CASE No. AD (OI)-44/2025

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

FINAL FINDINGS

Anti-dumping investigation concerning imports of Belting Fabric made of 80% or more of polyester or nylon from China PR.

Pictographic presentation of Belting Fabric

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F. No. 6/49/2025-DGTR
Government of India
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Directorate General of Trade Remedies
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Date: 25.09.2026

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Subject: Anti-dumping investigation concerning imports of Belting Fabric made of 80% or more of polyester or nylon from China PR.

A. BACKGROUND OF THE CASE

1. 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, as amended from time to time (hereinafter referred as the "Anti-Dumping Rules" or "the Rules") thereof, SRF Limited (hereinafter referred to as the "applicant" or "domestic industry") have filed a duly substantiated application before the Designated Authority (hereinafter referred to as the "Authority") for initiation of anti-dumping investigation concerning imports of "Belting Fabric made of 80% or more of polyester or nylon" (hereinafter referred to as "product under consideration" or "PUC" or "subject goods"), from China PR (hereinafter referred to as the "subject country").

2. The Authority, on the basis of sufficient prima facie evidence submitted by the domestic industry, issued a public notice vide Notification No. 6/49/2025-DGTR dated 27th September 2025, published in the Gazette of India - Extraordinary, initiating the subject investigation in accordance with the Section 9A of the Act read with Rule 5 of the Rules to determine the existence, degree and effect of the alleged dumping of the subject goods originating in or exported from the subject country and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the alleged injury to the domestic industry.

B. PROCEDURE

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

3.1 Initiation.

i. In accordance with Rule 5(5), the Authority notified the embassy of the subject country in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation.

ii. Upon examination of the application, the Authority found *prima facie* evidence of dumping and consequent injury. Therefore, in accordance with Rules 5 and 6, vide Notification F. No. 6/49/2025-DGTR dated 27thSeptember, 2025, the Authority initiated the present proceedings.

iii. The period of investigation (POI) for the purpose of present investigation is 1st April 2024 to 31st March 2025 (12 months). The injury analysis period covers 2021-22, 2022-23, 2023-24 and the period of investigation.

iv. A request was made to the Directorate General for Systems and Data Management ("DG Systems") for transaction-wise import data of the product under consideration for the injury period. The Authority received the data and has relied upon this data for the necessary analysis after due examination of the transactions.

3.2 Circulation of non-confidential version of the application

v. In accordance with Rule 6(2), the Authority informed interested parties of the initiation of the investigation by sharing a copy of the initiation notification with the embassy of the subject country in India, known producers and exporters of the product under consideration in the subject country, known importers of the subject goods in India and other interested parties, as per the information made available in the application.

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

vii. The Authority sent questionnaire to the government of the subject country through their embassy in India. The government of the subject country was requested to forward the initiation notification and the questionnaires to the producers of the product under consideration in their country and advise them to respond to the questionnaire within the prescribed time limit.

3.3 Participation by exporters of subject country and importers/users from India.

viii. The Authority sent exporter questionnaires to the following known producers/exporters of the subject goods calling for necessary information in accordance with Rule 6(4) of the Rules.

SN	Name of producers/exporters in the subject country
1	Feicheng Taishan Plastic - Coated Canvas Co. Ltd
2	Hebei Lanyu Rubber & Plastic Products Co. Ltd
3	Hengshui Jintaiyang Conveying Machinery & Engineering Co. Ltd
4	Jiangsu Taiji Industry New Materials Co. Ltd
5	Jiarunliang Industrial Belt Co. Ltd
6	Oriental Industries (Suzhou) Limited
7	Oriental Textile (Holding) Limited
8	Shandong Helon Polytex Chemical Fibre Co Ltd
9	Wuhu S.H.Z Industrial Fabric Co. Ltd
10	Zhangjiagang City EastOcean Technical Fabric Co. Ltd.
11	Zhejiang Hongbang Industry Ltd.
12	Zhejiang Unifull Hi-Tech Industry Co., Ltd.
13	Zhejiang Unifull Industrial Fabric Co. Ltd.

ix. The following producers and exporters from China have registered themselves as interested parties in the present investigation:

SN	Name of producers/exporters in the subject country
1	Jiangsu Jiaheng Fibre Co., Ltd

2	Jiangsu Taiji Industry New Materials Co. Ltd
3	Oriental Industries (Suzhou) Limited
4	Qingdao Chenlanxin Business and Trading Co., Ltd
5	Qingzhou Shengbo New Products Co., Ltd,
6	Wuhu S.H.Z Industrial Fabric Co. Ltd
7	Wuxi Polymico Materials Co., Ltd
8	Xuyi Huacheng Industrial Cloth Co., Ltd.
9	Zhejiang Unifull Hi-Tech Industry Co., Ltd.

x. The Authority sent importer questionnaires to the following known importers/users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules.

SN	Name of interested party
1	ARB Conveyors
2	Arvind Limited
3	Filatech Enterprises Private Limited
4	Madura Industrial Textiles Limited
5	Marc Industries
6	Oxford Rubbers Private Ltd.
7	Rachna Textiles India Private Limited
8	Sanrhea Technical Textiles Limited

xi. In response to the initiation of the subject investigation, the following importers/users have registered themselves as interested parties in the investigation.

SN	Name of interested party
1	Arb Conveyors Ltd.
2	Boston Rubbers
3	Dynamic Rubbers Private Limited
4	Hindustan Rubber & General Industries
5	Innovative Tyres And Tubes Limited
6	Neelkanth Beltings
7	Pentagon Rubber Limited
8	Star Polymers Inc

xii. In addition to the above, two associations, namely, All India Rubber Industries Association and China Chamber of Commerce for Import and Export of Textiles have registered themselves as interested parties in the present investigation.

xiii. The Authority issued an Economic Interest Questionnaire (EIQ) to assess public interest and impact of the duties on the wider economy. A copy of the EIQ was sent to the embassy of the subject country, all the known exporters, importers and users and the applicant. The EIQ was also shared with the administrative line ministry. A response to the economic interest questionnaire was filed by the following:

SN	Name of interested party
1	SRF Limited
2	Qingdao Chenlanxin Business and Trading Co., Ltd

3	Wuxi Polymico Materials Co., Ltd
4	Xuyi Huacheng Industrial Cloth Co.
5	Oriental Industries (Suzhou) Ltd. ("OTIZ")
6	All India Rubber Industries Association

xiv. 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.

