustments in the normal value. The cost of production as claimed by Yansab to the extent that same could be verified and could be legally substantiated by Yansab has been considered by the Authority. The Authority used such cost to carry out the ordinary course of trade test. It is noted that more than 80% of domestic sales were found to be profitable,

accordingly, all sales have been considered for determination of normal value. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

Normal value for non-cooperating producers.

103. The normal value for non-cooperative producers/exporters from the Saudi Arabia has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The normal value so determined is mentioned in the dumping margin table below.

**Export price for producers / exporters from Saudi Arabia**

Export Price for Kemya

104. Kemya has reported \*\*\*MT as exports of NMG PCN during the POI. Kemya has claimed that it has made only indirect exports through its related exporters namely, SABIC-SAPPL and EMCAP to India. Kemya has not claimed any adjustments in its response. Similar to normal value, the Authority found that except Kemya all other producers in Saudi Arabia which are related to Kemya and are using the same sales channel (through SABIC) have claimed selling and distribution expense. Kemya subsequently in its Supplementary Questionnaire Response also stated it did not bear any expenses in relation to exports. To verify whether such costs were borne by its related exporters, the Authority checked per unit adjustments claimed by SABIC for other producers and found that per unit expenses borne by SABIC for Kemya were in the same range as other producers. The Authority also noted that sales made to SABIC were not ex-factory but rather FOB transactions. The Authority also noted that Kemya was located in the same geographic region as its related producers and therefore, there was no reason for not reporting adjustments for selling and distribution expenses. As all other producers were bearing selling and distribution expenses in addition to which SABIC was also bearing expenses in selling such goods, the Authority also adjusted Kemya's selling price by applying per unit rate reported in Appendix 3A of its related producers.
105. SABIC has claimed adjustments on account of rebates, port charges, ocean freight, handling and packing, documentation, extra port, other expenses, storage, take-in warehouse, bank charges, custom clearance, demurrage, insurance, war risk, land transportation, on/off loading and credit insurance. SAPPL has claimed adjustments on account of LC insurance premium, credit insurance, outsourcing fee, bank charges, and commission. EMCAP has claimed adjustments on account of ocean freight, insurance, port and other related expenses, discount, credit cost, and canvassing commission. The Authority to the extent such claims could be verified from the documentary evidence has accepted such adjustments in the export price. The net export price so determined is shown in the table below.

Export Price for PetroKemya

106. PetroKemya has reported \*\*\*MT as exports of NMG PCN during the POI. PetroKemya has claimed that it has made only indirect exports through its related exporters namely, SABIC-SAPPL to India. PetroKemya has claimed adjustments on account of selling and distribution expenses. SABIC has claimed adjustments on account of rebates, port charges, ocean freight, handling and packing, documentation, extra port, other expenses, storage, take-in warehouse, bank charges, custom clearance, demurrage, insurance, war risk, land transportation, on/off loading and credit insurance. SAPPL has claimed adjustments on account of LC insurance premium, credit insurance, outsourcing fee, bank charges, and commission. The Authority to

the extent such claims could be verified from the documentary evidence has accepted such adjustments in the export price. The net export price so determined is shown in the table below.

#### Export Price for Sharq

107. Sharq has reported \*\*\*MT as exports of NMG PCN during the POI. Sharq has claimed that it has made only indirect exports through its related exporters namely, SABIC-SAPPL and SPDC-Mitsubishi. As mentioned above, Mitsubishi Corporation, Sharq's related party has not participated in the present investigation. Accordingly, Sharq's sales channel remains incomplete and therefore, the Authority has determined export price for Sharq based on the facts available in terms of Rule 6(8) of AD Rules, 1995 and has considered the lowest export price of cooperating producers from Saudi Arabia. The net export price so determined is shown in the table below.

#### Export Price for United

108. United has reported \*\*\*MT of exports of NMG PCN during the POI. United has claimed that it has made only indirect exports to India through its related exporters namely, SABIC-SAPPL. United has claimed adjustments to export price on account on inland transportation. SABIC has claimed adjustments on account of rebates, port charges, ocean freight, handling and packing, documentation, extra port, other expenses, storage, take-in warehouse, bank charges, custom clearance, demurrage, insurance, war risk, land transportation, on/off loading and credit insurance. SAPPL has claimed adjustments on account of LC insurance premium, credit insurance, outsourcing fee, bank charges, and commission. The Authority to the extent such claims could be verified from the documentary evidence has accepted such adjustments in the export price. The net export price so determined is shown in the table below.

#### Export Price for Rabigh Refinery and Petrochemical Company

109. RRPC has reported \*\*\*MT of exports of NMG PCN during the POI. RRPC has claimed that it has made only indirect exports to India through its related exporters namely, SABIC-SAPPL and Sumitomo Chemical Asia Pte Ltd. As mentioned above, Sumitomo Chemical Asia Pte Ltd, RRPC's related party, has not participated in the present investigation. Accordingly, RRPC's sales channel remains incomplete and therefore, the Authority has determined export price for RRPC based on the facts available in terms of Rule 6(8) of AD Rules, 1995 and has considered the lowest export price of cooperating producers from Saudi Arabia. The net export price so determined is shown in the table below.

#### Export Price for Sadara Chemical Company

110. SCC has reported sales of \*\*\*MT of exports of NMG PCN during the POI. SCC has claimed that it has made only indirect exports to India through its related exporters namely, SABIC-SAPPL, Dow Saudi Arabia Marketing B.V., Dow Chemical Pacific (Singapore) Private Limited, Dow Chemical Pacific (Singapore) Pvt. Ltd. – Dubai Branch and Dow Chemical International Pvt. Ltd. Dubai Branch. SCC has claimed adjustments on account of inland transportation, port and other related expenses, packing cost, credit cost, and marketing fees. Dow Saudi Marketing B.V. has claimed adjustments on account of Freight Sadara to Dow Warehouse, Insurance, Warehouse Cost, Dow Pacific Singapore has claimed adjustments on account of Freight Saudi Arabia to Dow Warehouse, Insurance, Port and other related expenses. Dow Chemical Pacific (Singapore) Pvt. Ltd. – Dubai Branch has claimed

adjustments on account of insurance and credit cost. DCIPL has claimed adjustments on account of credit cost.

111. SABIC has claimed adjustments on account of rebates, port charges, ocean freight, handling and packing, documentation, extra port, other expenses, storage, take-in warehouse, bank charges, custom clearance, demurrage, insurance, war risk, land transportation, on/off loading and credit insurance. SAPPL has claimed adjustments on account of LC insurance premium, credit insurance, outsourcing fee, bank charges, and commission. The Authority to the extent such claims could be verified from the documentary evidence has accepted such adjustments in the export price. The net export price so determined is shown in the table below.

#### Export Price for Yansab

112. Yansab has reported sales of \*\*\*MT of exports of NMG PCN during the POI. Yansab has claimed that it has made only indirect exports to India through its related exporters namely, SABIC-SAPPL. Yansab has claimed adjustments to export price on account on inland transportation. SABIC has claimed adjustments on account of rebates, port charges, ocean freight, handling and packing, documentation, extra port, other expenses, storage, take-in warehouse, bank charges, custom clearance, demurrage, insurance, war risk, land transportation, on/off loading and credit insurance. SAPPL has claimed adjustments on account of LC insurance premium, credit insurance, outsourcing fee, bank charges, and commission. The Authority to the extent such claims could be verified from the documentary evidence has accepted such adjustments in the export price. The net export price so determined is shown in the table below.

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

113. The export price for non-cooperative producers/exporters from Saudi Arabia has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The net export price so determined is mentioned in the dumping margin table below.

#### **Normal Value for producers/exporters from UAE**

##### Normal value for Abu Dhabi Polymers Company Limited (“ADPCL”)

114. ADPCL has reported domestic sales of \*\*\*MT in its domestic market. ADPCL has sold both NMG and MG PCNs in the domestic market. These sales have been through its related entity Borouge Pte Ltd. ADPCL has claimed adjustments on account of land transportation, warehouse and handling cost, credit cost, packing cost. The Authority to the extent such claims could be verified from the documentary evidence has accepted such adjustments in the normal value. Additionally, its related exporter, Borouge has claimed adjustments on account of credit cost and rebates given to customers. The cost of production as claimed by the ADPCL to the extent that same could be verified and could be legally substantiated by ADPCL has been considered by the Authority. The Authority used such cost to carry out the ordinary course of trade test. It is noted that more than 80% of domestic sales were found to be profitable, accordingly, all sales have been considered for determination of normal value. The ex-factory normal value so determined has been mentioned in the dumping margin table below.

##### Normal value for non-cooperating producers.

115. The normal value for non-cooperative producers/exporters from UAE has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The normal value so determined is mentioned in the dumping margin table below.

Export price for ADPCL

116. ADPCL has reported sales of \*\*\*MT of exports of NMG and MPG PCN during the POI. ADPCL has claimed that it has made only indirect exports to India through its related exporter Borouge Pte Ltd and unrelated exporter, SRJ Global FZE. ADPCL has claimed adjustments to export price on account of ocean freight and insurance, inland transportation, port warehousing and other expenses, credit cost and packing cost. Borouge Pte Ltd. has claimed adjustments on account of credit cost, fixed cost of India office and rebates. SRJ Global FZE has not claimed any adjustments. The Authority to the extent such claims could be verified from the documentary evidence has accepted such adjustments in the normal value. The net export price so determined is shown in the table below.

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

117. The export price for non-cooperative producers/exporters from UAE has been determined based on facts available in terms of Rule 6(8) of the AD Rules, 1995. The net export price so determined is mentioned in the dumping margin table below.

**Dumping margin for related producers and Exporters**

118. It is noted that in the subject investigation many cooperating producers and exporters are related to each other and form a group of related companies. It has been a consistent practice of the Authority to consider related exporting producers and exporters as one single entity for the determination of a dumping/ injury margin and thus determine one single dumping/injury margin for them. This is in particular because calculating individual dumping/injury margins might encourage circumvention of anti-dumping measures, thus rendering them ineffective, by enabling related exporting producers to channel their exports to India through the company with the lowest individual dumping/ injury margin.
119. In accordance with the above, related producers and exporters have been regarded as one single entity and attributed one single dumping/ injury margin calculated on the basis of the weighted average of the dumping/ injury margins of the cooperating related producers and exporters.

**F.3.2 Dumping Margin**

120. The normal value, export price and dumping margin determined in the present investigation are as follows:

**Dumping Margin Table**

Producer	PCN	Normal value (\$/MT)	Export Price (\$/MT)	Dumping Margin (\$/MT)	Dumping Margin (%)	Dumping Margin (Range)
<b>Kuwait</b>						

Equate Petrochemical Company	NMG	***	***	***	***	10-20
Others	All	***	***	***	***	20-30
<b>Saudi Arabia</b>						
Al-Jubail Petrochemical Company ("Kemya")	NMG	***	***	***	***	0-10
Arabian Petrochemical Company ("Petrokemya")	NMG	***	***	***	***	0-10
Eastern Petrochemical Company ("Sharq")	NMG	***	***	***	***	20-30
Jubail United Petrochemical Company ("United")	NMG	***	***	***	***	0-10
Rabigh Refinery & Petrochemical Company	NMG	***	***	***	***	20-30
Sadara Chemical Company	NMG	***	***	***	***	0-10
Yanbu National Petrochemical Company ("Yansab")	NMG	***	***	***	***	0-10
Saudi Aramco - SABIC Group	NMG	***	***	***	***	10-20
Others	All	***	***	***	***	20-30
<b>Qatar</b>						
Qatofin Company Limited Q.P.J.S.C	NMG	***	***	***	***	(10)-0
<b>Oman</b>						
OQ Polymers L.L.C.	NMG	***	***	***	***	0-10
Others	All	***	***	***	***	10-20
<b>UAE</b>						
Abu Dhabi Polymers Co. Ltd	NMG	***	***	***	***	0-10
Abu Dhabi Polymers Co. Ltd	MG	***	***	***	***	(10)-0
Abu Dhabi Polymers Co. Ltd	Wt. Avg.	***	***	***	***	0-10
Others	All	***	***	***	***	0-10
<b>Malaysia</b>						
Any	All	***	***	***	***	40-50

## **G. ASSESSMENT OF INJURY**

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

121. The following submissions have been made by the other interested parties with respect to injury and causal link:
- i. The existence or absence of a demand-supply gap is not determinative of injury, and the Petitioner's ability to cater to Indian demand, does not discharge the Petitioner from its obligation to demonstrate adverse volume and price effects.
  - ii. The Authority in Seamless Tubes and Pipes had terminated the investigation when major producer, Maharashtra Seamless Ltd, failed to provide information.
  - iii. Imports from State of Qatar have fallen compared to 2021-22 and have declined by almost 65%. Such a dramatic decline rules out any claim of injury from the alleged dumped imports from the State of Qatar. In fact, imports from State of Qatar have started declining even prior to commencement of HMEL's production.
  - iv. While imports from State of Qatar fell steeply, domestic production increased drastically from 100 to 826 index points, whereas demand grew from 100 to 119 index points, thus clearly indicating that imports from State of Qatar did not have any adverse impact on the domestic industry.
  - v. While imports from Kuwait increased in the POI by 153 index points, the domestic production and sales of the domestic industry sales and production increased by 826 and 798 index points. This demonstrates that the imports from Kuwait have not adversely affected the domestic production and sales of the Domestic Industry.
  - vi. While volume of imports from Oman remained stable during the injury period, domestic industry's sales and production have increased significantly. Imports from Oman have contracted substantially while share of domestic industry has increased significantly.
  - vii. UAE's share in total demand has declined in the POI and there is no effective increase in volume of imports from UAE.
  - viii. The Petition contains no evidence of increase in volume of subject imports either in absolute terms or in relative to production or consumption in India.
  - ix. The Petition appears to contain inflated volume of imports from Oman compared to the actual data supplied by the exporter and corresponding third-party data available in public domain. The Authority is requested to verify the same prior to undertaking injury analysis.
  - x. The Petitioner has relied on end point comparisons without examining intervening trends. As recognised in *Russia – Anti- Dumping Duties on Light Commercial Vehicles*, an endpoint to end-point comparison may mask intervening developments and produce a distorted picture of trends.
  - xi. Further as per *European Communities – Anti-Dumping Duties on Malleable Cast Iron Tube or Pipe Fittings from Brazil*, investigation must take into account the actual intervening trends in each of the injury factors and indices rather than just a comparison of end-points.
  - xii. Volume of imports from subject countries has not shown a consistent increasing trend but have declined from 528,590 MT in 2022-23 to 485,524 MT in 2023-24 and further again to 415,013 MT in the POI, a fall of over 21 percent in volume from 2022-23.
  - xiii. The Petition does not explain how declining imports caused injury to the domestic industry.
  - xiv. The Petitioners have been the only beneficiary of the increased Indian demand. The declining share of imports shows that such imports have not impacted the sales of the Petitioners and Indian Industry as a whole.
  - xv. The decline in import volumes coinciding with increase in volume of imports clearly establishes that there is no sustained injurious import pressure.