3.4 Further procedures.

xv. 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 16thJanuary 2026 in hybrid mode. The parties presenting their views in the oral hearing were directed to make written submissions of the views expressed orally, followed by rejoinder submissions.

xvi. In accordance with Rule 6(8), wherever an interested party has refused access to or has otherwise not provided necessary information in a timely manner during the course of the present proceedings, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the findings based on the facts available.

xvii. In accordance with Rule 7, information provided by the interested parties on a confidential basis was examined by the Authority with regard to the sufficiency of the confidentiality claimed. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted, and such information has been considered as confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide a non-confidential summary of the information filed on confidential basis.

xviii. In accordance with Rule 8, the Authority conducted verification of the data provided by the applicant and other interested parties to the extent considered necessary for the present proceedings. The Authority has considered the verified data of the interested parties in its analysis in the present case.

xix. The Authority calculated the non-injurious price (NIP) for the product under consideration so as to ascertain whether duties lower than the dumping margin would be sufficient to remedy the injury being suffered by the applicant. The NIP has been calculated based on the optimum cost of production and cost to produce & sell the domestic like article in India, based on the information furnished by the applicant and having regard to the Generally Accepted Accounting Principles (GAAP).

xx. The Authority examined the issues raised, information provided, and submissions made by the interested parties during the course of the proceedings, to the extent they were supported by evidence and considered relevant to the present purpose, in making the final finding.

xxi. A disclosure statement dated 15.09.2026 was issued by the Authority, in accordance with Rule 16 of the Anti-Dumping Rules disclosing the essential facts under consideration in the matter relating to the present anti-dumping investigation. The comments to disclosure statement received from the interested parties have been considered, to the extent found relevant and non-repetitive, in these final findings.

xxii. '***' represents information furnished by a party on confidential basis and so considered by the Authority under the Rules.

xxiii. The exchange rate adopted by the Authority for the subject investigation is 1 US$ = ₹ 85.43, being the average of the exchange rates notified by the Central Board of Indirect Taxes and Customs under Section 14 of the Customs Act, 1962 for conversion of the value of imported goods, in force during the period of investigation. The same rate has been applied throughout these final findings.
Source: https://foservices.icegate.gov.in/#/services/viewExchangeRate

C. PRODUCT UNDER CONSIDERATION

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

> *"3. The product under consideration is Belting Fabric made of 80% or more of polyester or nylon in any combination, excluding Chafer fabric.*
> *4.It is also known as Rubberized Textile Fabric (RTF) or Conveyor Belt Fabric (CBF). Belting fabrics can be made from various types of materials such as polyester yarns, nylon yarns, cotton, polypropylene etc. The scope of the product under consideration covers those belting fabrics in which either polyester or nylon are 80% or more in any combination.*
> *5.The subject goods do not have a dedicated code and are classifiable under subheading 5906 99 90 of Chapter 59, Customs Tariff Act."*

C.1 Submissions made by interested parties.

5. The interested parties have made the following submissions with respect to the product under consideration and like article:
   i. Belting fabric is a highly customised technical textile and not a homogenous product. There exist over 2,000 varieties based on weave, rating, width, GSM, length and end-use.
   ii. Authority may clarify if belting fabric made using Nylon 6,6 is excluded from the scope of product under consideration.
   iii. Product should be limited to EE type of belting fabric of 100% Polyester as other belting fabrics are neither imported, nor produced by the domestic industry.
   iv. Scope was revised to exclude grey fabric/undipped fabric and a further 19 specific combinations of warp and weft yarns, including those made with Nylon 6,6.
   v. Domestic industry does not produce or sell widths above 225 cm.
   vi. Domestic industry does not have the capability to supply products with length exceeding 1000 meters.
   vii. Domestic industry does not have capability of producing rolls above 520 meters in EE fabrics of heavier ratings i.e. exceeding 350.
   viii. Domestic industry produces only single-dip fabric with dip pick-up exceeding 5%.
   ix. Domestic industry in its product brochure has admitted that they cannot produce fabric rolls beyond 2 MT roll weight.
   x. Hindustan Rubber & General Industries, Jalandhar has reported rejection of domestic industry's fabric due to performance issues.
   xi. The fabric designed and developed by the applicant is found to be unsuitable and uneconomical for use in the manufacture of the end product.
   xii. Domestic industry's assertion that conveyor belts last up to three years is unsupported by the industry practice.

xiii. Domestic industry manufactures the EE fabric; it manufactures this product using (i) single step dipping process and (ii) twisting process. Jiaheng adopts a two-bath dipping process to manufacture EE.

xiv. Authority may exclude EEE, EEH, EHH, EES, NN and NES as they are not being imported, being imported in negligible quantities or being commercially produced by the domestic industry.

xv. EEN is a new fabric type developed by Jiaheng and is not produced or sold by the domestic industry.

xvi. Authority may exclude fabrics of widths higher than 125 cms as they are imported only in miniscule quantities.

xvii. The applicant sells belting fabric at exceptionally higher prices to certain customers while offering the same or comparable fabric at substantially lower prices to other buyers.

xviii. Conveyor belt manufacturers face intense competition through reverse auctions and closed tenders, particularly for government and large corporate orders. Consequently, their ability to increase prices is limited due to the risk of losing tenders.

xix. Significant factors which further affect price comparability within the specified types of fabric are (a) width, (b) length, (c) rating and (d) weave. These factors must be included in framing the PCN.

C.2 Submissions made by domestic industry.

6. The domestic industry has made the following submissions with respect to the product under consideration and like article:

i. The product under consideration is Belting fabric made of 80% or more of polyester or nylon in any combination, excluding Chafer fabric. Belting fabric is also known as Rubberized Textile Fabric (RTF) or Conveyor Belt Fabric (CBF).

ii. The product under consideration is suitable for heavy-duty use, where strength and dynamic strain resistance are required. The most common use of the fabric is Conveyor Belt.

iii. The product under consideration does not have a dedicated code and is classifiable under subheading 5906 99 90 of Chapter 59, Customs Tariff Act.

iv. The domestic industry produces and sells with width above 225 cm, length more than 700 meters and the product with more than 350 rating.

v. The domestic industry has sold significant quantities of EE grade in the domestic market and sample copies have been provided.

vi. The unit of measurement described under the Customs Tariff Act is MT. However, the product is traded under different units of measurement such as square metre, linear metre, square yard, linear yard and square foot.

vii. The domestic industry has no reservations if Nylon 6,6 is excluded from the product under consideration.

viii. The domestic industry has provided invoices of sales of product under consideration with width above 225 cm, above 350 and length exceeding 100 meters.

ix. The domestic industry has also provided invoices and packing list of domestic sales of product under consideration of length more than 1000 meter sold to various parties.

x. With regards to the sales of particular specifications not made by domestic industry, had the consumers placed more orders at adequate prices, the domestic industry would have provided these specifications to the customers. However, the consumers have preferred to import because of the low prices.

xi. Domestic industry has both double dipping as well as single dipping capability. The dipping is undertaken based on the customer requirements.
xii. The domestic industry can supply the product rolls beyond 2 MT roll weight. The brochure relied upon by the user industry is an old brochure.
xiii. The domestic industry can supply twisted and untwisted products based on customer requirements.
xiv. EEE, EEH, EHH, EES, NN and NES are being imported and cannot be excluded from the scope.
xv. The product is generally traded based on fabric types. It is for this reason that the import data and the invoices of different suppliers generally contain information on the fabric types (class) and width.
xvi. On the request for framing PCN methodology on large number of parameters by the association, no information and evidence has been provided with respect to the alleged differences in the prices. The participating association has large number of members who are users of the product, and it could have provided information on the alleged difference in the prices.
xvii. The unit of measurement considered by the Authority is weight. Any alleged difference in the prices on account of width and length is already addressed by considering weight as the unit of measurement, there is no reason for the Authority to adopt length and width as a PCN parameter.
xviii. The rating of the product is proportional to the GSM per unit of product. A product with higher GSM will have a higher rating. Since the data has been considered in terms of weight, there is no reason for the Authority to adopt rating as a PCN parameter. While the weave of the product does impact the price, it does not significantly impact the cost of the product. The products with different weaves can be produced on the same manufacturing lines and do not require a separate machine. The only difference arises on account of manufacturing time. The cost difference on account of these parameters is less than 5% (as per the internal estimates of the domestic industry which has been mentioned in the application).
xix. On the submission of the other interested parties that domestic industry's product has faced quality issues, the issues highlighted by the interested parties were one off incident. The domestic industry has been repeatedly supplying the product to these entities. Party wise sales made in the period of investigation are provided and it can be seen that consumers have placed repeated orders. Had the quality not been appropriate, the consumers would not have placed repeat orders.

C.3 Examination by the Authority.

7. At the stage of initiation, the product under consideration was defined as Belting Fabric made of 80% or more of polyester or nylon in any combination, excluding Chafer fabric. The Authority notes that the product is also referred to as Rubberized Textile Fabric (RTF) or Conveyor Belt Fabric (CBF) and is principally used in the manufacture of conveyor belts.

8. The Authority invited comments from the interested parties on the scope of the PUC and the PCN methodology within 15 days from the date of intimation. The initial period ended on 22nd October 2025 and, on request of certain interested parties, was extended up to 30th October 2025.

9. Based on comments received from the interested parties, the Authority clarified the scope of the product under consideration and the PCN methodology which was notified by F. No. 6/49/2025-DGTR notice dated 7th November 2025 and is reproduced below.

"Scope of the product under consideration

The product under consideration is Belting Fabric made of 80% or more of polyester or nylon in any combination, excluding Chafer fabric and grey fabric/undipped fabric.

Belting fabric made with following warp and weft are also excluded.

SN	***Warp 1***	***Warp 2***	***Weft***	***Belting Fabric Code***
	Yarn Type	***Yarn Type***	***Yarn Type***	
1.	*m-Aramid*	*--*	*m-Aramid*	*AA*
2.	*Polycotton*	*--*	*Polycotton*	*BPBP*
3.	*p-Aramid*	*--*	*p-Aramid*	*DD*
4.	*Polyester*	*Polyester*	*Polyester Monofilament*	*EEM*
5.	*Polyester*	*Polyester*	*Nylon 6,6*	*EEP*
6.	*Polyester*	*--*	*Polyester Monofilament*	*EM*
7.	*Polyester*	*--*	*Nylon 6*	*EN*
8.	*Polyester*	*--*	*Nylon 6,6*	*EP*
9.	*Polyester*	*Nylon 6,6*	*Nylon 6,6*	*EPP*
10.	*Spun Polyester*	*--*	*Polyester Monofilament*	*ESM*
11.	*Nylon 6,6*	*--*	*Nylon 6,6*	*PP*
12.	*Nylon 6,6*	*--*	*Polyester*	*PE*
13.	*Nylon 6,6*	*--*	*Polyester Monofilament*	*PM*
14.	*Nylon 6*	*--*	*Cotton*	*NB*
15.	*Poly- Propylene*	*--*	*Polypropylene Monofilament*	*RM*
16.	*Poly- Propylene*	*--*	*Polypropylene*	*RR*
17.	*Polyester*	*--*	*Steel cord*	*SB*
18.	*Nylon 6*	*--*	*Nylon 6*	*SC-Chafer*
19.	*Polyester*	*--*	*Cotton*	*EB-SW*

PCN methodology

SN	***Warp 1***	***Warp 2***	***Weft***	***PCN code***
1	*Polyester*	*--*	*Polyester*	*EE*
2	*Polyester*	*Polyester*	*Polyester*	*EEE*
3	*Polyester*	*--*	*High Elongation Polyester*	*EEH*
4	*Polyester*	*High Elongation Polyester*	*High Elongation Polyester*	*EHH*
5	*Polyester*		*Spun polyester*	*EES*
6	*Nylon 6*	*--*	*Nylon 6*	*NN*
7	*Nylon 6*	*--*	*Spun Polyester*	*NES*

10. Post the notification for PUC/PCN methodology, additional submissions have been filed by the interested parties on the scope of comments. Even though these were belated, the same have been examined below.

I. Clarification regarding exclusion of Nylon 6,6.

11. With regards to the submissions of other interested parties seeking clarification regarding exclusion of Nylon 6,6, it is clarified that Nylon 6,6 had already been excluded from the scope of the product under consideration. The domestic industry has also agreed to the exclusion of this product in its comments submitted during the consultation process preceding the notification of the PUC/PCN methodology.

II. Product with width above 225 cm.

12. With regard to the submissions of the other interested parties that the domestic industry does not manufacture widths above 225 cm, the domestic industry has submitted evidence of domestic sales of products having widths above 225 cm. The Authority has examined the invoices placed on record. In view of the evidence demonstrating actual supply of such products, the Authority does not find sufficient basis to exclude products having widths above 225 cm from the scope of the product.

III. Product with length exceeding 1000 meters or 520 meters of 350 rating.

13. With regard to the submission of the other interested parties that the domestic industry does not have the capability to supply lengths exceeding 1,000 metres or 520 meters of 350 rating, the Authority notes that the domestic industry has submitted invoices and packing lists evidencing domestic sales of products having length exceeding 1,000 metres. The domestic industry has also provided evidence of sales of rolls of 520 metres in 350 rating. In view of the evidence demonstrating actual supply of such products, the Authority does not find sufficient basis to exclude these products from the scope of the product.

IV. Product with supply roll exceeding 2 MT.

14. With regard to the submission of the other interested parties that as per the brochure of the domestic industry it cannot supply rolls exceeding 2 MT, the domestic industry has explained that the brochure relied upon by the interested parties is an old brochure. The domestic industry has provided copy of its brochure where it is seen that it possesses the capability to supply rolls exceeding 2 MT. The Authority considers that in the absence of evidence demonstrating an actual manufacturing limitation, an old brochure cannot by itself establish that the domestic industry lacks such capability. It is also seen that the domestic industry during its reply to comments on scope of product under consideration provided copy of invoice of sale of supply roll for more than 2 MT. Accordingly, the Authority finds no merit in the contention that the domestic industry lacks the capability to supply rolls exceeding 2 MT.

V. Exclusion of fabrics of widths higher than 125 cms or fabrics EEE, EEH, EHH, EES, NN and NES as they are imported only in miniscule quantities.

15. With regard to the submission of the other interested parties that fabrics of width higher than 125 cm or fabrics EEE, EEH, EHH, EES, NN and NES should be excluded as they are imported in miniscule quantity, the Authority considers that mere fact that a particular type, grade or specification of the product under consideration has been imported in low or miniscule quantities cannot, by itself, constitute a sufficient basis for exclusion of such product from the scope of the investigation. These grades have been considered as separate

PCNs in the investigation only for the purpose of calculating the dumping margin and injury margin. The formulation of separate PCNs does not imply that each PCN constitutes a separate and distinct product warranting independent consideration for the purpose of product scope.

16. The Authority considers that a product grade cannot be excluded from the scope of the product merely because the imports of the grade account for a relatively small share of total imports. The Authority considers that the import volume for the purpose of examining the effect of dumped imports are required to be considered based on the import volume of the product under consideration from the subject country, and not the volume of imports corresponding to each individual PCN.