- xvi. The growth in Petitioners' sales in more than growth in Indian demand. If imports have declined on account of HMEL's production, it shows that HMEL has been able to replace imports from the subject countries.
- xvii. Petitioners' sales have increased by 698% in the POI. Subject imports from the subject countries have adjusted to domestic supply.
- xviii. Issues relating to price effect and profitability are separate and unrelated to volume effect. Lack of volume injury is evident from the fact of substantial increase in Petitioners' sales and their market share along with the decline in market share of subject imports declined after FY 2022-23.
- xix. Imports increased only between 2021-22 and 2022-23 and have thereafter declined. Imports from the subject countries have declined significantly by 32 index points compared to previous year.
- xx. The total share of subject imports was merely 15% in the POI, whereas the market share of Petitioner has increased from 3% in the base year to 22% in the POI.
- xxi. The reliance on selective data-points to allege an increase in import volumes is misplaced and does not establish adverse volume effects.
- xxii. The Petitioner cannot rely on a general decline in the market share of other Indian producers to claim injury to themselves as other domestic producers have not provided data.
- xxiii. As per the Appellate Body's decision in *China – GOES*, the Authority must go beyond identifying relevant trends in prices and demonstrate that the subject imports have "explanatory force" for the occurrence of such trends. Application of this standard to the present investigation demonstrates a lack of correlation between the landed value of imports and the Petitioner's selling price.
- xxiv. As per the Appellate Body's decision in *EC – Bed Linens* and *Thailand H-Beams*, the investigating Authority is required to examine all relevant factors and positive developments in key parameters cannot be disregarded.
- xxv. The data contained in the Petition shows that the performance of the Domestic Industry has remained stable or improved over the injury period.
- xxvi. The attempt to disregard improvements in volumetric parameters on the ground that earlier data pertains only to HPL is misplaced.
- xxvii. The domestic industry has not provided any evidence that imports have displaced domestic production or prevented utilization of available capacity, accordingly there is no injury to the domestic industry.
- xxviii. HMEL did not exist in the base year and therefore comparing injury parameters of domestic industry in the POI with base year is economically and logically flawed.
- xxix. Installed capacity, production, capacity utilization, and sales have sharply increased over the injury period and in the POI.
- xxx. Domestic industry has expanded capacity by more than 200%, increased production by 726%, increased domestic sales by nearly 698% and massively expanded its workforce, wages and productivity.
- xxxi. Having relied on HMEL's commissioning of new capacity to explain import trends when convenient, the applicant companies cannot selectively attribute the same trend to dumped imports for the purpose of asserting financial injury.
- xxxii. The domestic industry has increased its sales by 300% over the injury period. This growth indicates that financial health of domestic producers in the PUC has been good, otherwise HMEL would not have decided to invest in the PUC market.
- xxxiii. Productivity, wages, and employment have improved steadily, indicating rapidly expanding industrial activity and improved operational efficiency.
- xxxiv. The attempt to disregard improvements in volumetric parameters on the ground that earlier data pertains only to HPL, is misplaced.

- xxxv. The Petitioner has admitted decline in import volumes in 2023–24, which coincides with the commencement of HMEL’s production, demonstrating that imports have adjusted in response to increased domestic supply.
- xxxvi. the Domestic Industry has relied on aggregate country-wise data and does not rebut the Respondents’ exporter-specific case that Sadara Group’s exports to India declined in the POI as compared to the base year and preceding year.
- xxxvii. No adverse volume effect can be attributed to Sadara Group on the basis of country-level data.
- xxxviii. A situation where the domestic industry expands capacity, retains or improves its market share, and continues to sell significant volumes in the domestic market cannot be said to constitute volumetric injury.
- xxxix. Petition does not contain adequate and accurate evidence on the effect of prices on the domestic industry.
- xl. Petitioners have failed to furnish price undercutting data for entirety of injury period. There was marginal price undercutting in the POI.
- xli. Price undercutting has not prevented the Petitioner from increasing its market share.
- xl.ii. Export price of Sadara is 20-30% higher than the prices indicated in the Petition. Sadara is therefore not undercutting the prices of the domestic industry and is not causing any adverse effect on the domestic industry.
- xl.iii. Landed value of UAE is highest amongst the subject countries and therefore, no injury is attributable to imports from UAE. Price undercutting from UAE is extremely low and negligible.
- xl.ii. The landed price of subject countries has remained more or less stable during the injury period, with decline registering only in the POI, which was on account of aggressive pricing of the domestic industry.
- xl.v. HPL and HMEL provide after-sales incentives to the domestic producers and such after sale discounts must be removed while computing alleged price undercutting.
- xl.vi. The quantum of price undercutting can be ascertained only once complete information including after sales rebates is provided to the Authority.
- xl.vii. DGTR must examine monthly price variations particularly after HMEL began production of PUC.
- xl.viii. The Petitioners have been able to increase/ decrease their selling price in line with the increase/decrease in cost of sales. Subject imports from the subject countries have neither depressed nor suppressed prices of the Petitioners. Price suppression/ depression, if any, is on account of aggressive pricing by the Petitioners.
- xl.ix. The Petitioner reduced domestic selling prices in FY 2023-24 even when import prices remained stable, and the reduction in import prices in the POI followed the Petitioner’s earlier price reduction.
- l. Petitioner’s submission that it was selling at losses is not relevant for establishing price undercutting, as such losses are due to its own cost movement and commercial strategy.
- li. Domestic industry increased its prices in the POI even though landed prices of subject imports fell in the POI.
- lii. The Petitioners reduced their selling prices by 19% in FY 2023-24 from FY 2022-23 while the landed price of imports remained at the same level. Thus, the exporters were forced to reduce their prices due to predatory and aggressive pricing by the Petitioners.
- liii. Price suppression and depression movements are on account of other macroeconomic, industry-factors and commissioning of HMEL’s newly commissioned plant, and not due to imports.

- liv. Petitioners' selling prices have moved in line with their own cost of sales and not in line with the landed price of imports.
- lv. The marginal decline in Petitioners' selling prices in the POI follows an exceptional price increase in 2021-22 and decline in price is a result of market correction rather than downward pressure from imports.
- lvi. While landed value declined by 1% in 2022-23, the domestic industry increased its selling price by 11%. Despite there being no change in landed value in FY 2023-24, the Petitioners reduced their selling price by 19%. Furthermore, even though the landed value declined in the POI, the Petitioner was able to increase its prices by 11%.
- lvii. HPL, in its Annual Report for FY 24-25 stated it has witnessed strong growth of 8% in LLDPE, thus, clearly admitting no injury.
- lviii. Imports from Qatar constitute 1% market share in the POI and therefore, it cannot influence domestic selling price and in fact, follows the prices set by the domestic industry.
- lix. If exporters sold the PUC at dumped prices into India and were undercutting the prices, import volumes would have increased, instead of declining.
- lx. The market share of imports has consistently remained within the range of 10-20% whereas the market share of domestic industry has increased from 0-10% to 20-30%. Similarly, share of Indian LLDPE industry has also recovered in the POI.
- lxi. Imports from the subject countries are maintaining a relatively small and stable share; such limited import penetration cannot be considered to have caused adverse volume effect.
- lxii. The Petitioners enjoy a market share of 22%, with domestic players having share of 83% in the POI.
- lxiii. Petitioners' market share has increased from 3% in the base year to 22% in the POI, which indicates that there is no injury to the Petitioners.
- lxiv. The Petitioner was making profits in the base year, and the loss in FY 2022-23 was on account of 25% increase in cost of sales. The Authority should investigate whether such losses were on account of intrinsic factors or internal inefficiencies.
- lxv. Any price effects claimed by the applicant cannot be attributed to imports but rather to pricing decisions, capacity adjustments, and cost dynamics acknowledged by the Applicant.
- lxvi. The applicants have admitted that the price decline commenced around the time HMEL started production. Thus, addition of new capacity coincided and likely contributed to losses to the applicants.
- lxvii. The Authority should compare HMEL's performance with its projected performance in project report and verify if HMEL's losses were truly unforeseen.
- lxviii. The Petitioner's depreciation and interest cost substantially increased by 82% and 41% respectively.
- lxix. The domestic industry has been earning negative returns since the base year when imports were at their lowest level in the base year, therefore, no injury is attributable to imports.
- lxx. The domestic industry seeks to ignore improvements in production, capacity utilisation and sales in the later years and attributes it to the entry and ramp-up of HMEL. However, deterioration in financial parameters despite the entry of new producer is relied upon to claim injury.
- lxxi. The domestic industry is relying upon favourable trends and disregarding adverse trends without context, resulting in a distorted and unreliable injury analysis.
- lxxii. The alleged deterioration in financial parameters is on account of initial pricing pressures, higher fixed costs, higher input costs and start up-operation, stabilisation challenges.

- lxxiii. Despite increase in selling price between FY 2021-22 and 2022-23, the applicants' profitability declined sharply.
- lxxiv. Despite decline in cost of sales, applicants continue to incur losses. Therefore, these alleged losses are not commensurate with movements in import prices and cannot be attributed to the alleged dumping.
- lxxv. The domestic industry's losses peaked in 2023-24 exactly when HMEL's plant was commissioned. If improvements in volume parameters are attributable to HMEL's entry, then alleged deterioration in financial parameters must also be considered on account of the same.
- lxxvi. While import prices of Qatar remained stable in 2022-23, and import prices of Kuwait increased slightly, the PBIT of domestic industry significantly declined during that period.
- lxxvii. Despite decline in prices of imports from Qatar during the POI, domestic industry's PBIT has improved. If import prices from Qatar were causing injury to the domestic industry, its PBIT should have declined.
- lxxviii. While prices for Kuwait declined marginally in the POI, the domestic industry decline in PBIT was far greater. Accordingly, injury is not due to imports from Kuwait.
- lxxix. Despite increase in prices of exports from Oman since 2022-23, domestic industry's PBIT has declined. Thus, injury is not attributable to Oman's import prices.
- lxxx. If exporters from Oman intended to dump the PUC into India, import volumes should have instead increased as prices fell.
- lxxxi. The increase in cost of sales of Petitioner's prices was on account of increase in energy and feedstock prices globally as has been accepted in HPL's Annual Report.
- lxxxii. The cost differences between HMEL and HPL are not minor but significant and inconsistent with normal industry behaviour.
- lxxxiii. The financial loss claimed by the domestic industry is self-inflicted and is on account of initial capital investments, which is evident from the sharp increase in interest cost and depreciation.
- lxxxiv. The reduction in per unit losses during the POI accompanied with increased sales and market share is inconsistent with the allegation of injury due to subject imports.
- lxxxv. Petitioners' losses increased in FY 2022-23, even though its selling price increased by 11 index points.
- lxxxvi. The fact that domestic industry remains in loss after removal of interest cost does not mean that injury is due to subject imports.
- lxxxvii. The losses can be on account of low-capacity utilization, high fixed overhead absorption, product mix issues, higher operating costs, pricing pressure arising from its own marketing strategy, and internal competition with existing domestic producers.
- lxxxviii. The inventories have increased due to commencement of production by HMEL.
- lxxxix. The increase in the average inventory is not on account of the subject import which commands only 15% share in the Indian market and has been declining throughout the injury period. The Petitioners are keeping healthy inventory ready at their disposal to cater to the increasing domestic and global demand of the PUC.
- xc. The Petition contains insufficient evidence on causation between the alleged dumping and injury to the domestic industry. No explanation has been provided on how the alleged dumped imports had "explanatory force" for any allegedly negatively trending injury factors.
- xc. Indian producers of PUC face an inherent cost disadvantage due to usage of naphtha as a raw material, whereas producers in other countries use ethane, which has a lower cost of production.
- xcii. The cash cost of producing ethylene using Ethane as a cracking route is approximately 240-250 \$/MT in Saudi Arabia. Natural advantage regarding availability of raw

- material and the selection feedstock efficiencies is an inherent advantage for the producers of PUC in Saudi Arabia when compared with Indian producers.
- xciii. The applicant companies' financial performance was influenced by internal commercial and structural factors, rather being driven by dumped imports.
- xciv. HMEL and HPL are fundamentally different in terms of operational maturity, scale, and cost behaviour, and therefore cannot be aggregated without distorting the analysis.
- xcv. HMEL was in its first year of operations during 2023-24, therefore, its cost cannot be expected to be highly efficient.
- xcvi. While cost of sales of domestic industry declined by 16% in the POI, HPL's cost of sales declined only by 5%, indicating that the cost reduction is primarily driven by HMEL, a first-year producer, rather than any genuine improvement in cost of established producer.
- xcvii. HMEL's newly commissioned plant has outperformed HPL in terms of cost efficiency, which questions the reliability and representativeness of the cost data relied upon by the Petitioner.
- xcviii. The divergent performance amongst the domestic industry indicates that the alleged injury is driven by company-specific factors unrelated to imports.
- xcix. The magnitude of losses is disproportionate to the movement in selling prices alone and persists even during periods when the cost of sales was at moderate levels.
- c. HMEL incurred losses during the first year due to initial inefficiencies linked with startup costs, which were reduced in the POI despite the allegations of dumping, price undercutting. HMEL was in operationalization stage during the injury period, therefore, injury is not due to imports from the subject countries.
- ci. The staggering increase in interest cost and depreciation fully explains the domestic industry's financial position. These are natural consequences of a large capital expansion and not effects of imports.
- cii. Publicly available credit ratings and HMEL itself confirm that the dominant cause of HMEL's financial distress is the commissioning of its US\$ 3 Billion GGSPAP petrochemical project.
- ciii. HPL continues to incur losses, despite decline in import volumes, which are attributable to its high cost of production.
- civ. Injury is not due to imports from State of Qatar but due to other subject countries.
- cv. Injury is not due to imports from Kuwait, Oman but due to other subject countries such as Saudi Arabia and UAE, whose volumes have increased substantially, both in absolute and relative terms.
- cvi. Imports from Kuwait have increased only marginally compared to significant surge from other subject countries.
- cvii. Injury is not attributable to UAE as imports from subject countries other than UAE has increased even though no comparable FTA benefit exists from these subject countries.
- cviii. Injury is due to weakened global consumption as recognized by HPL in its Annual Report. Further, HPL in its Annual Report 2023-24, has claimed that the domestic market has faced immense loss due to the inventory build-up on account of the commissioning and stabilization of one of the largest petrochemical plants in India.
- cix. HMEL, being a new entrant, has resorted to aggressive pricing to compete with established players.
- cx. HPL has suffered injury due to shutdowns undertaken during COVID-19.
- cxi. The Authority cannot simply apply Annexure III to HMEL as it started production in August 2023 and is not an established producer.

- cxii. It is the consistent practice of the Authority that in the case of a newly established domestic industry, optimization of capacity should be done on the basis of available data, read with projections in the project report.
- cxiii. For optimum utilization of raw material and utilities, only the best utilization of the established producer, HPL, ought to be considered, and HMEL's NIP should not be overstated.

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

122. The following submissions have been made by the domestic industry with regard to the injury and causal link;

- i. India currently has a dedicated capacity of around 31 lakhs MT for LLDPE against a demand of around 29 lakhs MT. Thus, there is no demand supply gap in India, and Indian manufacturers can cater to the entirety of Indian demand.
- ii. As FY 2021-22 and 2022-23 data pertains only to HPL, volumetric data in the years FY 2023-24 and CY 2024 show an apparent improvement and may be misinterpreted to suggest that there is no injury to the domestic industry. In contrast to the volumetric parameters, financial parameters show significant price injury during the entirety of the injury period.
- iii. The other interested parties have mostly examined individual subject countries price and volume movement against other countries and domestic industry's injury parameters to allegedly demonstrate that there has been no injury to the domestic industry on account of such exports.
- iv. Such examination is entirely incorrect in view of the principles of cumulative assessment laid down under AD Rules, 1995.
- v. Despite about 25% increase in Indian production capacity, the market share has declined and that of the subject imports has increased. Thus, Indian Industry is also facing volumetric injury despite having adequate capacity to cater to entirety of Indian demand.
- vi. Imports of subject goods from the subject countries have increased significantly compared to the base year.
- vii. The decline in import volumes from 2023-24 is on account of commencement of production by HMEL. Between the base year and the POI, while imports have increased by 48%, the demand has only increased by 19%.
- viii. The demand for the subject goods has increased throughout the injury period. The growth rate of imports has surpassed growth rate of demand.
- ix. Due to dumped imports from the subject countries, the domestic industry has not been able to adequately benefit from the growth in Indian demand, despite its best efforts to increase its sales, even at non-remunerative prices.
- x. Other interested parties have failed to appreciate that whenever a new producer enters a market, after undertaking substantial investment, it cannot be expected to keep its capacities idle. Being a new entrant, it would at least attempt to partly recover its fixed cost, so as to remain viable.
- xi. HMEL's plan to set up LLDPE production facility has been in effect since 2017. HMEL commenced commercial LLDPE production in August 2023. The data pertaining FY 2021- 22 and FY 2022-23 pertains only to HPL. Thus, once HMEL commenced production, the volumetric parameters such as production, sales etc., are bound to exhibit an upward trajectory.
- xii. Import prices are undercutting domestic prices by a very significant margin.