VI. Domestic industry using (i) single step dipping process and (ii) twisting process whereas Jiaheng adopts a two-bath dipping process

17. It has been claimed that as a result of two-bath dipping, the product supplied by Jiaheng has more uniform fabric coating, stronger adhesion of the coating layer, resulting in more stable finished product quality and reduced production costs. It is seen that if the product under consideration was to undergo double dipping, it would entail additional cost. However, the producer has contrarily claimed that because of double dipping, it has lower cost of production. The domestic industry has disputed by stating that it has both double dipping as well as single dipping capability which is undertaken based on the customer requirements. The domestic industry can also supply both twisted and untwisted products based on the customer requirement. None of the participating users has claimed that the domestic industry does not supply double dipping product. Therefore, in the absence of any contrary information, the submission of the other parties is rejected.

VII. Request to include width, length, rating and weave as additional PCN parameters.

18. With regard to the request to treat width, length, rating and weave as additional PCN parameters, the Authority notes that the interested party has not furnished evidence demonstrating that these parameters result in a material difference in cost. Since the dumping margin and injury margin are determined on the basis of cost comparability, an additional parameter in the PCN methodology is relevant only where it materially affects the cost of the product.
Length and width are already accounted for through adoption of weight as the unit of measurement, while rating is broadly correlated with GSM and is likewise reflected in weight. As regards weave, the record indicates that the principal difference arises from manufacturing time; the domestic industry has stated that the resulting cost variation is below 5%. Further, none of the participating producers/exporters has sought separate PCNs on these parameters. The Authority therefore finds no basis to modify the notified PCN methodology on account of width, length, rating or weave and retains the PCNs already notified.

VIII. Quality issues on the product supplied by the domestic industry

19. With regard to the submission of the other interested parties that there have been issues with the product supplied by the domestic industry to Hindustan Rubber and General Industries, and Neelkanth Beltings, leading to return of the product, the domestic industry has disputed by claiming that these were one-off incidents. The domestic industry has further stated that, upon receipt of the complaints, it undertook corrective measures and supplied fresh samples to Hindustan Rubber & General Industries for evaluation. The domestic industry has

submitted that despite repeated follow-ups no response was received from the customer. The Authority has also examined the sales information furnished by the domestic industry and it is seen that the domestic industry has continued to receive repeat orders from customers. The Authority also notes that the interested parties have also claimed that the domestic industry's product is accepted across multiple PSU tenders which is itself evidence that the product manufactured by the domestic industry is well accepted in the market and that the domestic industry produces sufficient variety to meet the requirements of the downstream industry. This establishes that the domestic industry possesses the capability to produce fabrics conforming to the diverse specifications called for under multiple PSU tenders. The domestic industry has also seen an increase in the domestic sales which shows continued market acceptance of the domestic industry's product. The fact that customers have continued to procure the product from the domestic industry, is a relevant indicator that the quality issues were not persistent deficiencies. If the alleged quality issues were of such a nature and magnitude as to render the domestic industry's product unsuitable for the intended application, it would reasonably be expected to have a material bearing on the ability of the domestic industry to retain existing customers and secure repeat business.

20. The Authority considers that the existence of individual customer complaints or rejection of a particular consignment, by itself, cannot establish that the product manufactured by the domestic industry is inherently deficient in quality or that it consistently fails to meet the technical requirements of the users. In any manufacturing process, particularly in respect of a customised industrial product, isolated instances of rejection or quality variation may occur.

21. The Authority therefore considers that the quality complaints placed on record require consideration in their proper context. After issuance of the Disclosure Statement, Neelkanth Beltings stated that the revised samples supplied by the domestic industry were also not acceptable for its particular manufacturing requirements. This subsequent submission has been examined in the post-disclosure section below. The Authority considers that the experience of an individual user with a customised technical textile is relevant, but does not, by itself, establish that the domestic like article suffers from an inherent or industry-wide quality deficiency.

IX. Like article

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

D. SCOPE OF DOMESTIC INDUSTRY AND STANDING

D.1 Submissions made by interested parties

23. The following submissions have been made by the other interested parties with regards to the scope of domestic industry and its standing.

i. Madura Industrial Textiles Limited is related to Ravasco Transmission (Vapi) and Hindustan Rubber (Silvassa), who regularly import the product under consideration.
ii. The Applicant has not disclosed information on imports from other countries.
iii. The applicant has imported NN fabrics from China during the injury period.
iv. After the implementation of the QCO on polyester yarn, Johnson, Grabtech, and Deepak Textiles were forced to shut down their operation, while Sanrhea diverted nearly half its production to high value-added fabrics.
v. QCO imposition on Polyester yarn did not affect SRF and Madura at all due to their backward integration.

D.2 Submissions made by domestic industry.

24. The domestic industry has made the following submissions with respect to the scope of domestic industry and standing:
i. The applicant has been supported by Grabtech Fabrics LLP, Madura Industrial Textiles, NRC Industries Ltd., and Sanrhea Technical Textiles Limited.
ii. With regard to the relation of the Madura Industrial Textiles Limited to an importer, the company is not an applicant in the present case, therefore there is no reason to draw the reference to Rule 2(b).
iii. The share of the production of the applicant in total Indian production is 68%. Since the other producers have provided support to the application, therefore, with the inclusion of the supporters, the domestic industry and the supporters account for the entire production in India.
iv. The domestic industry has neither imported the product from the subject country nor related to any producers/exporters from the subject country or importer in India.
v. With regard to imports by the applicant, the applicant had exported certain product from India to other global customers and some quantities of this were sent back by the customers. These are "re-imports". None of these transactions pertain to the period of investigation.

D.3 Examination by the Authority.

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

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

26. The application has been filed by SRF Limited and is supported by Grabtech Fabrics LLP, Madura Industrial Textiles, NRC Industries Ltd., and Sanrhea Technical Textiles Limited.

27. Interested parties have claimed that Madura Industrial Textiles cannot be considered as being eligible to constitute domestic industry in terms of Rule 2(b). According to the interested parties, Madura Industrial Textiles is related to Ravasco Transmission (Vapi) and Hindustan Rubber (Silvassa) who regularly import the product under consideration. The interested parties have stated that the possibility of some of these imports being made at the behest of Madura to cater to their trading activities cannot be ruled out. The Authority considers that

Madura Industrial Textiles Limited is not an applicant in the present proceedings. Moreover, the company has supported the present application and has filed submissions seeking imposition of measures.

28. The domestic industry is not related to any importer in India or producers/exporters of the product under consideration in the subject country.

29. Interested parties have claimed that the domestic industry imported certain product. The import data has been examined. It is seen that these transactions mention country of origin as "India". The applicant has clarified that it had exported certain products from India to other global customers and some quantities were sent back by the customers and none of these imports pertain to the period of investigation. The applicant has also stated that it has not imported the subject goods from the subject country. DG Systems transaction-wise data has been examined, and it is seen that the applicant has not imported the product under consideration from the subject country or any other country.

30. The table below shows the share of the applicant and the supporters in the Indian production.

SN	Particulars	UoM	Production	Share	Range
1	Applicant	MT	***	***	60-70
2	Supporters	MT	***	***	30-40
a	Sanrhea Technical Textiles Limited.	MT	***	***	0-10
b	Madura Industries Textiles LimitedLimited	MT	***	***	30-40
c	NRC Industries Limited	MT	***	***	0-10
d	Grabtech Fabrics LLP	MT	-	-	-
3	Total Indian Production	MT	***	***	

31. It is seen that the applicant's production constitutes a major proportion in the Indian production. All the producers of the product in India have supported the imposition of measures.

32. Thus, the Authority holds that the applicant constitutes the domestic industry under Rule 2(b) of the Rules and considers that the application satisfied the criteria of standing in terms of Rule 5(3) of the Rules.