- xiii. The domestic industry is facing undercutting even when it is selling at losses.
- xiv. The domestic industry was indeed forced to provide post-sales discounts in face of the low-price dumped imports exported by the subject countries.
- xv. Indian users quote prices offered by the subject countries while negotiating with the domestic industry against which the domestic industry has no option but to give discounts to make sales in the domestic market.
- xvi. The evidence of post-invoicing discounts provided by the association does not in any manner weaken the case of domestic industry, but rather strengthens it, showing the economic reality and the price pressure exerted by the imports from the subject countries, forcing the domestic industry to further reduce its prices.
- xvii. Due to decline in landed value of subject imports, the domestic industry has been forced to sell below its cost, clearly evidencing price depression.
- xviii. The decline in prices commenced from the period as soon as HMEL started production.
- xix. While the domestic industry's market share has increased in the POI compared to previous years, the increase has been achieved by selling the subject goods at non-remunerative prices in India.
- xx. Compared to the base year, while the market share of Indian Industry has declined, the market share of subject countries has increased.
- xxi. The injury to the domestic industry is evident from the fact that despite significant addition in the domestic production capacity, the market share of the subject imports has increased during the POI, while that of the Indian industries has gone down.
- xxii. The domestic industry has been able to increase its market share only by making non-remunerative loss-making sales significantly below its cost. However, despite their loss-making sales, Indian Industry could not increase their share in Indian demand.
- xxiii. The domestic industry's profitability is in red and has been earning cash losses, a negative PBDIT and accumulating negative returns on capital employed during the POI.
- xxiv. The domestic industry has not only been earning losses but also has negative PBDIT and cash losses which are examined after removing interest elements. Thus, no injury cannot be attributed to HMEL's recent commencement of production.
- xxv. The increase in NFA during 2023-24 arose solely on account of capitalization of HMEL's LLDPE plant upon commencement of commercial production, pursuant to investment decisions and capital expenditure that had been planned and undertaken much earlier, in 2017.
- xxvi. Such historical capitalization cannot be construed as evidence of the domestic industry's present financial capacity to undertake fresh investments.
- xxvii. HMEL's losses have reduced in the POI on account of it becoming more efficient in terms of reducing its cost of sales. However, despite a decline in cost of sales, HMEL continued to make sales below its cost, leading to significant losses.
- xxviii. Even if the impact of depreciation and interest cost is removed, on account of its commencement of production during the injury period, HMEL was still making cash losses during the POI.
- xxix. Where the domestic industry has been unable to earn reasonable returns or even recover its costs during nearly fifteen months of production, its capacity to mobilize funds and undertake future capital investments stands materially impaired.
- xxx. The domestic industry has access to raw materials used in the production of PUC at internationally competitive prices.
- xxxi. It may be noted that most of the natural gas and other feedstock prices are controlled by respective governments of the subject countries.

- xxxii. The Kingdom of Saudi Arabia compensates Aramco, the feedstock supplier to Petro Rabigh and other SABIC Group producers, to compensate the losses made by Aramco in selling feedstock at government regulated prices.
- xxxiii. Similar pricing difference was found by the Authority in case of Kuwait concerning supplies of ethane by Kuwait Petroleum Corporation to Equate and The Kuwait Olefins Company.
- xxxiv. Indian producers access raw materials at internationally competitive prices, producers in Saudi Arabia and other subject countries rely on distorted input prices by their governments. Thus, the inherent advantage is not of geographic location, rather it is of distorted input price regime.
- xxxv. Naphtha-based production process is an inherent feature of the domestic industry and that non-attribution analysis is not required to be conducted for factors which are inherent features of the domestic industry.
- xxxvi. The other interested parties are assuming, without evidence, that a first- year plant must necessarily exhibit inefficiencies.
- xxxvii. The other interested parties have failed to appreciate that while HMEL may be a new producer for LLDPE, it is an established entity in polymer business for more than a decade and has sufficient technical know-how to address any start up and stabilisation issues
- xxxviii. During the injury period, HMEL was able to quickly achieve a capacity utilization of almost 65%-75% within a span of 8 months and thus was able to stabilize its production.
- xxxix. During the POI HMEL achieved a capacity utilization of around 80-90%, which in itself is clear evidence of its technical competence, operational efficiency, and successful stabilisation of production.
- xl. The Authority in Melamine had held wherein the domestic industry has been in production for a sufficient period of time and wherein it has achieved a high-capacity utilization during the POI, the impact of startup effects is sufficiently covered.
- xli. For a product such as LLDPE, where the predominant component of cost is raw material, operational efficiency is more appropriately assessed through raw material consumption norms, which are at comparable levels for both producers.
- xlii. HMEL's lower cost of sales is primarily attributable to lower fixed cost per unit resulting from higher production volumes and higher capacity utilisation. By contrast, HPL has been incurring losses due to sustained dumped imports since 2022-23, which have adversely impacted its production levels and prevented optimal utilisation of capacity.
- xlili. The price-suppressing effect of dumped imports from the subject countries has depressed HPL's output of LLDPE, thereby increasing fixed cost absorption per unit and, consequently, its overall cost of sales.
- xliv. After undertaking substantial capital investment, it was commercially imperative for HMEL to ramp up production to stabilise operations, optimise capacity utilisation, and achieve efficient absorption of fixed costs. In capital-intensive petrochemical operations, rapid scale-up post-commissioning is both normal and necessary to attain operational equilibrium.
- xlvi. The present investigation is related to unfair trade practices of exporters from the subject countries. For past several years, Indian domestic LLDPE market has been characterised with several domestic producers and internal competition amongst domestic producers is an inherent feature of the domestic market.

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

123. Rule 11 of the AD Rules, 1995 read with Annexure II to the AD Rules, 1995 provides that 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 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 AD Rules, 1995.

#### **G.3.1 Cumulative assessment of injury**

124. Article 3.3 of the WTO agreement and para (iii) of Annexure II of the AD Rules, 1995 provides that in case where imports of subject goods from more than one country are being simultaneously subjected to anti-dumping investigations, the Authority will cumulatively assess the effect of such imports, in case it determines that:

- a. The margin of dumping established in relation to the imports from each country is more than two percent expressed as a percentage of export price and the volume of the imports from each country is three percent (or more) of the import of like article or where the export of individual countries is less than three percent, the imports collectively account for more than seven percent of the import of like article, and
- b. Cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported article and the like domestic articles.

125. Accordingly, the Authority has terminated the investigation against Qatar and Qatar has not been considered as part of the subject countries for the purpose of injury examination. Subsequent to the issuance of disclosure statement, interested parties pointed out that imports from Kuwait and Oman were less than 3% and collectively accounted for less than 7% of total imports into India. Accordingly, in terms of Rule 14 of AD Rules, 1995, they requested for termination of investigation against Kuwait and Oman on grounds of non-fulfillment of criteria laid down in Para (iii)(a) of Annexure – II to AD Rules, 1995. The Authority notes that at the stage of initiation, imports from Kuwait, Oman and Qatar were found to be dumped and together they constituted more than 7% of total quantum of imports into India. However, subsequent to negative dumping margin determination for Qatar, the collective volume for countries accounting for less than 3% of dumped imports has fallen below 7%. Accordingly, the Authority hereby terminates investigation against Kuwait, Oman and Qatar.

126. The imports of subject goods from Qatar, Kuwait and Oman have been considered as part of imports from other countries.

127. The Authority notes that:

- a. The subject goods are being dumped into India from the subject countries. The margin of dumping from each of the other subject countries, is more than the *de minimis* limits prescribed under AD Rules, 1995.
- b. Cumulative assessment of the effects of imports is appropriate as the imports from the subject countries not only directly compete with the like articles offered by each of them but also the like articles offered by the domestic industry in the Indian market.
128. In view of the above, the Authority considers that it is appropriate to assess the cumulative effect of dumped imports of the subject goods from subject countries.
129. The Authority notes OQ Polymers has claimed that imports from Oman have remained stable during the injury period and accordingly, cannot be a cause of injury to the domestic industry. The Authority notes that none of the interested parties have submitted any claim for non-cumulation of imports from any of the subject countries. Further, as stated above, the conditions for cumulative assessment of imports have been fulfilled. Accordingly, the Authority considers that individual import volume and pricing trends from the individual subject countries are not required to be examined.
130. Further, in view of the peculiar facts of the present case, where the constitution of the Indian domestic producers has undergone significant change during the injury period, the Authority has considered, for the purpose of injury analysis, the verified information pertaining to the domestic industry, the supporter to the investigation, and the Indian industry as a whole, wherever such information was available and could be duly verified.

### G.3.2 Volume effect of the dumped imports

#### a) Assessment of demand / apparent consumption

131. The Authority for the purpose of the present investigation has estimated the demand for the subject goods in India based on the Ministry of Chemicals and Fertilisers' Report for FY 2024-25<sup>3</sup> and FY 2023-24<sup>4</sup>. Upon perusing the demand provided in the Report, the Authority noted that the imports figures considered in computation of demand in the Report did not match the actual quantum of imports made during the injury period. Accordingly, the Authority adjusted imports figures considered in the Report, with the DG System import data for computing Indian demand. Further, given that the POI is a calendar year, the Authority prorated the adjusted demand based on the report for FY 2023-24 and FY 2024-25 to arrive at the demand for the POI.
132. The demand so determined is provided in the table below.

Assessment of Demand					
Particulars	Unit	2021-22	2022-23	2023-24	POI
Subject countries	MT	1,60,803	2,73,231	2,83,797	2,36,986
Index	MT	100	170	176	147

<sup>3</sup> [https://chemicals.gov.in/sites/default/files/inline-files/Glance-2025\\_1.pdf](https://chemicals.gov.in/sites/default/files/inline-files/Glance-2025_1.pdf)

<sup>4</sup> <https://chemindia.chemicals.gov.in/Publicationspdf/Statistics-at-a-Glance-2024.pdf>

Malaysia	MT	6,017	19,092	48,600	26,739
Saudi Arabia	MT	76,614	1,60,171	1,47,038	1,16,418
United Arab Emirates	MT	78,172	93,968	88,160	93,829
Other Countries	MT	3,70,200	6,07,483	5,88,368	4,79,863
<b>Total Imports</b>	<b>MT</b>	<b>5,31,004</b>	<b>8,80,714</b>	<b>8,72,165</b>	<b>7,16,849</b>
Sales of the domestic industry	MT	***	***	***	***
Index	MT	100	152	511	798
Sales of Supporter	MT	***	***	***	***
Index	MT	100	104	99	106
Sales of domestic industry + Supporter	MT	***	***	***	***
Index	MT	100	108	133	164
Sales of Other Domestic Producers	MT	***	***	***	***
Index	MT	100	72	76	72
<b>Total Sales of Indian Industry</b>	<b>MT</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>
Index	MT	100	84	95	102
<b>Total Demand/Consumption</b>	<b>MT</b>	<b>33,78,651</b>	<b>32,65,325</b>	<b>35,74,741</b>	<b>36,31,353</b>
Index	MT	100	97	106	107

133. It is seen that demand for the subject goods in India after initially declining in FY 2022-23, has consistently increased over the remaining injury period, including the POI. Compared to the base year, subject imports from the subject countries increased by 47 % in the POI. During the same period, demand for the subject goods in India increased by 7%. It is also noted that subsequent to HMEL's commencement of operations in FY 2023-24, the domestic industry's sales increased significantly in FY 2023-24 and the POI as compared to FY 2022-23 and the base year. However, despite about 25% increase in Indian capacities, there has been no commensurate increase in the sales of the Indian industry which have remained almost at the same level as the base year.

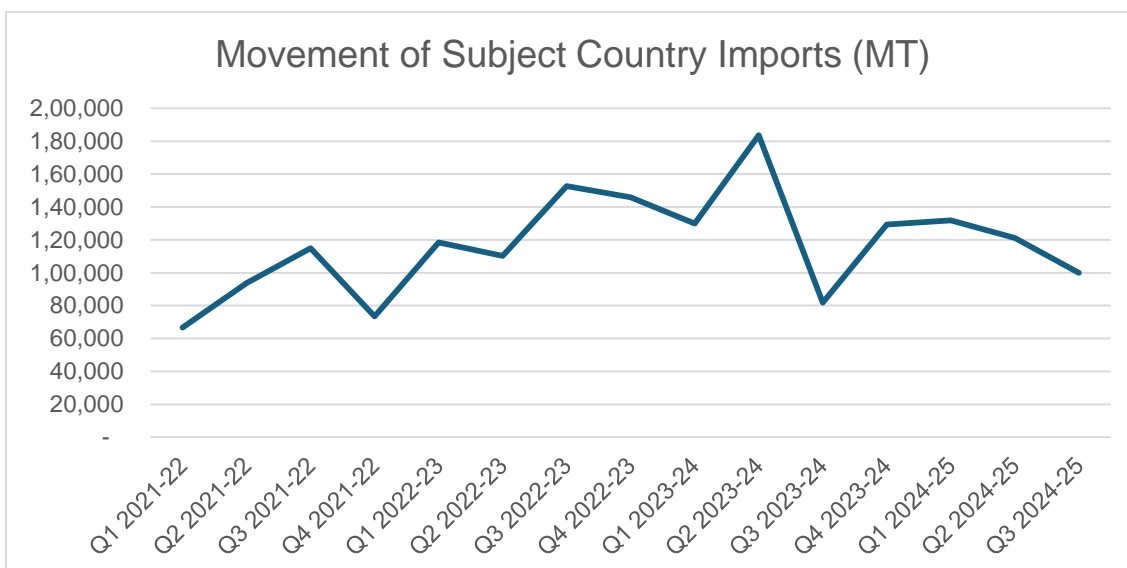
**b) Import volumes from the subject countries**

134. As regards the volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in the volume of dumped imports, either in absolute terms or relative to production or consumption in India. The import volume of the subject goods from the subject countries and the share of the dumped imports during the injury investigation period are as follows:

Particulars	UOM	2021-22	2022-23	2023-24	POI
Malaysia	MT	6,017	19,092	48,600	26,739
Saudi Arabia	MT	76,614	1,60,171	1,47,038	1,16,418

United Arab Emirates	MT	78,172	93,968	88,160	93,829
<b>Subject Countries</b>	<b>MT</b>	1,60,803	2,73,231	2,83,797	2,36,986
Non-subject Countries	MT	3,70,200	6,07,483	5,88,368	4,79,863
Total Imports	MT	5,31,004	8,80,714	8,72,165	7,16,849
<b>Total demand</b>	<b>MT</b>	33,78,651	32,65,325	35,74,741	36,31,353
Trend	Index	100	97	106	107
<b>Imports in relation to:</b>					
Domestic Industry production	%	***	***	***	***
Range	%	50-60%	80-90%	40-50%	20-30%
Domestic Industry +Supporter's production	%	***	***	***	***
Range	%	10-20%	20-30%	20-30%	10-20%
Total Indian Production	%	7%	15%	13%	11%
Range	%	0-10%	10-20%	10-20%	10-20%
Demand	%	5%	8%	8%	7%
Range		0-10%	0-10%	0-10%	0-10%
Total Imports	%	32%	36%	36%	35%

135. From the above, the Authority notes that:
- Imports of subject goods have increased in the POI compared to the base year.
  - Imports from the subject countries accounted for 35% of total imports into India during the POI.
  - Compared to FY 2022-23, in FY 2023-24 and the POI, there has been a decline in the volume of subject imports in absolute terms as well as relative to domestic production. It is noted that the decline in volume of imports coincides with the commencement of production by HMEL in FY 2023-24. The overall quantum of subject imports from the subject countries has increased in the POI as compared to the base year.
  - The Authority further notes that with HMEL's capacity addition in FY 2023-24, total Indian production should have increased in the POI and given the growing demand, should have surpassed the production levels of the base year. However, despite almost 25% increase in installed capacity, the Authority notes that total Indian production in the POI is below the production levels in the base year.