E. CONFIDENTIALITY AND MISCELLANEOUS

E.1 Submissions made by interested parties.

33. The following submissions have been made by the other interested parties with regard to confidentiality:
    i. The domestic industry has claimed excessive confidentiality that violates Trade Notice No. 10/2018. The applicant failed to provide the following actual information with regards to volume and value of production by all producers, average industry norm for capacity utilization, productivity, inventory, sales quantity, sales value, sales realization per unit, R&D expenses, funds raised, cost of sales per unit, export and non-injurious price (NIP) calculation and supporter's information.
    ii. The applicant is a habitual user of trade remedy measures.

iii. The application does not contain sufficient evidence of dumping to justify initiation of investigation and imposition of provisional measures.
iv. The product was investigated in the past and the Authority had found that there was no causal link between the dumped imports and the injury suffered by the domestic industry. The facts of the investigation are similar.

E.2 Submissions made by domestic industry.

34. The domestic industry had made the following submissions with regards to confidentiality:
i. In the questionnaire response filed by the exporters, answers to certain questions have been claimed to be completely confidential, including production process, list of major raw materials, list of related parties involved in the production and sale of the product under consideration, financial accounting system, write up on broad stage-wise manufacturing and channel of distribution, without a non-confidential summary or reasoning.
ii. There is no restriction on the number of times the domestic industry can seek redressal against unfair imports. Applicant produces more than 80-90 products. Had the applicant been a habitual user of the anti-dumping investigation, it would have sought trade remedial measures on other products as well.
iii. On the statements on relation to the previous investigation and lack of causal link found in the previous investigation, facts of the present investigation are completely different from the facts of the previous investigation.

E.3 Examination by the Authority.

35. The Authority made available non-confidential version of the information provided by various interested parties to all interested parties as per Rule 6(7) and Trade Notice 10/2018 dated 7th September 2018 read with Trade Notice 01/2020 (as extended by the Authority till further notice).

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

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

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

36. The submissions made by the domestic industry and the other interested parties concerning confidentiality, to the extent considered relevant, were examined by the Authority and addressed accordingly. It is seen that the domestic industry and interested parties have claimed confidentiality on information, such as production, capacity, capacity utilization, sales volumes, market share, stocks, selling price, costs, profits, cash profits, return on investment, non-injurious price, cost of production related information, normal value, export price, dumping margin, injury margin, price adjustments, profit related information, sales channels, sales & purchase documents, customers and suppliers names, etc. It is also seen that wherever information is for injury period, the same has been provided on an indexed basis. Information such as normal value, non-injurious price and price undercutting has been disclosed in the range.

37. The interested parties have claimed confidentiality on various supporting documents & information, wherever such information has not been publicly disclosed by them. In those cases where an interested party has not publicly disclosed its annual reports and financial statements, the same have been claimed confidential. Wherever the interested parties have claimed a document as confidential, it is noted that these interested parties have claimed that these documents are not susceptible to summary and have given reasons why summarisation is not possible.

38. The Authority has consistently allowed interested parties to claim confidentiality on such information and documents provided by domestic industries, foreign producers and other interested parties in all investigations. The Authority notes that all the interested parties have claimed their business-related sensitive information as confidential. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted, and such information has been considered confidential and not disclosed to the other interested parties.

39. As regards the contention that the domestic industry is a habitual user of trade remedy measures, it is seen that there is no bar in law on the number of times domestic industry can seek redressal from unfair trade practices of the foreign producers/exporters and no bar on the number of times anti-dumping duty can be imposed. In an anti-dumping investigation, the primary mandate is to assess whether remedial measures are required in light of dumped imports and consequent injury to the domestic industry. The recommendations for the imposition of anti-dumping duty are made only after investigation and when the requisite legal requirements are met.

40. The other interested parties have stated that the domestic industry has not brought any substantive evidence to justify initiation of the present investigation, and the Authority has not carried out appropriate scrutiny of facts. Rule 5(3) (b) of the Anti-Dumping Rules requires that the Designated Authority before it initiates an investigation, examine the accuracy and adequacy of the evidence provided in the application with regard to dumping, injury and causal link. The domestic industry had provided sufficient information to justify initiation, and the investigation was initiated after satisfying that there was sufficient *prima-facie* evidence to justify initiation. The interested parties have not highlighted any information which the domestic industry in the present case has not brought forward to satisfy the initiation requirement. The Authority also draws reference to the WTO panel report in the case of Guatemala Grey Portland Cement from Mexico **Guatemala - Cement II, WT/DS156/R** which observed as follows:

The Panel dealing with the accuracy and adequacy of evidence observed that if the information supplied in the application is all that reasonably available to the applicant as required by Article 5.2, the investigating authority is justified in initiating the investigation. At the stage of justification of initiation of investigation, the Designated Authority is not required to hold a detailed inquiry but he has to prima facie satisfy as to whether the application is supported by the evidence in relation to dumping, injury and causal link between the dumped import and alleged injury…"

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

F.1 Submissions made by interested parties.

41. The other interested parties have made the following submissions concerning normal value, export price and dumping margin:
    - i. The applicant has filed insufficient evidence regarding export price and adjustments. Arbitrary adjustments such as commission, credit cost and inventory holding cost have been claimed.
    - ii. The Authority must reject the use of surrogate data and instead determine normal value in accordance with China's actual costs and prices.
    - iii. The difference in costs of production of the subject goods in China vis-à-vis the product produced in India is not on account of the economic conditions prevailing in China PR, but rather the different manufacturing practices adopted in China.
    - iv. Appropriate adjustments should be made to the normal value to reflect the actual production process and methods of the PUC adopted by Chinese producers.
    - v. Rule 17(3) of the Anti-dumping Rules provides that sampling is an exception to be used only when determining an individual margin for each exporter is impractical due to a large number of participants.
    - vi. The producers in China are not selectively dumping in India.
    - vii. Applicant has ignored the fact that "Export Prices" of any product are generally lower than the domestic prices since the same are net of all taxes.
    - viii. The ocean freight rates provided by the applicant are for the year 2023, and not for the period of investigation.
    - ix. Importers of the product purchase the product directly from the producers and no commission agent is involved in the transactions and therefore, commission should not be adjusted in export price.
    - x. The purchases are based on Letters of Credit (LC at sight) or advance payment and accordingly, no credit cost needs to be deducted in export price.
    - xi. Producers in China are using non-activated, untwisted polyester yarn and adopting a double-dipping process, resulting in lower GSM fabrics with reduced dip pick-up, which are primarily supplied to manufacturers of commercial-grade conveyor belts which leads to lower cost of production. Even if Authority is to determine normal value based on the cost of production of the applicant, adjustments should be made for the difference in the production process in India and in China.

F.2 Submissions made by domestic industry.

42. The domestic industry has made the following submissions with regard to normal value, export price and dumping margin:

i. China PR should be treated as a non-market economy (NME) in accordance with Article 15(a)(i) of China's Accession Protocol and the normal value should be determined in terms of Annexure I, Rule 7 of the Rules.
ii. On 11th December 2016, only the provisions of Article 15(a)(ii) of China's Accession Protocol expired but that of Article l5(a)(i) continue to remain in force, which requires the producers/exporters from China PR to establish that they are operating under the market economy conditions.
iii. The applicant could not determine normal value based on actual selling price or on cost of production in a market economy third country since no verifiable evidence of the actual selling price was publicly available.
iv. On the comments filed by users on adjustments claimed by the domestic industry in calculation of export price, producers from China have participated and not claimed that the net ex-factory price reported by the applicant is incorrect. The eventual dumping margin will be determined based on the response filed by the producers.