- e. Furthermore, despite the said capacity addition, dumped imports relative to Indian production increased by 50% in the POI.
- f. The Authority notes that imports from the subject countries have declined in the POI compared to FY 2023-24 and FY 2022-23. As can be noted from the chart below, this decline first occurred subsequent to commencement of production by HMEL in Q2 of FY 2023-24. However, thereafter, the imports increased and continued to remain at significantly high levels.

136. Qatofin and RRPC have argued that the Petition does not contain any evidence of increased volumes either in relative or absolute terms. As can be noted from the table above, imports from the subject countries have indeed declined in the POI compared to FY 22-23. This decline in imports coincides with the period of commencement of production and sales by HMEL. However, the absolute volume of such imports in the POI has increased by 47 % compared to the base year.
137. The Authority notes that during the injury period, the production capacity of Indian LLDPE producers underwent a significant change. Between the base year and the POI, Indian capacities increased by 30%, however, despite this increase, total imports of subject goods increased by 35% and imports from the subject countries increased by 47%. Further, consequent to increase in Indian production capacity in FY 2023-24, it is noted that while though the domestic industry was able to increase its domestic sales, such sales were made at prices below cost.
138. The Authority further notes that although the volume of subject imports as a percentage of Indian production and demand declined in the POI as compared to FY 2022-23 and FY 2023-24, such decline has to be viewed in the context of the substantial increase in Indian capacity and demand. It is noted that the subject imports continued to maintain a market share higher than the base year.
139. More importantly, the subject imports continued to enter the Indian market at prices below the cost of sales of the domestic industry. The continued presence of such low-priced dumped imports has prevented the domestic industry from realising remunerative prices and forced it to

sell below-cost levels. Accordingly, the Authority considers that subject imports remained significant, causing injury to the domestic industry.

140. With respect to submissions by OQ Polymers concerning conflated data for Oman contained in the Petition, the Authority clarifies that imports figures contained in the final findings are based on DG Systems data. Additionally, the same has been compared with the import volume reported by OQ Polymers and was found to be in the same range.
141. Other interested parties have claimed that imports have not exhibited a consistently increasing trend during the injury period, and therefore, there is no sustained injurious import pressure. The Authority disagrees with the claims of the other interested parties and notes that neither the Anti-dumping Agreement nor AD Rules, 1995 requires a finding of consistent increase in imports during the entirety of injury period.
142. RRPC has argued that the domestic industry has been the only beneficiary of increased Indian demand. The Authority disagrees with this claim as subject imports from the subject countries have also increased with the growth in Indian demand between the base year and the POI. The growth in the volume of subject imports is evident from the below:

	2022-23	2023-24	POI	POI compared to base year
Subject country imports	70%	4%	-16%	47%

143. As regards the submission that there is no adverse effect of the imports from subject countries as the domestic industry has been able to increase its sales during the POI, the Authority notes that in a capital-intensive industry, cost of keeping a newly operational capacity idle is significantly high. The increase in production and sales therefore does not, by itself, indicate absence of injury. The relevant question is whether such sales were made at remunerative prices. As can be seen in sections below, the domestic industry was forced to sell below cost to compete with dumped imports. Thus, the improvement in volume parameters achieved through deterioration in price and financial parameters do not indicate absence of injury.
144. In this regard, the Authority notes that RRPC has argued that issues relating to price and volume effect are separate and has requested the Authority to consider only the factum of increased sales of domestic industry and the consequent increase in market share. The Authority disagrees with such an isolated approach for assessing injury to domestic industry. Increase in sales / market share cannot be examined independently without accounting for movement in prices as such movements especially in relation to commodity products are always interlinked.

### **G.3.3 Price effect of the dumped imports**

145. In terms of Annexure II (ii) of the AD Rules, 1995 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 increase, which otherwise would have occurred, to a significant degree.

#### **a) Price undercutting**

146. In order to determine whether the imports are undercutting the prices of the domestic industry in the market, price undercutting has been worked PCN -wise by comparing the landed price of the subject imports with the selling price of comparable PCNs of the domestic industry during the POI. Price undercutting so determined is provided below:

<b>Price undercutting based on net sales realisation of domestic industry</b>					
<b>PCN</b>	<b>Landed Price</b>	<b>Net Sales Realisation</b>	<b>Price Undercutting</b>	<b>Price Undercutting</b>	<b>Price Undercutting</b>
	<b>(₹ /MT)</b>	<b>(₹ /MT)</b>	<b>(₹ /MT)</b>	<b>(%)</b>	<b>Range</b>
PUC (Wt. Avg.)	94,075	***	***	***	0-5

\* Wt. Avg. price based on import volumes

147. Country wise price undercutting is as below:

	<b>Landed Value (Wt. Avg.)</b>	<b>Net Sales Realisation (Wt. Avg.)</b>	<b>Price Undercutting</b>	<b>Price Undercutting</b>	<b>Price Undercutting</b>
	<b>(₹ /MT)</b>	<b>(₹ /MT)</b>	<b>(₹ /MT)</b>	<b>(%)</b>	<b>Range</b>
Malaysia	78,860	***	***	***	20-30
Saudi Arabia	97,871	***	***	***	(10)-0
United Arab Emirates	93,659	***	***	***	0-10
Subject Countries	94,075	***	***	***	0-10

148. It is noted from the above that weighted average price undercutting from the subject countries as a whole is positive during the POI. It is further noted that out of all the subject countries the price undercutting is negative in respect of only one country, that is, Saudi Arabia.
149. Other interested parties have also contended that the Applicant has not provided price undercutting for the entirety of injury period. In this regard, the Authority recalls Para (ii) of Annexure II of AD Rules, 1995, which requires determination of “price undercutting by the dumped imports”. The Authority further notes that as dumping is assessed in relation to the POI accordingly, price undercutting can also be determined only for the POI and not for the entirety of injury period.
150. ADPCL has argued that the landed value of UAE is highest in the POI and therefore, no injury is attributable to imports from UAE. In this regard, the Authority notes that once it decides to cumulate the volume of dumped imports from the subject countries, examination of trends of individual price undercutting becomes immaterial. The Authority notes that neither ADPCL nor the UAE Embassy have presented any arguments for decumulation of subject imports from UAE.
151. Similarly, Sadara has claimed that its exports to India are at higher prices and has not caused any injury to the domestic industry. The Authority notes that it is not required to examine exporter specific price undercutting.

### b) Price suppression/depression

152. For the purpose of analyzing price suppression and depression in the domestic market, the applicants have provided information about (a) cost of sales, (b) domestic selling price as is given in the table below.

Price Suppression/ Price Depression					
Particulars	UoM	2021-22	2022-23	2023-24	POI
Cost of Sales	₹/MT	***	***	***	***
Trend	Index	100	125	106	105
Landed Value	₹/MT	1,02,938	1,03,508	89,898	90,394
Trend	Index	100	101	87	88
Selling Price	₹/MT	***	***	***	***
Trend	Index	100	111	90	91

153. It is noted that the cost of sales of the domestic industry increased until 2022-23, and thereafter declined, however, it has remained above the base year in the POI. Further, between the base year and the POI, selling price has declined by 12 index points, and has followed almost the same trend as the landed value of imports. Thus, while cost of sales has increased, due to decline in prices of subject imports from the subject countries, the domestic industry was not able to increase its selling prices in line with the increase in its cost of sales.
154. Based on the information available in the Petition, the Authority notes that the increase in cost of sales in 2022-23 was primarily driven by the increase in raw material costs of the domestic industry. Thereafter, with the decline in raw material prices, the domestic industry's cost of sales has declined. At the same time, it is noted that while the landed value of imports from the subject countries was above cost of sales of the domestic industry in the base year, since 2022-23 they have been below cost of sales of the domestic industry. Thus, subject imports from the subject countries have exerted continuous price pressure on the domestic industry.
155. Other interested parties have contended that the domestic industry has been able to increase and decrease its selling price in line with its cost of sales and therefore, there is no injury to the domestic industry on account of dumped imports. It has also been argued that the domestic industry has been able to increase its price despite decline in landed value. The Authority notes that the landed value of subject countries has, since FY 2022-23, remained below the cost of sales of the domestic industry. Further, with increase in landed price of dumped imports during the POI compared to 2023-24, the domestic industry has been able to increase its prices.
156. The Authority also notes submissions of All India HDPE/PP Woven Fabric Manufacturers Association wherein it has been stated that domestic industry sets its prices at import price parity, thus indicating that domestic industry is forced to match the landed prices of the subject imports from the subject countries, and thus price movements of the domestic industry are necessarily linked to movement in landed value of the subject goods from the subject countries.

### G.3.4 Economic parameters of the domestic industry

157. Annexure II to the AD Rules, 1995 provides 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 and the ability to raise capital investments. Accordingly, various injury parameters relating to the domestic industry are discussed herein below.

#### a) Production, capacity, capacity utilization and sales volumes

158. The Authority has considered the capacity, production, capacity utilization and sales volume of the domestic industry over the injury period.

Production, Capacity, Capacity Utilisation and Sales – Domestic Industry					
Particulars	UoM	2021-22	2022-23	2023-24	POI
Capacity	MT	***	***	***	***
Trend	Index	100	100	238	307
Production (PUC+ NPUC)	MT	***	***	***	***
Trend	Index	100	108	219	321
Capacity Utilization	%	***	***	***	***
Trend	Index	100	108	92	105
Production PUC	MT	***	***	***	***
Trend	Index	100	155	503	826
Domestic Sales	MT	***	***	***	***
Trend	Index	100	152	511	798

159. From the above, the Authority notes that:

- i. The installed capacity and production of the domestic industry have increased over the injury period. Consequently, domestic sales have also increased over the injury period.
- ii. The domestic industry has explained that the improvement between FY 2023-24 and POI was on account of commencement of production and sales of PUC by HMEL.

160. Other interested parties have submitted that HMEL did not exist in the base year, therefore, the Authority cannot compare injury parameters of the POI with the base year. The Authority notes that the non-existence of a producer in the base year does not prevent the Authority from examining the state of the domestic industry over the injury period. It is noted that both AD Rules, 1995 and WTO Agreement on Anti-dumping require the Authority to examine the state of the domestic industry and not the state of individual domestic producers. However, for the injury examination below, appropriate weight has been given to the state of domestic industry as it existed during the injury investigation period. Thus, the Authority is required to examine

all facts that may have a bearing upon the state of the domestic industry including facts related to commencement of production by a domestic producer during the injury period.

### b) Market share

161. Market share of the domestic industry and of imports are shown in the table below:

Market share	Unit	2021-22	2022-23	2023-24	POI
Domestic industry Sales	MT	***	***	***	***
Trend	Index	100	152	511	798
Sales of Supporters	MT	***	***	***	***
Trend	Index	100	104	99	106
Sales of Other Indian Producers	MT	***	***	***	***
Trend	Index	100	72	76	72
Total Indian Sales	MT	***	***	***	***
Trend	Index	100	101	103	116
Imports from Subject Countries	MT	1,60,803	2,73,231	2,83,797	2,36,986
Trend	Index	100	170	176	147
Imports from Other Countries	MT	3,70,200	6,07,483	5,88,368	4,79,863
Total Imports	MT	5,31,004	8,80,714	8,72,165	7,16,849
Demand in India	MT	33,78,651	32,65,325	35,74,741	36,31,353
Trend	Index	100	97	106	107
<b>Market Share %</b>					
Domestic industry	%	***	***	***	***
Range	%	0-10%	0-10%	10-20%	10-20%
Domestic Industry +Supporter	%	***	***	***	***
Range	%	70-80%	60-70%	50-60%	50-60%
Other Indian Producers	%	***	***	***	***
Range	%	50-60%	40-50%	30-40%	30-40%
Indian LLDPE Industry	%	***	***	***	***
Range	%	80-90%	70-80%	70-80%	70-80%
Subject Countries	%	5%	8%	8%	7%
Range	%	0-10%	10-20%	10-20%	0-10%
Other country imports	%	11%	19%	16%	13%

Range	%	10-20%	10-20%	10-20%	10-20%
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162. From the above, it is noted that:
- i. The market share of the domestic industry has increased over the injury period including the POI, whereas the market share of Indian Industry has declined in the POI compared to the base year.
  - ii. The market share of the domestic industry remained almost stable until FY 2022-23 but thereafter increased. Subsequently, with the commencement of production and sales by HMEL in FY 2023-24, the market share of the domestic industry and the Indian LLDPE industry increased in FY 2023-24, after first declining in FY 2022-23.
  - iii. The market share of the domestic industry and the Indian LLDPE industry increased in the POI compared to FY 2023-24. The increase in market share is primarily attributable to HMEL. However, the market share of the Indian LLDPE industry between the base year and POI, has registered a decline.
163. Other interested parties have commented that the increase in market share of the domestic industry between the base year and the POI is an indication of no injury to the domestic industry. The Authority notes that subsequent to the commencement of production by HMEL in FY 2023-24, the market share of the domestic industry has indeed increased in the POI. However, as noted above, the increase in market share was primarily on account of HMEL and such increased sales were achieved by making sales below cost. Similarly, market share of the Indian Industry as a whole has also increased in 2023-24 and the POI. However, compared to the base year, the market share of other Indian producers and the Indian LLDPE industry has declined.
164. It is further noted that while there has been a decline in the volume of imports from the subject countries between FY 2023-24 and POI, compared to the base year, the market share of subject imports from the subject countries remains above base year levels in the POI.
165. Other interested parties have submitted that imports from the subject countries enjoy a relatively stable share, and such limited share cannot be considered to adversely affect the domestic industry. The Authority notes that firstly, the share of subject imports in Indian demand is significant and has increased compared to base year. Further, while imports from the subject countries have declined since 2023-24, the landed price at which such imports have entered into India has also declined. The domestic industry has explained that it had to reduce its prices and make below-cost sales in order to compete with such imports and for its market share.

### c) Inventories

166. Inventory position of the domestic industry over the injury period is given in the table below:

<b>Inventory</b>					
<b>Particulars</b>	<b>UoM</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>POI</b>
Average Inventory	MT	***	***	***	***
Trend	Indexed	100	113	1,115	1,040

167. It is noted that inventory of the domestic industry has declined in the POI compared to FY 2023-24 and has increased compared to the base year and 2022-23.

**d) Profitability, cash profits, and return on capital employed**

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

Particulars	UOM	2021-22	2022-23	2023-24	POI
Profit before Tax	₹/MT	***	***	***	***
Trend	Index	(100)	(2509)	(5728)	(4950)
PBIT	₹/MT	***	***	***	***
Trend	Index	100	(431)	(921)	(864)
PBDIT	₹/MT	***	***	***	***
Trend	Index	100	(141)	(433)	(394)
Cash Profit	₹/MT	***	***	***	***
Trend	Index	100	(674)	(1957)	(1645)
ROCE	%	***	***	***	***
Range	%	0-10	(10)-0	(20)-(10)	(20)-(10)

169. From the above, the Authority notes that:

- i. It is noted that the domestic industry has recorded significant losses during the POI. Further, the domestic industry incurred cash losses during the POI and has accumulated negative returns during the POI.
- ii. The Authority further notes the fact that a new producer, HMEL, has commenced production during the injury period. To examine whether the decline in profitability parameters of the domestic industry was on account of depreciation and interest cost, the Authority compared the costs of HMEL and HPL and found depreciation and interest cost to be in the same range.
- iii. It is further noted that despite increase in sales quantity, the domestic industry's ROCE continues to remain negative.

170. Other interested parties have argued that domestic industry earned losses during FY 2022-23 on account of increase in cost of sales and therefore injury to the domestic is on account of internal inefficiencies. The Authority notes that increase in cost of sales was on account of increase in raw material cost in FY 2022-23. It is further noted that while the domestic industry captively manufactures ethylene and propylene, it purchases feedstock for ethylene and propylene at market prices. Thus, increase in cost was on account of increase in raw material prices and were not on account of internal inefficiencies.

171. Other interested parties have also argued that despite decline in cost of sales during the POI, the domestic industry continues to incur losses and therefore, losses to domestic industry are not on account of movement in landed price of subject imports from the subject countries. In this regard, the Authority notes that while domestic industry's cost of sales declined in the POI, subject imports from the subject countries continued to enter Indian market at prices below the domestic industry's cost of sales during the POI. In order to maintain its market share, the domestic industry continued to make sales below its cost to compete with the imports from the subject countries.
172. Other interested parties have argued that there exists a significant cost and price difference between HPL and HMEL. It has been claimed that while the cost of sales for the domestic industry declined by 16% in the POI, HPL's cost of sales declined merely by 5%, indicating that cost reduction was primarily driven by HMEL, which is a new producer. The Authority notes that raw material and utilities account for 80-90% of the total cost of the sales of the domestic industry and thus, raw material prices and consumption were the primary driver of the cost. The Authority further compared the raw material consumption norms for the two entities and found them to be similar. The difference in cost of the two entities is primarily on account of differences in levels of fixed cost absorption which was higher in case of HPL, owing to its lower production and capacity utilization, due to the continuous pressure of low-priced dumped imports.
173. In contrast to HPL, HMEL commissioned its plant in 2017 and commenced production during FY 2023-24. HMEL has explained that once it commenced production in FY 2023-24, it was necessary to increase its production and capacity utilization to achieve stabilization. Further, such increase in production was in line with the increasing demand for the subject goods in India.
174. Other interested parties have also argued that domestic industry is facing injury on account of increased depreciation and interest cost in the POI. In this regard, the Authority notes that consequent to increase in the installed capacity, the interest cost and depreciation of the domestic industry have indeed increased over the injury period. It is further noted that both HMEL and HPL follow straight line method for allocation of depreciation and is thus allocated over the useful life of the assets. As regards the submission that the losses to the domestic industry are solely on account of depreciation and interest cost, the Authority notes that the domestic industry is not only in cash losses, but its PBDIT is also significantly negative, as is evident from the below table:

Particulars	UOM	2021-22	2022-23	2023-24	POI
Cash Profit	₹/MT	***	(***)	(***)	(***)
Trend	Index	100	(674)	(1,957)	(1,645)
Interest Cost	₹/MT	***	***	***	***
Trend	Index	100	141	373	268
PBDIT (Cash Profit before Interest Cost)	₹/MT	***	(***)	(***)	(***)
Trend	Index	100	(141)	(433)	(394)

175. In view of the above the Authority does not consider than injury to the domestic industry is on account of increased depreciation or interest costs.

**e) Employment, productivity and wages**

176. The position with regard to employment, wages and productivity of the domestic industry is as follows:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	No of employees	Nos	***	***	***	***
	Trend	Index	100	100	363	363
2	Salary & Wages	₹ Lacs	***	***	***	***
	Trend	Index	100	103	765	739
3	Productivity per day	MT/Day	***	***	***	***
	Trend	Index	100	155	503	552
4	Productivity per employee	MT/Nos	***	***	***	***
	Trend	Index	100	155	139	152

177. It is noted that the number of employees and their wages increased in the POI compared to base year.
178. Productivity per day and Productivity per employee have also consistently increased throughout the injury period as a result of increase in the production of the domestic industry.

**f) Growth**

Particulars	2022-23	2023-24	POI	POI in relation to base year
Production	***	***	***	***
Domestic sales	***	***	***	***
Profit Before Tax	(***)	(***)	(***)	(***)
Cash losses	***	(***)	(***)	(***)
ROCE	(***)	(***)	(***)	(***)

179. Production and sales of the domestic industry have increased in line with the increase in installed capacity and demand for the subject goods. It is noted that due to the price pressure exerted by imports from the subject countries, profitability parameters have significantly declined. Moreover, while production and sales have increased, the growth in sales was lower than growth in production.

**g) Impact on the ability to raise capital investment**

180. The domestic industry has submitted that it has not been able to earn adequate return on profits and therefore, its ability to raise capital investments has been impaired significantly. It is noted that HMEL commissioned its plant in 2017 and finally commenced production in FY 2023-24. However, despite achieving almost 80-90% capacity utilization, HMEL has been earning

negative returns and is in cash losses. The domestic industry has also asserted that despite an increasing demand on account of dumped imports no new investments are being made as the domestic producers have not been able to earn return on the investments already made.

#### **h) The magnitude of dumping**

181. There is significant dumping of the subject goods from the subject countries, which has impacted the conditions of fair competition in the market.
182. In view of the foregoing, the Authority concludes that the domestic industry has suffered material injury.

#### **G.3.4 Overall assessment of injury**

183. The examination of imports of the subject product and the performance of the domestic industry shows the following:
- i. Imports of subject goods from the subject countries have remained at consistently high levels throughout the injury period. While subject imports from the subject countries have declined after increasing in FY 2022-23, the volume of such imports in the POI remains above the base year level.
  - ii. The landed value of subject imports from the subject countries declined in FY 2023-24. Although, there was an improvement in landed price during the POI, imports from the subject countries continued to enter into the Indian market at prices below the cost of sales of the domestic industry.
  - iii. Production and domestic sales of the domestic industry have increased in POI compared to the remainder of the injury period. However, the increase in sales was achieved by making sales below cost.
  - iv. Inventories of the domestic industry have increased in the POI compared to the base year.
  - v. The financial performance of the domestic industry has deteriorated significantly. The domestic industry has been earning returns and has been earning cash losses during the POI.

#### **H. Non-attribution analysis and causal link**

184. The Authority examined whether other factors listed under the AD Rules, 1995, could have caused injury to the domestic industry. The Authority has examined known factors other than the dumped imports and ascertained whether such factors could have been a cause of injury to the domestic industry, so that the injury caused by other factors, if any, is not attributable to the dumped imports. Factors which are relevant in this respect include, inter alia, the volume of subject goods not sold at dumped prices, contraction in demand or changes in the pattern of consumption, trade restrictive practices, changes in technology, the export performance of the domestic industry and the productivity of the domestic industry.

#### **a) Volume and value of imports from third countries**

185. It is noted that imports from non-subject countries constitute around 65 % of total imports in India. Such imports, except from imports from Oman, Qatar and Kuwait, are entering into

India at 10-20 % higher landed value than the cost of sales and non-injurious price of the domestic industry. Further, there is no evidence that such goods are being dumped into India. Therefore, the injury caused cannot be attributed to the third countries.

186. The Authority further notes that imports from Qatar are entering into India at prices comparable to dumped imports during the POI. However, these imports are not dumped into India. Further, such imports constitute less than 3% of total imports into India and around 0.5% of the Indian demand.
187. Further, subject imports from Kuwait and Oman were found to be dumped, however, such imports account for less than 3% of total imports into India.

**b) Contraction in demand**

188. The Authority notes that the demand for the subject goods has, after marginally declining in FY 2022-23, consistently increased in the remainder of the injury investigation period. Therefore, the domestic industry has not suffered injury due to a contraction in demand.

**c) Pattern of consumption**

189. It is noted that there has been no material change in the pattern of consumption of the product under consideration, which could have caused injury to the domestic industry.

**d) Conditions of competition and trade restrictive practices**

190. The Authority notes that there is no evidence of conditions of competition or trade restrictive practices that could have been responsible for the claimed injury to the domestic industry.

**e) Developments in technology**

191. The Authority notes that there has been no change in technology for the production of the subject goods that could have caused injury to the domestic industry.

**f) Export performance of the domestic industry**

192. The injury information examined hereinabove relates only to the performance of the domestic industry in terms of its domestic market. Thus, the injury suffered cannot be attributed to the export performance of the domestic industry.

**g) Performance of other products**

193. The Authority has considered the data relating only to the performance of the subject goods. Therefore, the performance of other products produced and sold is not a possible cause of injury to the domestic industry.
194. Apart from the above-mentioned factors other interested parties have requested for examination of the following known factors that could have caused injury to the domestic industry:

**a. Injury to the domestic industry is due to inherent cost disadvantage due to usage of naphtha as raw material for ethylene**

195. RRPC has claimed that the domestic industry has been facing injury on account of using Naptha for manufacturing of ethylene, whereas Saudi producers use Ethane for manufacturing of raw material. The Authority notes that under causal link analysis, the Authority is not required to address differences in the structure of the domestic industry and exporters from the subject countries. In this regard, the Authority recalls observations of the Panel in *EU – Biodiesel (Argentina)*:

*“7.522. Argentina primarily takes issue with the EU authorities' conclusion that the structure of the EU industry was not a cause of injury. The two factors, namely lack of vertical integration and lack of access to raw materials, identified by Argentina, essentially are inherent features of the EU domestic industry that, according to Argentina, render it less competitive than the Argentine producers. In our view, however, this line of argument is premised on a misreading of Article 3 of the Anti-Dumping Agreement and its various paragraphs, including Article 3.5. The concept of injury envisaged by Article 3 relates to negative developments in the state of the domestic industry. Article 3 is not intended to address differences in the structure of the domestic industry as compared to that of the exporting Member. Rather, it is clear from the text of Article 3.5 and from its indicative list of such "other factors" – which all pertain to developments in the situation of the domestic industry – that the authority is not required to conduct a non-attribution analysis with respect to features that are inherent to the domestic industry and have remained unchanged during the period considered by the investigating authority for purposes of its injury analysis.”*

196. The Authority notes that the fact that both constituents of the domestic industry manufacture ethylene from the same feedstock since the beginning of base year (in case of HMEL since the commencement of production). The feedstock structure of the domestic industry was constant during the injury period. A factor that is static in nature cannot explain the deterioration in profitability during the POI. Accordingly, no non-attribution analysis is required to be carried out for this factor.

**b. Injury is due to weakened global demand**

197. Other interested parties have contended that injury to the domestic industry is on account of weakened global demand and that this fact has been mentioned in the HPL's Annual Report itself. In this regard, the Authority notes that the demand in India has consistently increased over the injury period. Between the base year and the POI, demand has increased by 7%. Further, Indian demand has registered positive year on year growth. While none of the other interested parties have provided any data concerning global consumption, the Authority notes that it is examining domestic industry's performance in Indian market, which has witnessed a steady growth in demand. Accordingly, it cannot be considered that injury is on account of weakened global demand.

**c. Injury is due to other domestic producers and on account of entry of HMEL into Indian market**

198. Other interested parties have contended that injury to the domestic industry is on account inter se competition between domestic producers. It has been alleged that HMEL, being a new market entrant, has resorted to aggressive pricing to compete with the established players. In this regard, the Authority notes that competition amongst different players in a market is

natural consequence of market forces and is therefore, normal market condition. The Authority further notes that from the submissions of the user industry that domestic producers follow import price parity. However, to examine whether HMEL had adversely impacted share of other Indian producers, the Authority has compared the sales of the three domestic producers:

Sales (MT)	2021-22	2022-23	2023-24	POI
RIL	***	***	***	***
Index	100	104	99	106
HPL	***	***	***	***
Index	100	152	90	97
HMEL	-	-	***	***
Index	-	-	100	167

199. Based on the above, the Authority notes that if HMEL was resorting to aggressive pricing strategy, sales of other domestic producers would not have increased. However, as can be seen from the data above, both RIL and HPL were able to increase their domestic sales during the POI. Accordingly, it cannot be said that injury is due to pricing strategy by HMEL.

**d. HMEL is a new entrant and was in the stage of operationalization during the injury period**

200. Other interested parties have claimed that HMEL was in the stage of operationalization during the injury period and therefore, injury if any, is not on account of dumped imports. The Authority notes that HMEL achieved a capacity utilization of 80-90% during the POI. Further, the Authority has compared consumption norms of HMEL and HPL and found them to be comparable. As noted above, if the injury to the domestic industry was on account of new investment, such injury, contrary to the present facts, would not have resulted in cash losses and negative PBDIT. Accordingly, it cannot be considered that injury to HMEL is on account of its recent commencement of production.
201. Other interested parties have also argued that losses to HMEL in its first year of production were on account of initial inefficiencies which have reduced in the POI despite dumping. The Authority notes that HMEL commenced production of PUC in FY 2023-24. Raw material and utility norms, even for the initial year of production, have been compared with that of the other domestic producer and were found to be comparable. Further, conversion cost of HMEL was also found comparable to the participating foreign producers as well.

**e. Injury is due to other subject countries**

202. Participating exporters from Kuwait, Oman, Qatar, and UAE have contended that injury to the domestic industry is on account of other subject countries and not due to their respective subject countries. The Authority notes that pursuant to Para (ii) of Annexure II to AD Rules, 1995 it has cumulated imports from the subject countries. Other interested parties have not presented any arguments concerning de-cumulation of imports of individual subject countries. Accordingly, the Authority has not considered such arguments.

## **H.1 Factors establishing causal link**

203. While other known factors listed under the AD Rules, 1995, have not caused injury to the domestic industry, the Authority notes that the following parameters show that injury to the domestic industry is caused by dumped imports.
- i. Subject imports from the subject countries have increased in absolute terms and have remained significant in relative terms in the POI compared to the base year. Notably, imports have continued to be at increased levels despite significant increase in Indian production capacity.
  - ii. There is dumping of the subject goods from the subject countries.
  - iii. Price undercutting from the subject countries as a whole is positive.
  - iv. Landed price of the subject goods is significantly below the cost of sales of the domestic industry and thus, preventing the domestic industry from increasing its prices to recover costs and earn reasonable returns.
  - v. The market share of the Indian LLDPE industry has declined in the POI compared to the base year, whereas market share of subject countries has increased.
  - vi. Despite reduction in costs and increase in selling prices, the domestic industry continues to accumulate negative returns and has incurred cash losses during the POI.
204. The Authority, in view of the aforementioned, concludes that there exists a causal link between the dumping of the subject goods from the subject countries and injury to the domestic industry.