F.3 Examination by the Authority.

43. The response to exporters questionnaire has been filed by the following producers/ exporters:
i. Wuhu S.H.Z Industrial Fabric Co. Ltd
ii. Oriental Industries (Suzhou) Limited
iii. Jiangsu Taiji Industry New Materials Co. Ltd
iv. Zhejiang Unifull Hi-Tech Industry Co., Ltd.
v. Jiangsu Jiaheng Fibre Co., Ltd
vi. Zhangjiagang Xinbaoyuan Trading Co., Ltd.
vii. Qingzhou Shengbo New Products Co., Ltd,
viii. Qingdao Chenlanxin Business and Trading Co., Ltd
ix. Wuxi Polymico Materials Co., Ltd
x. Xuyi Huacheng Industrial Cloth Co., Ltd.

F.3.1 Determination of sampling

44. As per the provisions of Rule 17, the Authority is required to determine individual dumping margins for all producers/exporters who have filed questionnaire responses. However, where a large number of producers/exporters from China PR have participated in the investigation and filed questionnaire responses, the Authority may resort to sampling by limiting its examination to a reasonable number of producers/exporters. The Rules provide as follows in this regard.

"17(3) The designated authority shall determine an individual margin of dumping for each known exporter or producer concerned of the article under investigation:
Provided *that in cases where the number of exporters, producers, importers or types of articles involved are so large as to make such determination impracticable, it may limit its findings either to a reasonable number of interested parties or articles by using statistically valid samples based on information available at the time of selection, or to the largest percentage of the volume of the exports from the country in question which can reasonably be investigated, and any selection, of exporters, producers, or types of articles, made under this proviso shall preferably be made in consultation with and with the consent of the exporters, producers or importers concerned:*
Provided *further that the designated authority shall, determine an individual margin of dumping for any exporter or producer, though not selected initially, who submit necessary information in time, except where the number of exporters or producers are*

so large that individual examination would be unduly burdensome and prevent the timely completion of the investigation."

45. Post initiation, 10 producers and exporters from the subject country participated and submitted questionnaire responses. The table below shows the export volume of all the participating producers in the present investigation.

SN	Particulars	Volume in MT
1	Wuhu S.H.Z Industrial Fabric Co. Ltd.	***
2	Oriental Industries (Suzhou) Limited	***
3	Jiangsu Taiji Industry New Materials Co. Ltd.	***
4	Zhejiang Unifull Hi-Tech Industry Co., Ltd.	***
5	Jiangsu Jiaheng Fibre Co., Ltd.	***
6	Qingzhou Shengbo New Products Co., Ltd,	***
7	Qingdao Chenlanxin Business and Trading Co., Ltd. Wuxi Polymico Materials Co., Ltd. **Xuyi Huacheng Industrial Cloth Co., Ltd.**	***

46. Having regard to the number of participating entities and the nature and extent of information required to be examined and verified in the present investigation, the Authority considered that individual examination of all participating producers/exporters was not reasonably practicable within the meaning of Rule 17(3) of the Rules.

47. Certain interested parties have contended that sampling is an exception to the general rule of individual examination and may be adopted only where examination of all interested parties is impracticable due to their large number. It is noted that Rule 17(3) of the anti-dumping rules specifically permit resorting to sampling where the number of producers and exporters is so large that individual examination of all participating entities is not reasonably practicable. In the present case, ten producers and exporters from China have registered in the investigation and filed questionnaire response. The test is one of impracticability and the reasonableness of conducting individual examinations in the facts of each case. The fact that in certain other investigations the Authority did not resort to sampling does not restrict the statutory discretion available under Rule 17(3). It is considered appropriate to limit the individual examination to a reasonable number in order to complete the investigation within statutory time limit.

48. With regard to the objection that sampling cannot be resorted to after receipt of complete questionnaire responses, it is noted that Rule 17(3) does not contain any prohibition on undertaking sampling after the filing of questionnaire responses. The second proviso to Rule 17(3) itself recognises that individual examination may be declined where the number of exporters is so large that such examination would be unduly burdensome and prevent timely completion of the investigation. Mere filing of responses does not divest the Authority of its statutory discretion. The investigation was initiated on 27th September, 2025 and the questionnaire response were filed on 26th November, 2025. After the receipt of the questionnaire response, the Authority found that the number of response was large enough to undertake sampling. Accordingly, the Authority undertook sampling.

49. A notice was issued on 5th January, 2026 wherein the interested parties were intimated about the decision to undertake sampling. The Authority issued a list of producers proposed to be sampled, and the interested parties were given 7 days to submit their comments.

50. After receiving comments from various parties, the sampled producers were notified vide notice dated 10th February 2026. The sample considered was based on the volume of exports to India, with the producers having the largest volume of exports, being considered as a part of the sample. The following producers were sampled.
   i. Xuyi Huacheng Industrial Cloth Co. Ltd., Wuxi Polymico Materials Co. Ltd and Qingdao Chenlanxin Business and Trading Co. Ltd. (Group)
   ii. Qingzhou Shengbo New Products Co. Ltd.
   iii. Jiangsu Taiji Industry New Materials Co. Ltd.

51. The dumping margin for the non-sampled cooperating producers/exporters has been determined on the basis of the weighted average dumping margin of the sampled producers. For non-cooperative producers/exporters, the dumping margin has been determined on the basis of facts available in terms of Rule 6(8) of the Rules.

F.3.2 Determination of Normal Value for China PR

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

i) The comparable price, in the ordinary course of trade, for the like article, when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6), or
ii) When there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either: (a)comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profit, as determined in accordance with the rules made under sub-section 6);
b) Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transshipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.

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

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

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

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

(3) The designated authority shall consider in each case the following criteria as to whether: (a) the decisions of the concerned firms in such country regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment, are made in response to market signals reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs substantially reflect market values; (b) the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets, other write-offs, barter trade and payment via compensation of debts; (c) such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms, and (d) the exchange rate conversions are carried out at the market rate. Provided, however, that where it is shown by sufficient evidence in writing on the basis of the criteria specified in this paragraph that market conditions prevail for one or more such firms subject to anti-dumping investigations, the designated authority may apply the principles set out in paragraphs 1 to 6 instead of the principles set out in paragraph 7 and in this paragraph.

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

54. At the stage of initiation, the Authority proceeded with the presumption of treating China PR as an NME country. Upon initiation, the Authority advised the producers/ exporters in China PR to respond to the notice of initiation and provide information on whether their data/information could be adopted for normal value determination. The Authority sent copies

of the market economy treatment/ supplementary questionnaire to all the known producers/exporters in China PR to provide relevant information in this regard.

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

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

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

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

(b) In proceedings under Parts II, III and V of the SCM Agreement, when addressing subsidies described in Articles 14(a), 14(b),, l4(c) and l4(d), relevant provisions of the SCM Agreement shall apply; however, if there are special difficulties in that application, the importing WTO Member may then use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. In applying such methodologies, where practicable, the importing WTO Member should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.