## **I. MAGNITUDE OF INJURY MARGIN**

205. The Authority has determined the NIP for the domestic industry on the basis of principles laid down in the AD Rules, 1995 read with Annexure III to AD Rules, 1995, as amended. The NIP of the product under consideration has been determined by adopting the information/data relating to the cost of production provided by the domestic industry. The NIP has been considered for comparing the landed price from the individual subject countries for calculating injury margin. For determining the NIP, the best utilisation of the raw materials and utilities has been considered over the injury period. Best utilisation of production capacity over the injury period has been considered. Extraordinary or non-recurring expenses have been excluded from the cost of production. A reasonable return (pre-tax @ 22%) on average capital employed (that is, average net fixed assets plus average working capital) for the product under consideration was allowed as pretax profit to arrive at the NIP as prescribed in Annexure III to the AD Rules, 1995.
206. ADPCL and Sadara have contended that given HMEL's commencement of production in August 2023, Annexure III simpliciter cannot be applied to it for computation of its injury margin and have requested for optimization of HMEL's data with the projections in its project report. They have further requested that only best utilization of established producer, HPL, ought to be considered so that HMEL's non-injurious price is not overstated. In this regard, the Authority notes that both HMEL and HPL use same raw materials and utilities for production of the PUC. The Authority has further compared the raw material consumption norms for both the domestic producers and found such consumption to be in the same range.
207. Insofar as optimization of HMEL's data is concerned, the Authority has considered quarterly data for POI for optimization of raw material and utilities for the purpose of Annexure-III and

determination of non-injurious price for HMEL. The Authority further notes that consumption norms for both HPL and HMEL are in the same range and therefore, there is no need for consideration of HPL's data for computation of HMEL's NIP. As such, there is no legal or practical basis for the Authority to accept Sadara and ADPCL's submissions.

208. In accordance with the above, related producers and exporters have been regarded as one single entity and attributed one single injury margin which was calculated on the basis of the weighted average of the injury margins of the cooperating related producers and exporters.
209. Based on the landed price and the NIP determined as above, the injury margin as determined by the Authority is provided in the table below.

**Injury Margin Table**

<b>Producer</b>	<b>PCN</b>	<b>NIP (\$/MT)</b>	<b>Landed Price (\$/MT)</b>	<b>Injury Margin (\$/MT)</b>	<b>Injury Margin (%)</b>	<b>Injury Margin (Range)</b>
<b>Saudi Arabia</b>						
Al-Jubail Petrochemical Company ("Kemya")	NMG	***	***	***	***	10-20
Arabian Petrochemical Company ("Petrokemya")	NMG	***	***	***	***	20-30
Eastern Petrochemical Company ("Sharq")	NMG	***	***	***	***	20-30
Jubail United Petrochemical Company ("United")	NMG	***	***	***	***	20-30
Rabigh Refinery & Petrochemical Company	NMG	***	***	***	***	20-30
Sadara Chemical Company	NMG	***	***	***	***	0-10
Yanbu National Petrochemical Company ("Yansab")	NMG	***	***	***	***	20-30
Saudi Aramco - SABIC Group	NMG	***	***	***	***	10-20
Others	All	***	***	***	***	20-30
<b>UAE</b>						
Abu Dhabi Polymers Co. Ltd	NMG	***	***	***	***	10-20
Abu Dhabi Polymers Co. Ltd	MPG	***	***	***	***	20-30
Abu Dhabi Polymers Co. Ltd	Wt. Avg.	***	***	***	***	10-20
Others	All	***	***	***	***	30-40
<b>Malaysia</b>						
<b>All</b>	All	***	***	***	***	30-40

**J. DUTY IMPACT ASSESSMENT**  
**Public interest and Domestic Industry Interest**

**J.1 Views of other interested parties**

210. The following submissions have been made by the other interested parties in this regard:
- i. The interested parties submitted that LLDPE is a critical raw material for several downstream sectors, including packaging, films, moulded articles and other plastic processing applications.
  - ii. It was argued that imposition of anti-dumping duty would increase the input cost of downstream user industries and may affect the cost competitiveness of Indian users.
  - iii. Certain interested parties relied on the demand-supply position in India and submitted that domestic production is insufficient to meet total consumption requirements. They contended that any duty on imports may aggravate supply constraints.
  - iv. It was further submitted that the demand for LLDPE in India is expected to increase and, therefore, imports remain necessary to bridge the domestic supply gap.
  - v. The interested parties also referred to the temporary exemption of basic customs duty on LLDPE imports and submitted that the Government's policy objective was to ensure continued availability of petrochemical inputs, reduce cost pressure on downstream industries and maintain supply stability.
  - vi. It was argued that prevailing geopolitical developments and disruption in global supply chains should be considered while examining whether anti-dumping duty is commercially and policy-wise justified.
  - vii. SRTPL submitted that it is a research and technology centre and that any imposition of anti-dumping duty may affect its research and development activities.
  - viii. The interested parties also submitted that the domestic industry's claim that the duty impact would be less than 1% should be verified by the Authority, since the calculation had not been disclosed to the exporters.
  - ix. Indian processors are already subjected to systematically higher input costs, with foreign suppliers offering material to India at prices that are USD 150-200 per metric ton higher than those offered to markets such as China. This differential is not market-driven but is a consequence of the perceived risk of anti-dumping actions in India.
  - x. The domestic industry supplies material at import parity pricing, inclusive of customs duty (7.5%) and freight. This effectively ensures that domestic producers appropriate the entire tariff protection, while downstream users continue to procure raw materials at inflated prices relative to global benchmarks.
  - xi. The imposition of duty will artificially elevate domestic prices, eliminate competitive discipline, and confer undue pricing power on the domestic industry at the cost of downstream MSMEs.
  - xii. the increase in domestic input costs will render Indian processors structurally uncompetitive vis-à-vis countries such as Vietnam and other ASEAN economies, which benefit from preferential trade access under Free Trade Agreements and have access to raw materials at globally competitive prices.
  - xiii. If raw material imports are restricted, finished goods imports will increase, leading to a direct displacement of domestic production. The downstream industry, which adds value and generates large-scale employment, will suffer.

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

211. The following submissions have been made by the domestic industry in this regard:
- i. The domestic industry submitted that none of the interested parties had provided any quantified end-user impact assessment.
  - ii. It was submitted that, in contrast, the domestic industry had placed detailed calculations on record establishing that the impact of anti-dumping duty on end users would be less than 1%.
  - iii. The domestic industry further submitted that anti-dumping duty is a corrective trade remedy and does not restrict imports. It only ensures that imports enter India at fair and non-injurious prices.
  - iv. The domestic industry submitted that the temporary removal of customs duty on LLDPE was only a temporary measure linked to the Middle East situation and cannot be treated as a reason to deny anti-dumping protection.
  - v. It was also argued that anti-dumping duties are prospective in nature and that the geopolitical situation had substantially stabilised.
  - vi. The domestic industry further submitted that removal of customs duty had reduced the limited protection available to the domestic industry against dumped imports and, therefore, strengthened the need for appropriate anti-dumping duty.
  - vii. It was also submitted that exporters from the subject countries were holding high inventories due to sudden disruption in shipping routes and that, once the situation normalised, such inventories could be aggressively dumped into India, aggravating injury to domestic producers.

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

212. The Authority issued initiation notification inviting views from all interested parties, including importers, consumers and other interested parties. Further, the Authority also requested the users/ consumers to provide relevant information concerning present investigation including the likely impact of imposition of anti-dumping duties on end users, substitutability of PUC, price-sensitivity of demand, long term contracts etc.
213. The Authority notes that the objective of imposing trade remedial measures is not to restrict imports but to remove the injury caused to the domestic industry from unfair trade practices and to establish fair competition in the Indian market. The Authority is indeed aware that the impact of such duties is not limited to only the domestic producers of the PUC but also affects the users and consumers of the PUC. While the imposition of duties may introduce competition concerns domestically but it can also concurrently stimulate the emergence of new producers or further investments within the country.
214. The Authority notes that two user industries, namely SRTPL and EMC IPL, have participated in the present investigation. While SRTPL has filed an Economic Interest Questionnaire, EMC IPL has not filed the Economic Interest Questionnaire and admittedly, it is not involved in the production or use of PUC. Further, SRTPL, admittedly, a research center, has not filed any computation of impact of anti-dumping duties. Apart from the above users, All India HDPE/PP Woven Fabric Manufacturers Association, a user industry association has also participated in the present investigation. However, it has not provided any calculation concerning impact of the anti-dumping duties on the subject goods. On the other hand, the domestic industry has provided end-user impact assessment, which shows that the impact of anti-dumping duties, if recommended, would be less than 1%.

215. The Authority notes that anti-dumping duty is a remedial trade measure and not a restriction on imports. Its purpose is limited to neutralising the unfair pricing advantage arising from dumped imports and restoring fair competition in the Indian market. It does not prohibit imports from the subject countries, nor does it prevent users from sourcing LLDPE from global suppliers.
216. The Authority further notes that, even after imposition of duty, the Indian market would continue to be served by domestic producers, duty-paid imports from the subject countries and imports from non-subject countries. Therefore, the apprehension that anti-dumping duty would result in non-availability of LLDPE or supply disruption is not supported.
217. The Authority observes that the submissions regarding adverse impact on users are general in nature. No user has placed verifiable evidence showing that the determined duty would render downstream operations unviable, materially increase production cost, or significantly affect consumer prices.
218. The Authority also notes that LLDPE is only one of several inputs used in downstream products. The final price of such products depends on multiple factors, including conversion cost, labour, power, additives, freight, distribution cost, processing technology and margins. Therefore, any increase in LLDPE cannot be mechanically equated with an equivalent increase in the price of finished products.
219. The Authority has examined the calculations provided by the domestic industry. The Authority notes that the products used in packaging, moulding are generally a combination of different types of LLDPE, and other polyethylene such as LDPE. The Authority has assessed impact on different products as below. The same has been illustrated below:

## Impact of Anti-Dumping Duty (ADD) on LLDPE Users & Consumers in India

Illustrative downstream impact analysis at ADD = USD 100/MT



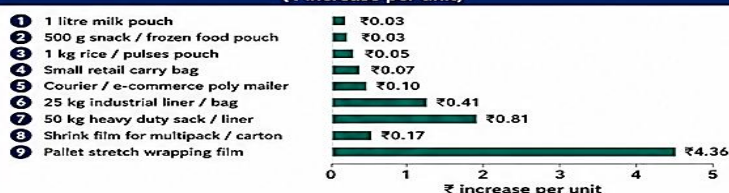
**USD 100/MT ADD = approx. ₹9.68 per kg of LLDPE**



**Assumptions:** Exchange rate: ₹96.8441/USD

#	Product	₹ Indicative Product Value	Article Weight	LLDPE Content	₹ Impact at USD 100/MT ADD (₹ increase per unit & % Impact)	
1	1 litre milk pouch	₹60	5 g	60%	₹0.03 per pouch (0.05%)	✓ Low Impact
2	1 kg rice / pulses pouch	₹60	8 g	60%	₹0.05 per pouch (0.08%)	✓ Low Impact
3	500 g snack / frozen food pouch	₹100	6 g	50%	₹0.03 per pouch (0.08%)	✓ Low Impact
4	Small retail carry bag	Goods value ₹300	10 g	70%	₹0.07 per bag (0.02%)	✓ Low Impact
5	Courier / e-commerce poly mailer	Shipment value ₹500	15 g	70%	₹0.10 per mailer (0.02%)	✓ Low Impact
6	25 kg industrial liner / bag	Packed goods value ₹1,000	60 g	70%	₹0.41 per bag (0.04%)	✓ Low Impact
7	50 kg heavy duty sack / liner	Packed goods value ₹1,125	120 g	70%	₹0.81 per bag (0.07%)	✓ Low Impact
8	Shrink film for multipack / carton	Packed goods value ₹500	20 g	90%	₹0.17 per pack (0.03%)	✓ Low Impact
9	Pallet stretch wrapping film	Goods value ₹50,000	500 g	90%	₹4.36 per pallet (0.009%)	✓ Low Impact

### Absolute impact per unit at USD 100/MT ADD (₹ increase per unit)



**CONSUMER PACKAGING**  
mostly **0.02% to 0.08%**  
of product value



**INDUSTRIAL PACKAGING**  
around **0.03% to 0.07%**  
of packed product value



For most consumer and industrial applications, the impact of ADD at USD 100/MT is only **below 0.1%** of product value.



220. As can be seen from the above, the impact of duties would be less than 0.5% on the end consumer product.
221. All Indian HDPE Association has submitted that exporters from subject countries charge prices USD 150-200 more than the prices at which such goods are exported to China due to perceived risk of anti-dumping actions in India. The Authority notes that prices in China could be different *vis – a – vis* Indian market on account of multitude of factors such as volume of orders, demand, commercial terms etc. Moreover, there is no reason for such differential pricing, if exporters are undertaking fair trade in both markets.
222. With regards to increase in prices in Indian market subsequent to imposition of anti-dumping duties, the Authority notes that a significant quantity of imports will continue to come through non-subject countries. During the POI, almost 65% of subject imports were imported from non-subject countries. Further, the Indian LLDPE market is characterized by presence of several LLDPE manufacturers. Thus, internal competition amongst domestic producers as well as competition from non-subject countries would ensure that subject goods would continue to be available at competitive prices.
223. Further, as almost 62% of subject imports will continue to be imported from non-subject countries, the Authority notes that consumers will continue to have multiple sources for procuring subject goods other than domestically produced goods.
224. The Authority also takes note of the exemption from basic customs duties granted by the Central Government on the imports of the PUC, in light of the recent West Asia Crisis. It is noted that the said exemption is temporary in nature and has no bearing upon the factum of dumping and injury occurring in the POI.
225. The Authority also recognises that a viable domestic LLDPE industry is important for long-term supply security. Continued dumping may give temporary price benefits to certain users, but it would weaken domestic production, reduce investment, impair capacity utilization and increase dependence on foreign suppliers.
226. The Authority therefore considers that public interest must be assessed in a broader manner, including fair competition, domestic manufacturing capability, employment, investment, supply stability and long-term resilience of the Indian value chain.
227. Accordingly, the Authority concludes that the alleged adverse impact on users and consumers is unsubstantiated and overstated. The imposition of anti-dumping duty would not restrict imports, create scarcity or impose a disproportionate burden on users. It would only ensure that imports enter India at fair prices and do not cause injury to the domestic industry.

## **K. POST-DISCLOSURE COMMENTS**

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

228. The following submissions have been made by the other interested parties:

#### **General**

- i. India has initiated a large number of trade-remedy investigations against Saudi Arabian exports, particularly chemicals and petrochemicals. It stated that repeated investigations adversely affect bilateral trade and should not be used for protectionist purposes.

#### **Standing**

- ii. The Authority must independently assess whether HPL and HMEL constitute a major proportion of total domestic production after including all relevant domestic producers of the like article.
- iii. the SEZ Act does not prohibit domestic sales by SEZ units. The legal consequence of such sales is that they are subject to applicable customs duties. It does not follow that the producer becomes irrelevant for anti-dumping standing.
- iv. OPAL was producing LLDPE in India and supplying substantial quantities in the Indian market. Excluding such a producer from total domestic production gives an incomplete picture of the Indian industry.
- v. RIL's data was fully disclosed and in the absence of verifiable disclosure RRPC cannot comment on eligibility of domestic industry.

#### **Low-volume imports, de minimis margins and termination**

- vi. The volume of imports from Kuwait represents 2.44% of total imports, while imports from Oman represented 2.90%. As individual share for each of these countries is below 3% and collectively account for less than 7% of total volume of imports, the Authority must terminate investigation against Kuwait and Oman on the ground of *de minimis* import volumes.