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

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

56. It is noted that while the provision contained in Article 15 (a)(ii) of the Accession Protocol to the WTO Anti-Dumping Agreement have expired on 11th December 2016, the provision under Article 2.2.1.1 of WTO anti-dumping agreement read with obligation under 15(a)(i) of the Accession Protocol require the criterion stipulated in para 8 of the Annexure I of the

Rules to be satisfied through information/data to be provided in the supplementary questionnaire on claiming the market economy status.

57. As noted above, the exporter questionnaire and the supplementary questionnaire were circulated to the known producers/exporters in China PR. However, none of the Chinese producers/exporters claimed market economy treatment or submitted a response to the supplementary questionnaire establishing that market economy conditions prevail in respect of the subject goods. Accordingly, since no producer/exporter has provided such evidence, the Authority has continued to treat China PR as a non-market economy for the purpose of the present investigation and has determined normal value in accordance with paragraph 7 of Annexure I to the Rules.

58. It is noted that paragraph 7 of Annexure I to the Rules stipulates three methods of constructing the normal value for non-market economies: (a) on the basis of price or constructed value in a market economy third country; (b) export price from a third country to other countries, including India; and (c) on any other reasonable basis. The Authority notes that under the provisions of paragraph 7 of Annexure-I to the AD Rules, the normal value must first be determined on the basis of the price or constructed value in a surrogate country, or the price of the exports from such country to other countries, including India. However, when such basis is not possible, only then the Authority can determine normal value on any other reasonable basis, including the price paid or payable in India.

59. The Authority notes that neither the applicant nor any interested party has provided information relating to the cost or price of the product in a market economy third country. With regard to the price at which the product under consideration have been sold from the market economy third country to any other country, including India, it is seen that PCN have been framed in the present investigation and the trade data for the product under consideration as a whole cannot be relied upon for the purpose of normal value.

60. User Industry has contended that the production technology employed by the domestic industry differs from that adopted by producers in China and that appropriate adjustments should, therefore, be made while determining the Normal Value. The Authority, however, notes that the user industry has not placed on record any evidence or information establishing the existence and impact of any such alleged differences in production technology. The participating Chinese producers also have neither contended nor provided evidence to show differences in production technology and its impact on normal value. In the absence of evidence demonstrating differences that materially affect the cost structure, the claim for adjustments cannot be accepted. Accordingly, it is considered that no adjustment on account of the differences in production technology is warranted. Further, the Authority notes that, in terms of the Rules, when normal value could not be determined on any other basis, it is required to be determined on the basis of the price paid or payable in India.

61. Since interested parties have not provided any information, the Authority has determined normal value based on the price payable in India, having regard to the cost of production in India with reasonable profits. The normal value has been determined considering the cost of production in India duly adjusted after addition for the selling, general & administrative expenses, and the reasonable profits. The normal value so determined is given below in the dumping margin table.

F.3.3 Export price

62. The Authority notes that in view of large number of producers and traders who have responded in the present investigation, the Authority, pursuant to Rule 17(3) of the AD Rules, has undertaken sampling of the following producers/exporters:

i. <u>Xuyi Huacheng Industrial Cloth Co. Ltd., Wuxi Polymico Materials Co. Ltd and Qingdao Chenlanxin Business and Trading Co. Ltd. (Group)</u>

63. Xuyi Huacheng Industrial Cloth Co. Ltd., has filed a response as the producer of the product under consideration in China PR. During the period of investigation, the producer has sold *** MT of the subject goods for invoice value of *** USD in the domestic market to unrelated parties. The domestic sales are in sufficient volumes.

64. The producer has reported ***MT of value ***USD as exports of the product under consideration to India during the period of investigation (volume of import has been verified from the DG Systems import data). The producer has claimed that it has exported the product to India directly as well as through its traders. The traders of the producers have participated. The producer has claimed adjustments on account of inland freight, packing expenses and credit cost, and the same have been allowed after desk verification

ii. <u>Qingzhou Shengbo New Products Co. Ltd.</u>

65. Qingzhou Shengbo New Products Co. Ltd., has filed a response as the producer of the product under consideration in China PR. During the period of investigation, the producer has sold *** MT of the subject goods for invoice value of *** USD in the domestic market to unrelated parties. The domestic sales are in sufficient volumes.

66. The producer has reported ***MT of value *** USD as exports of the product under consideration to India during the period of investigation (volume of import has been verified from the DG Systems import data). The producer has claimed that it has exported the product to India directly. The traders of the producers have participated. The producer has claimed adjustments on account of inland freight, packing expenses and credit cost, and the same have been allowed after desk verification.

iii. <u>Jiangsu Taiji Industry New Materials Co. Ltd.</u>

67. Jiangsu Taiji Industry New Materials Co. Ltd has filed a response as the producer of the product under consideration in China PR. During the period of investigation, the producer has sold ***MT of the subject goods for invoice value of ***USD in the domestic market to unrelated parties. The domestic sales are in sufficient volumes.

68. The producer has reported ***MT of value ***USD as exports of the product under consideration to India during the period of investigation (volume of import has been verified from the DG Systems import data). The producer has claimed that it has exported the product to India directly. The traders of the producers have participated. The producer has claimed adjustments on account of inland freight, packing expenses and credit cost, and the same have been allowed after desk verification.

iv. <u>Non-sampled cooperating producers/exporters</u>

69. The dumping margin for non-sampled cooperating producers/exporters has been determined in accordance with the sampling methodology adopted by the Authority. The dumping margin for such producers/exporters have been considered on the basis of the weighted average dumping margin determined for the sampled cooperating producers/exporters, as

considered appropriate by the Authority. List of non-sampled but cooperative producers is provided along with these final findings.

v. **Non-cooperative producers/ exporters**

70. In the absence of cooperation from the remaining producers/ exporters from China PR, the Authority has determined the net export price for non-cooperative producers/exporters on the basis of facts available. The ex-factory export price as determined is shown in the dumping margin table below.

F.3.4 Dumping Margin

71. Considering the normal value and the export price as determined above, the dumping margin for the producers of the product under consideration from the subject country has been determined as follows:

SN	Particulars	Normal Value ($/MT)	Net Export Price ($/MT)	Dumping Margin		
				$/MT	%	Range
1.	Xuyi Huacheng Industrial Cloth Co. Ltd., Wuxi Polymico Materials Co. Ltd. and Qingdao Chenlanxin Business and Trading Co. Ltd. (Group)	***	***	***	***	60-70
2.	Qingzhou Shengbo New Products Co. Ltd.	***	***	***	***	40-50
3.	Jiangsu Taiji Industry New Materials Co. Ltd	***	***	***	***	30-40
4.	Non-sampled producers	***	***	***	***	40-50
5.	All other producers	***	***	***	***	210-220

72. It is seen that the dumping margin of all the sampled producers/exporters from the subject country is positive and significant.

G. ASSESSMENT OF INJURY AND CAUSAL LINK

G.1 Submissions made by other interested parties.