#### **Producer/exporter specific issues**

- vii. Kemya disputed the selling and distribution expense adjustment used while determining its ex-factory normal value and export price. It submitted that the expense was not incurred by Kemya itself. It further argued that, if such an adjustment is retained, the same treatment must be followed consistently in the cost and ordinary-course-of-trade test so that normal value and export price are compared at the same level of trade.
- viii. Sadara opposed determination of a common rate for all Saudi Aramco-SABIC producers. It submitted that common shareholding does not by itself establish operational control over Sadara's pricing and commercial decisions. According to Sadara, its exports are governed by binding marketing arrangements and cannot be redirected through another producer to obtain a lower rate.
- ix. SABIC, Sharq and SPDC disputed the observations concerning the relationship between SPDC, Mitsubishi and Sharq. They submitted that Mitsubishi does not exercise the control

required under the applicable legal test and that the later disclosures made by SPDC clarified the relationship. They further argued that any deficiency was limited to exports routed through Mitsubishi and did not affect Sharq's domestic sales or its other export channels. They therefore requested that facts available, if applied, be confined only to the specific sales channel for which information was considered incomplete.

- x. RRPC submitted that the Sumitomo sales channel had been disclosed, represented only part of its exports and was further explained during verification. It requested that any use of facts available be confined to that channel. It also sought the weighted-average rate applicable to the cooperating producers of the Saudi Aramco-SABIC Group.
- xi. Dow and SABIC marketing entities function as Sadara's extended sales arms and perform the role of an internal sales department. Therefore, under paragraphs 12.24 and 12.32 of the DGTR Manual, the indirect selling, general and administrative expenses and profit of these related entities should not be deducted while determining the net export price.
- xii. Alternatively the marketing fee reported by Sadara already represents the remuneration retained by the related marketing entities for performing sales and marketing functions. The deduction of both the marketing fee and the related entities' indirect expenses and profit would amount to double deduction of the same economic element and artificially lowers the net export price.
- xiii. DCIPL has claimed only credit cost in the prescribed appendix. It therefore requested correction of the disclosure statement, which had also referred to deductions for freight, insurance, inland transportation and port-related expenses.

#### **Determination of non-injurious price and injury margin**

- xiv. The Authority should consider recoveries from by-products, scrap and joint products while determining the cost of production and non-injurious price under Annexure III.

#### **Volume and price effects of imports**

- xv. Subject imports from Saudi Arabia have not caused adverse volume effect. Subject imports from Saudi Arabia have declined by 21% compared with FY 2023-24 and by 27% compared with FY 2022-23, while the domestic industry's production and sales has increased. The increase in domestic capacity and output showed that imports had not displaced domestic production or prevented market expansion.
- xvi. As price undercutting is negative for Saudi Arabia imports from Saudi Arabia could not have caused adverse price effects from the subject countries.

#### **Economic parameters, material injury and causal link**

- xvii. The domestic industry's parameters have improved during the injury period, including capacity, production, capacity utilisation, domestic sales, market share, employment, wages and productivity. The Authority's injury findings is based mainly on profitability indicators without a sufficient explanation of why those indicators outweighed the broad improvement in output, sales and market presence.
- xviii. The alleged financial injury could have resulted from factors other than dumped imports, including HMEL's commissioning and ramp-up phase, depreciation and interest costs, feedstock and production-cost differences, competition among Indian producers, operational disruptions, global energy and feedstock prices and weakened global polymer demand.
- xix. The domestic industry has not provided details of export sales which prevents the interested parties from examining whether injury is on account of export sales.

### **Public interest, user impact and duration of duty**

- xx. India has a demand-supply gap in LLDPE and that downstream processors depend on imports for regular and specialised grades. They referred to the temporary exemption from basic customs duty, changes in the quality-control framework and supply disruptions in West Asia. According to them, anti-dumping duty would increase raw-material costs, reduce the competitiveness of downstream processors and encourage imports of finished goods. Certain parties requested that, if duty is imposed, its duration should be limited to two years

### **K.2 Views of the domestic industry**

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

#### **Scope of PUC and PCN Reporting**

- i. The interested parties have not been able to substantiate their exclusion requests. Accordingly, the domestic industry requests the Authority to confirm the scope of the PUC as defined in the disclosure statement.
- ii. The Authority has not clarified whether the participating exporters have correctly identified product control number in their questionnaire response and whether the same has been verified and examined by the Authority.

#### **Scope of domestic industry**

- iii. The domestic industry requests the Authority to confirm HPL and HMEL's status as an eligible domestic industry in terms of Rule 2(b) of AD Rules, 1995.

#### **Dumping Margin Determination**

- iv. The dumping margins for all participating exporters from the subject countries, except Qatar, is positive and significant.
- v. The Authority should verify whether Qatofin has reported all adjustments in their export price to India and selling price in their domestic market correctly. the domestic industry requests the Authority to re-examine Qatofin's dumping margin.
- vi. Sumitomo holds both Class A and Class B shares in RRPC, reflecting its strategic involvement and influence as a founding shareholder.
- vii. Sumitomo Chemical and its associated companies purchased, for the three-month period ended March 31, 2026, goods equivalent to Saudi Riyals 11,455 million, while sales of petrochemical products to them were of Saudi Riyals 2,183 million, indicating active trading relationships and export activity.
- viii. Mitsubishi Corporation's FY2025 financial results explicitly lists SPDC Ltd. (Japan) as one of its major subsidiaries and related parties. This confirms SPDC as an affiliated entity in Mitsubishi's own consolidated reporting.
- ix. The Authority has rightly rejected the questionnaire response for Sharq and RRPC. It is further submitted that the two producers are part of the Saudi Aramco-SABIC Group and therefore, the Authority should have rejected the response of Saudi Aramco-SABIC Group in entirety.

- x. The Authority has not examined whether goods supplied by PRefChem through SAPPL to India are goods actually originating in Malaysia or goods originating in Saudi Arabia manufactured by PRefChem's related producers in Saudi Arabia which were subsequently traded through PRefChem and SAPPL.
- xi. Neither SAPPL nor SABIC mention in their questionnaire that they have supplied PUC originating in Malaysia to India. In view of the above, the domestic industry reiterates its request for rejection of the questionnaire response for Saudi Aramco-SABIC Group's entire sales channel.
- xii. Sadara manufactures and exports both NMG and MPG PCNs of LLDPE. Sadara supplies metallocene based grades under the names of Dowlex 5400 G and classifies them as high performance LLDPE. Accordingly, the Authority cannot only consider NMG selling prices of other producers in Saudi Arabia for determination of Sadara's normal value as such producers are not selling MPG PCN grades of LLDPE.
- xiii. If Sadara has not reported MPG PCNs in its questionnaire response the Authority in view of the gross misreporting of PCNs by Sadara must reject its response in entirety.

#### **Material injury and causal link**

- xiv. The Authority's conclusions clearly confirm that the Indian LLDPE industry is suffering from material injury on account of dumped imports from the subject countries.
- xv. The domestic industry submitted that dumped imports increased in absolute terms compared with the base year, entered the Indian market below its cost of sales and caused price undercutting, price suppression and price depression. It explained that the increase in production and sales resulted from capacity addition and was achieved by selling below cost. At the same time, the domestic industry continued to suffer losses, cash losses and negative returns.
- xvi. The allowed NIP of the domestic industry is significantly lower than the NIP claimed by the domestic industry.

#### **Public interest and effect on downstream users**

- xvii. The Authority has rightly confirmed that the impact of anti-dumping duties on the ultimate consumer would be less than 0.1%.
- xviii. Processors largely build packaging material prices based on conversion cost basis, where raw material price movement either side would have no impact on margin and the same is completely passed down to the ultimate consumer.

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

230. The Authority has examined the post-disclosure submissions filed by the domestic industry and the other interested parties. The Authority notes that several submissions made at the post-disclosure stage are reiterations of submissions already made during the investigation and already examined in the Disclosure Statement. The Authority has nevertheless considered all relevant comments to the extent they are supported by evidence on record and are material to the final determination.

#### **Producer/exporter-specific issues**

231. Kemya has argued that adjustments have been incorrectly applied in determining its ex-factory domestic and export price. In this regard, the Authority notes that as per the methodology explained in para 68 of these final findings, expenses borne by the trader have

been adjusted against the trader's export price/ normal value to arrive at the ex-factory value at the level of each trader and subsequently, expenses borne by the producer has been adjusted. Further, Kemya, in contrast to its related producers, did not report any selling or distribution or any other expense in its appendices. Kemya in its comments to disclosure statement has not explained why domestic/ export transactions were reported on FOB terms when Kemya did not bear any selling and distribution expense.

232. Kemya has also claimed that the Authority has added selling and distribution expenses to its normal value, whereas it has reduced the same from its export price. Kemya has also submitted that if the Authority considers that such adjustment by way of deduction to normal value and export price is warranted, the adjustment must be made to both export price and normal value. The Authority clarifies that it has followed the same methodology as suggested by Kemya and has subtracted the selling and distribution expense from both Kemya's normal value and export price and thus has compared both the export price and normal value at the same level of trade.
233. Kemya's related trader EMCAP has stated that Kemya's plant is located near port, therefore, it does not bear selling & distribution expenses. It is noted that the Authority had examined the geographical location of Kemya and its related producers and found them to be located in the same region. Further, the location of factory near port does not mean that goods would travel without transport charges. While EMCAP states that Kemya does not bear such charges on account of its location, it does not explain who bears such expenses. Accordingly, the Authority has not considered the submissions made by EMCAP.
234. Sharq and SPDC have argued that Mitsubishi Corporation through which they have exported the goods to India is not their related party and accordingly, the Authority should not have determined their export price and normal value in terms of Rule 6(8) of AD Rules, 1995. It has been further stated that even though SPDC did not inform the Authority in its questionnaire appendices the nature of relationship between SPDC and Mitsubishi Corporation, the Authority had other evidence on record to determine the relationship between SPDC and Mitsubishi Corporation. In this regard, the Authority notes that if SPDC considered Mitsubishi Corporation as an unrelated party, it could have disclosed the same as an unrelated party in its questionnaire appendices. However, SPDC on two separate occasions deliberately deleted the columns pertaining to relationship between supplier (SPDC) and customer (Mitsubishi). The explanation provided by SPDC in its mail dated 06.11.2025 is only a post-facto explanation and is *prima facie* incorrect and contrary to SPDC's Annual Report which clearly identifies Mitsubishi Corporation as a related party. Moreover, the Authority in its previous investigation concerning imports of mono ethylene glycol from Saudi Arabia (final findings dated 23.09.2025) whose POI has an overlapping period with the POI of the present investigation, in which Mitsubishi Corporation had disclosed itself be a related party of SPDC in its questionnaire response. This fact was disclosed by the Authority and was not disputed either at the stage of disclosure statement or subsequent to final findings by SPDC. It is a settled position in law that admitted facts need not be proved. Further, as Mitsubishi is a related party to SPDC and holds substantial shareholding in SPDC, the Authority considers that Mitsubishi through SPDC is in a position to exercise influence over Sharq and is accordingly, related party of Sharq.
235. RRPC has submitted that its response should not have been rejected as in its verification documents it has provided information pertaining to resale price and profitability of Sumitomo. In this regard, the Authority notes that the investigation was initiated on 30.06.2025 and all interested parties were required to file questionnaire response with the Authority by 06.09.2025. The Authority further upon request of the interested parties granted time till

12.09.2025 to file the questionnaire response. The Authority notes that Sumitomo, despite being a related exporter for the subject goods, did not file questionnaire response at this stage. After *prima facie* scrutiny of questionnaire response, the Authority issued supplementary questionnaire through mail dated 15.10.2025 to all participating exporters and requested them to complete their response. RRPC in its supplementary response dated 27.10.2025 also did not provide any data on behalf of Sumitomo nor did Sumitomo file any response on its own. Subsequently, during the desk verification of the producer-exporters data, the Authority issued verification questionnaire to RRPC requesting it to provide evidence for the claims made in its questionnaire response and appendices. As part of the verification response, RRPC submitted data allegedly pertaining to resale prices of Sumitomo and profitability of Sumitomo and also provided back up working of the same. In this regard, the Authority notes that the purpose of the verification process is to assess the accuracy and correctness of the data already submitted on record by duly verifying the same with back up documents based on the participating companies' financial records and not to collect new facts. The alleged resale and profitability information was provided by RRPC on 10.04.2026 after almost 10 months of initiation. The Authority provided both Sumitomo & RRPC several opportunities to complete their response. However, Sumitomo neither participated nor provided information as per the applicable trade notice for related exporters. The Authority could not accept such information at such a belated stage. Without prejudice to the above, the Authority notes that information provided for Sumitomo remains incomplete. While RRPC has provided a dump of Sumitomo profit & loss statement, the Authority could not verify such response from Sumitomo's financial records due to its non-participation. The profit & loss dump, sales & purchase contain no SAP or ERP based screenshots. Moreover, RRPC has not even provided Sumitomo's financial statements for the POI. In absence of these material deficiencies, the Authority could not have considered RRPC's response as complete. Accordingly, the Authority holds that it has rightly determined the export price and normal value of RRPC in terms of Rule 6(8) of AD Rules, 1995.

236. Kemya has also claimed that the Authority should increase its cost of production by adding selling and distribution expenses to the cost of production determined by the Authority. In this regard, the Authority notes that the ordinary course of trade test is to be carried out at the ex-factory level, and thus, there is no justification for adjusting Kemya's cost of production.
237. Sadara has argued that the Authority should not have adjusted trader's profit margin and SG&A expenses while computing Sadara's net export price as sales made through Dow Group and SABIC Group function as an extended arm for undertaking sales. The Authority disagrees with Sadara's submissions. It is noted that both SABIC Group and Dow Group undertake sale for various products and for several other producers, i.e., SABIC Group and Dow Group do not exclusively trade such goods for Sadara. Further, the shareholding for SABIC Group and Dow Group is materially different than that of Sadara. Secondly, Sadara itself as a producer bears expenses (inland freight) for selling such goods and such expenses are also reflected in its financial statement. Accordingly, it cannot be considered that SABIC Group and Dow Group are extended arms of Sadara created for undertaking sales on behalf of Sadara.
238. Sadara has also submitted that the Authority should not have deducted marketing fee expenses reported by Sadara while computing its net export price as the same reflects the profit retained by its traders. It has been further argued by removing the indirect SGA expenses and profit of Dow Group and SABIC Group, in addition to the marketing fees reported by Sadara, the Authority is carrying out double deduction for the same expense. In this regard, the Authority notes that it has determined the indirect SG&A expenses for Dow Group and SABIC Group based on the actual purchase value from Sadara (net invoice value without adjustments for marketing fee) and actual re-sale price by such traders across the sales channels. The Authority

further notes that it has applied the same methodology for determination of Sadara's normal value and export price. In furtherance of application of this method, Sadara's all domestic sales were found to be loss-making, which has not been contested by Sadara.

239. It may be noted that both export price and normal value for the producer have been worked out from the first point of resale to independent customers. Moreover, all direct selling expenses reported in Sadara's and its related exporter's records were appropriately adjusted in computing indirect selling expenses as per Appendix 5 of Sadara's related exporters. Further, while determining the profit of the related exporters, the Authority has considered the purchase prices reported for suppliers and net invoice value reported in Appendix 3A/3B/4A/4B. As such sale price are included in the marketing fee, there is no question of profits being double counted.
240. Sadara has also requested that it should be assigned a separate duty and not the weighted average duty determined for Saudi Aramco-SABIC Group. Sadara has further stated it is a legally distinct entity, and Saudi Aramco is not in an operational position to control it. In this regard, the Authority notes that Saudi Aramco has 100% shareholding in Excellent Performance Chemicals Company, which in turn holds more than 50% shareholding in Sadara. Similarly, Saudi Aramco holds 70% shareholding in SABIC. In view of the same, it cannot be considered that Sadara is not a related party to other producers in Saudi Arabia. The Authority further notes that Sadara has also not contested the fact that it is related to Saudi Aramco-SABIC Group. In view of the same, the Authority has recommended a single duty margin for Saudi Aramco-SABIC Group.

#### **Product Scope and PCN Reporting**

241. The Authority has re-examined the PCNs reported by the participating producers/exporters with reference to the technical specifications and verified records. The final calculations use only the correctly reported PCNs.

#### **Eligibility of the domestic industry and treatment of OPAL**

242. The Authority notes that exclusion of OPAL for the purpose of standing does not impact the injury analysis or risk distortion as OPAL's sales and production have been assessed as part of the macroeconomic data of Indian LLDPE industry. The Authority further notes that merely because an industry becomes ineligible for the purpose of Rule 2(b) of AD Rules, 1995, it does not mean its sales or production can be excluded for the purposes of assessing demand as it would result in distortion.
243. RRPC has argued that OPAL should not have been excluded from the scope of domestic industry merely because it is a SEZ unit and that at the time of filing of the application, OPAL had exited the SEZ. In this regard, the Authority notes that OPAL's exit from the SEZ took place after the completion of the POI. It is further noted that all examination relating to injury and dumping are to be assessed in relation to the POI and not afterwards. The impact of OPAL's exit from SEZ in post-POI does not affect the determination of injury and standing in the POI. The Authority further reiterates that merely because an entity is incorporated in India or physically manufactures goods in India does not automatically render it part of the domestic industry for trade remedial purposes where the governing legal regime itself treats such entity as operating outside the customs territory of India. Accordingly, the Authority considers that it has rightly excluded OPAL from the computation of total eligible domestic production.

244. Further, RRPC has also argued that reliance on RIL's support letter cannot cure the defect of the domestic industry lacking "major proportion" in terms of Rule 2(b). In this regard, the Authority clarifies that it has not relied on RIL's support letter for determining whether HPL and HMEL satisfy the test of "major proportion" in terms of Rule 2(b) AD Rules, 1995. As noted above, HPL and HMEL constitute around 25%-30% of total eligible Indian production and constitute an important and significant share of total eligible Indian production. Accordingly, the Authority has considered HPL and HMEL as domestic industry in terms of Rule 2(b) of AD Rules, 1995.
245. RRPC has also contended that it was not able to verify RIL's installed capacity, production and sales figures and accordingly, its right to make meaningful submissions has been prejudiced. In this regard, the Authority notes that such information is confidential in nature and all such information was circulated by RIL in indexed form. All interested parties including RRPC claim such information as confidential and is treated confidential by the Authority. Accordingly, the Authority does not consider that RRPC's right to make submissions has been prejudiced.

### **Volume and price effects of imports**

246. Other interested parties have argued that the Authority has relied on price based factors to explain volume effect and that existence of volume effect, i.e., significant increase in volume of imports either in absolute or relative terms has to be independently established. In this regard, the Authority notes that it has found that subject imports from the subject countries have significantly increased in the POI in relation to the base year. The Authority has merely correlated the facts on record to explain the reason behind increase in volume of domestic sales.
247. Producers from Saudi Arabia have contended that prices of subject goods from Saudi Arabia are entering into India at prices higher than the selling price of the domestic industry and therefore, cannot be a cause of injury to the domestic industry. In this regard, the Authority notes that it has cumulatively assessed affect of imports from the subject countries. Producers from Saudi Arabia have not presented any argument for de-cumulation of imports from Saudi Arabia. The Authority further notes that imports from the subject countries as a whole have been found to be causing adverse price effects on the domestic industry.

### **Economic parameters, material injury, and causal link**

248. RRPC has also contended that the absence of trend data pertaining to exports sales has prevented it from examining injury to the domestic industry. In this regard, the Authority notes that details pertaining to export sales were part of the non-confidential version of the application circulated by the domestic industry. In fact, RRPC has itself relied on export sales trends of the domestic industry in para 188 of its post-disclosure submissions.
249. Other interested parties have submitted that Indian production capacity has increased in the POI despite presence of dumped imports. In this regard, the Authority notes that HMEL commissioned its LLDPE plant in 2018 and subsequently commenced production during the injury period.
250. RRPC has argued that the domestic industry's selling price increased to 91 index points in the POI, therefore, it cannot be said that the domestic industry's prices were suppressed. In this regard, the Authority notes that increase in domestic industry's prices corresponded to the

increase in landed prices of subject imports from the subject countries. Further, subject imports from the subject countries have been entering into the Indian market below the domestic industry's cost of sales.

251. Other interested parties have argued that the domestic industry is not suffering from injury as it has been able to increase its sales, production, capacity utilization, wages and productivity and that such positive factors outweigh the adversely affected profitability parameters. In this regard, the Authority notes that it has already explained that the improvement in volumetric parameters was on account of HMEL's commencement of production in FY 2023-24. The Authority notes that when a new domestic producer enters into the market after making significant capital investment it cannot be expected to keep its capacities idle. Accordingly, the Authority needs to examine both volume and financial parameters to assess injury. In the present case, while on account of commencement of production by HMEL, the domestic industry's volumetric parameters improved, the domestic industry at the same time was not able to recover its costs which adversely affected its financial parameters.
252. Other interested parties have also argued that losses to domestic industry were on account of HMEL's commencement of production in FY 2023-24, as losses to the domestic industry peaked in FY 2023-24. In this regard, the Authority notes that price of subject imports from the subject countries significantly declined in FY 2023-24 compared to FY 2022-23 and thus, the domestic was forced to reduce its prices in line with landed prices of subject imports.
253. Other interested parties have also contended that the Authority could not have relied on information pertaining to other domestic producers in its injury examination. In this regard, the Authority notes that it has carried out injury examination for the domestic industry. However, it has also examined broader macroeconomic parameters of Indian LLDPE producers as in absence of examination of volumetric data of other domestic producers, the Authority could not have examined the movements in market share and demand.
254. Other interested parties have contended that mere achievement of higher capacity utilization, comparable consumption and conversions costs with other domestic producer do not indicate HMEL's operational and financial parameters had stabilized. It has been further argued that the Authority has relied on selected financial parameters of HMEL to conclude that HMEL's performance remained unaffected from costs and inefficiencies ordinarily associated with the initial years of operation of a newly commissioned petrochemical facility. In this regard, the Authority notes that it has examined all cost-related parameters of HMEL and compared the same with the other domestic producer. The impact of commencement of production is reflected in the form of high interest cost and elevated levels of depreciation. Accordingly, the Authority examined the PBDIT of HMEL i.e., profit after removing depreciation, interest and tax, and found it to be negative.
255. The Authority further notes that the other interested parties agree that improvement in capacity utilization, norms and conversion indicate that HMEL has achieved a degree of technical stability, but these do not establish that HMEL has achieved a mature commercial operating position. The Authority notes that HMEL has been able to sell almost 97% of its total production in domestic and export markets during the POI which indicates that it has not only achieved technical stability but also commercial operating position.
256. On an overall assessment, the Authority notes that dumped imports from the subject countries entered India in significant volumes, competed directly with the domestic like article and prevented the domestic industry from raising prices sufficiently to recover its costs and earn a

reasonable return. The Authority therefore confirms that dumped imports from the subject countries have caused material injury to the domestic industry.

### **Non-injurious price determination**

257. Other interested parties have also argued that the Authority should have made adjustments to the domestic industry's NIP for by-product credit. In this regard, the Authority notes that the domestic industry does not generate any by-product in production of the PUC, rather such by-products are generated at the stage of manufacturing of captive inputs and the same has been appropriately adjusted in computation of NIP.
258. The domestic industry has also alleged that the Authority has carried out unwarranted adjustments to its non-injurious price. In this regard, the Authority notes that the remarks of the domestic industry are general in nature and it has not substantiated its claims. Accordingly, the Authority disagrees with the submissions of the domestic industry.

### **Public interest, user impact, and duration of duty**

259. The Authority further notes that it has appropriately computed the impact of duties on a wide variety of products and has appropriately explained the basis of its assumptions. Further, the Authority
260. The Authority further notes that the interested parties have stated that on account of existence of demand-supply gap anti-dumping duties should not be recommended. In this regard, the Authority notes that the existence of demand-supply gap does not warrant non-recommendation of measures to counter unfair trade practices by foreign exporters.
261. The temporary exemption from basic customs duty, quality-control measures and geopolitical developments after the period of investigation serve different policy purposes and do not justify allowing injurious dumping to continue. Moreover, no exceptional circumstance has been established for justification of limiting the measure to two years.

## **L. CONCLUSION**

262. Having examined the submissions filed by all interested parties and issues raised therein, and considering the facts available on record, the Authority concludes the following:
- a. The product under consideration is *Linear Low-Density Polyethylene, having density of 908.4 to 940.4 kg/m<sup>3</sup>*.
  - b. The exclusion requests made by the other interested parties have been examined and the Authority finds that the domestic industry has produced and sold the like article to the products for which exclusion has been requested. Accordingly, no exclusion requests have been considered by the Authority.
  - c. The PCN methodology adopted for the purpose of the present investigation was based on metallocene based catalysts and non-metallocene catalysts.
  - d. The application seeking imposition of anti-dumping duties was filed by Chemicals and Petrochemicals Manufacturers' Association, India, on behalf of Indian LLDPE manufacturers. Injury information has been provided by Haldia Petrochemicals Limited and HPCL-Mittal Energy Private Limited. The application has been supported by Reliance Industries Limited, which provided supporter data as per the applicable format. HPL and HMEL account for major proportion of Indian LLDPE production in terms of

- Rule 2(b) of AD Rules, 1995 and the application satisfies the criteria of standing in terms of Rule 5(3) of AD Rules, 1995.
- e. The Authority has relied upon DG Systems data for the purpose of examination of imports of the subject goods, after due examination of the transactions.
  - f. The investigation was initiated against the State of Kuwait, Malaysia, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia and the United Arab Emirates. At the stage of initiation import volumes from the State of Kuwait, State of Qatar and the Sultanate of Oman individually accounted for less than 3% of total imports, but collectively accounted for more than 7% of total imports. During the investigation, the Authority found imports from Qatar to be non-dumped and thus, the collective share of countries (Kuwait and Oman) individually accounting for less than 3% of total imports fell below 7%. Accordingly, in terms of Rule 14 of AD Rules, 1995, the Authority has terminated investigation against Kuwait, Oman and Qatar. Accordingly, the subject countries for the present investigation are Malaysia, the Kingdom of Saudi Arabia and the United Arab Emirates.
  - g. The dumping margin and injury margin determined for producers/exporters from the subject countries are positive and significant.
  - h. The domestic industry has suffered material injury during the period of investigation, as is evident from the following:
    - (i) The volume of dumped imports from the subject countries have increased in absolute terms compared to the base year.
    - (ii) Despite increase in domestic industry's installed capacity over the injury period and increase in demand, significant portion of domestic industry's capacity remained idle in the POI.
    - (iii) Subject goods from the subject countries are undercutting the prices of the domestic industry.
    - (iv) Subject goods from the subject countries are depressing the prices of the domestic industry.
    - (v) Due to commencement of production by HMEL during the injury period, the domestic industry's volume parameters have improved. However, market share of Indian Industry as a whole has declined. It is noted that improvement in certain volume parameters does not negate material injury where price and profitability parameters show significant deterioration.
    - (vi) The domestic industry has suffered financial losses, incurred cash loss and accumulated negative returns on capital employed during the period of investigation.
    - (vii) The domestic industry has not been able to earn reasonable return despite demand for the product in India.
  - i. No other known factors have caused injury to the domestic industry and injury to the domestic industry is due to dumping of the subject imports into India.
  - j. The injury margin determined for producers/exporters from the subject countries is positive and significant.
  - k. Imposition of anti-dumping duty shall be in the larger public interest, as can be seen from the following:
    - (i) No interested party has demonstrated that imposition of duty would cause disproportionate adverse impact on public interest.
    - (ii) The imposition of duty shall prevent unfair advantage to foreign producers/exporters through dumping practices and would provide a level playing field to the domestic industry in the Indian market.

- (iii) Anti-dumping duty does not prohibit imports. Imports may continue to enter the Indian market at fair and non-dumped prices.

### **M. RECOMMENDATIONS**

263. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the domestic industry, exporters, importers 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 anti-dumping duty is required to offset dumping and injury. Therefore, Authority considers it necessary and recommends imposition of anti-dumping duty on imports of subject goods from the subject countries.
264. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of anti-dumping duty equal to the lesser of 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 countries, from the date of notification to be issued in this regard by the Central Government, for a period of 5 years, equal to the amount indicated in Col. 7 of the duty table appended below:

#### **DUTY TABLE**

S.No.	Heading	Description	Country of Origin	Country of Export	Producer	Amount (US\$/MT)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	3901 10 10 3901 40 10	<i>Linear Low-Density Polyethylene, having density of 908.4 to 940.4 kg/m<sup>3</sup></i>	Kingdom of Saudi Arabia	Any Country including Kingdom of Saudi Arabia	Al-Jubail Petrochemical Company ("KEMYA")	75
2	-do-	-do-	Kingdom of Saudi Arabia	Any Country including Kingdom of Saudi Arabia	Arabian Petrochemical Company ("Petrokemya")	75
3	-do-	-do-	Kingdom of Saudi Arabia	Any Country including Kingdom of Saudi Arabia	Eastern Petrochemical Company ("Sharq")	75
4	-do-	-do-	Kingdom	Any	Jubail United	75

			of Saudi Arabia	Country including Kingdom of Saudi Arabia	Petrochemical Company ("United")	
5	-do-	-do-	Kingdom of Saudi Arabia	Any Country including Kingdom of Saudi Arabia	Rabigh Refinery And Petrochemical Company	75
6	-do-	-do-	Kingdom of Saudi Arabia	Any Country including Kingdom of Saudi Arabia	Sadara Chemical Company	75
7	-do-	-do-	Kingdom of Saudi Arabia	Any Country including Kingdom of Saudi Arabia	Yanbu National Petrochemical Company ("Yansab")	75
8	-do-	-do-	Kingdom of Saudi Arabia	Any country including Kingdom of Saudi Arabia	Any producer other than S. No. 1 to 7	225
9	-do-	-do-	Any country other than subject countries	Kingdom of Saudi Arabia	Any	225
10	-do-	-do-	United Arab Emirates	Any country including United Arab Emirates	Abu Dhabi Polymers Co. Ltd (Borouge) - Sole Proprietorship L.L.C.	41
11	-do-	-do-	United Arab Emirates	Any country including United Arab Emirates	Any producer other than S. No. 10	94
12	-do-	-do-	Any country other than subject countries	United Arab Emirates	Any	94

13	-do-	-do-	Malaysia	Any country including Malaysia	Any	368
14	-do-	-do-	Any country other than subject countries	Malaysia	Any	368

Note - The application of the individual duty rates specified for the companies mentioned in the above shall be conditional upon presentation to customs authorities of a valid commercial invoice, on which shall appear a declaration dated and signed by an official of the entity issuing such invoice, identified by his/her name and function, drafted as follows:

“I, the undersigned, certify that the (volume) of (product concerned) sold for export to India covered by this invoice was manufactured by (producer name and address) in the (name of country). I declare that the information provided in this invoice is complete and correct.” If no such invoice is presented, the duty applicable to all other producers shall apply. This requirement is without prejudice to the verification procedures independently undertaken by the Customs authorities under the applicable customs laws and regulations.

#### **N. FURTHER PROCEDURE**

265. An appeal against the determination of the Designated Authority in these final findings shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the relevant provisions of the Act/Rules.

**Amitabh Kumar**  
**Designated Authority**