73. The opposing interested parties have made the following submissions with regard to assessment of injury and causal link:
   i. There has been no substantial increase in imports during the injury period.
   ii. The volume parameters of domestic industry are positive.
   iii. The increased installed capacity has allowed the domestic industry to improve its production and sales of the PUC.
   iv. Domestic industry’s market share increased during the period of investigation.
   v. Imports are priced above the non-injurious price of the domestic industry.

vi. The inventories of the applicant have significantly declined, which demonstrates that it is able to dispose of its stock without facing any difficulties from imports.
vii. Landed price has declined due to decline in raw material prices. The import price of belting fabric was Rs. 186.13 per kg, whereas in 2024-25, the corresponding import price was Rs. 171.34 per kg, reflecting a reduction of only 6.44% per kg.
viii. Applicant's profitability is declining due to its own internal cost structure and operational inefficiencies and not dumped imports.
ix. Domestic sales have shown even stronger growth, increasing from 100 to 129 indexed points over the injury period.
x. Financial parameters demonstrate that the decline in profitability is directly linked to investment-related costs.
xi. The Authority should reconsider the fixed 22% ROCE methodology and adopt a reasonable return based on the domestic industry's actual historical profitability during periods without dumping allegations.
xii. The trends for each of the key injury parameters in the previous investigation of 2018 are very much same/ similar to the injury parameters presented by the applicant in the present application. The Authority decided not to recommend measures.
xiii. Domestic industry has higher cost of production due to internal cost structure as various products are produced on the same production line.
xiv. The increase in the cost of production and decline in the profitability of the domestic industry is on account of increase in depreciation and interest.
xv. The NSR of the domestic industry is significantly higher than the NIP.
xvi. Previous investigation of belting fabric was terminated due to lack of causal link. The facts of the present case are similar to the previous investigation, and is therefore, required to be terminated.
xvii. On one hand, the domestic industry has alleged a substantial decline in profitability on account of imports of belting fabric from China, while on the other hand, they are committing substantial capital investments to expand their production capacities by nearly 70% to 100%.
xviii. SRF has captive yarn manufacturing facilities, unlike most belting fabric manufacturers, and the cost of raw material such as yarn, are based on transfer pricing of yarn within the applicant's group, which is non-transparent and not subject to market discipline.
xix. Volume and value of production by all other producers except domestic industry has been claimed confidential.
xx. Domestic industry's own annual report of 2021-22 states that the performance was exceptional. Therefore, the comparison with the base year will not be appropriate.
xxi. Domestic industry has in its annual report for 2022-23 stated that even though "cheap imports from China remained a challenge, the Belting Fabrics segment "could largely remain insulated due to an increase in the sales of high-end, Value-Added Products (VAPs) and expanded sales to tier-2 customers.
xxii. Volatility and sustained increases in Polyester and Nylon yarn prices, which constitute key raw materials, have adversely impacted production costs and margins.
xxiii. Compared to imported fabrics, SRF enjoys the advantage of shorter delivery timelines.
xxiv. More than half of SRF's domestic sales is to a few large belt manufacturers who are compelled to use SRF fabric due to quality suitability and mandatory tender condition.
xxv. Several PSU tenders categorically specify to use SRF fabrics in their tenders for purchase of Conveyor Belts. Due to such mandatory stipulations SRF enjoys a guaranteed demand base.

G.2 Submissions made by domestic industry.

74. The domestic industry has made the following submissions with regard to assessment of injury and causal link:
    i. The demand for the subject product has increased over the injury period.
    ii. The applicant lost significant share of its sales to dumped imports. The applicant compromised on prices to avoid losing customers.
    iii. The domestic industry suffered heavily in price parameters and the current profitability of the domestic industry is at unsustainable levels.
    iv. The raw material price has increased significantly, and the import price has declined significantly.
    v. The price undercutting was significantly positive during the period of investigation.
    vi. The significantly high price undercutting and cost undercutting by the dumped imports clearly establishes that the price depression is caused by dumped imports.
    vii. The applicant has expanded its capacity in view of growing demand for the product in the domestic as well as export market.
    viii. The Indian industry had sufficient capacity to meet the entire demand of the consumers throughout the injury period, but the market share of the applicant and the other producer was restricted to ***%.
    ix. The inventory with the applicant increased in the period of investigation.
    x. The return on investment earned by the applicant is below the bank rate of return.
    xi. The demand for the product under consideration has declined marginally in the period of investigation as the exports of conveyor belt have declined. However, the demand is expected to increase in the near future.
    xii. The cost of sales has increased over the injury period, the landed price of imports has declined. The gap between the landed price of imports and the cost of the domestic industry has consistently increased over the injury period.
    xiii. The domestic industry was constrained to reduce its prices in order to maintain operations amid idle looms and significant unutilised capacities.
    xiv. The dumping margin is above de minimis and significant.
    xv. It is the consistent and well-established practice of the Authority to adopt a return on capital employed (ROCE) of 22% for the purpose of determination of non-injurious price.
    xvi. The Hon'ble CESTAT's decision in Hyosung Corporation v. Designated Authority, referred to by the interested party for rejecting the 22% ROCE predates the introduction of Annexure-III to the Anti-Dumping Rules.
    xvii. With respect to the Hon'ble CESTAT's decision in the Bridgestone case, referred to by the interested party for rejecting 22% ROCE, it is pertinent to note that the interested parties therein produced specific evidence before the Hon'ble CESTAT justifying a departure from the Authority's consistent practice in that particular case. No such evidence has been placed on record by any interested party in the present investigation.
    xviii. On submission of other interested parties that decline in landed price is due to decline in raw material cost, while cost has declined by around Rs *** per MT, the import price has declined by Rs *** per MT.
    xix. On submission of other interested parties, the decision to expand the capacity was taken when the imports were not having any adverse effect on the prices of the domestic industry. Expansion was taken up in 2022-23, when the domestic industry was earning sufficient profits.
    xx. On the submission of the other interested parties that the domestic industry's profitability is impacted by the internal cost structure and transfer pricing issues, the

pricing strategy of the domestic industry with regard to raw material has remained consistent over the entire injury period. Had the domestic industry suffered injury due to these factors, the performance would have been adverse in the prior periods as well.

xxi. On the submission of the other interested parties that annual report of 2021-22 talks about exceptional performance, there is no statement in the annual report stating that the performance in 2021-22 was exceptional. The domestic industry has only stated that the performance showed significant increase in volume, which is also supported by the facts of the case.

xxii. On the submission of the interested parties that product of SRF is approved across PSU tenders, the statement itself shows that the product produced by SRF is well accepted and that produces sufficient varieties of product as required by the downstream industry. The domestic industry is capable of producing fabrics meeting diverse specifications required by multiple PSU tenders.

G.3 Examination by the Authority.

75. Rule 11 of Anti-Dumping Rules read with Annexure II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, *"... taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on the domestic producers of such articles..."*. In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilisation, sales volume, inventory, profitability, net sales realisation, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Anti-Dumping Rules.

Decline in performance due to capacity expansion.

76. The opposing interested parties have stated that the injury suffered by the domestic industry is due to the capacity expansion undertaken. It has been contended that the increase in capacity expansion is likely to lead to an increase in the depreciation cost and financial cost. The Authority considers that the injury analysis below shows that the cash profit and the profit before interest of the domestic industry has also declined over the injury period. In an event where the cash profit and profit before interest and tax have also declined, the decline in the performance of the domestic industry cannot be attributed to capacity expansion.

Increase in sales due to PSU tenders categorically specifying to use SRF fabrics and domestic industry selling to few large belt manufacturers.

77. The opposing interested parties have stated that the domestic industry's sales increase due to large belt manufacturers compelled to use SRF fabric and PSU tenders categorically specifying to use SRF fabrics. The Authority observes that the interested party has advanced contradictory contentions. The interested party cannot, on the one hand, contend that SRF's fabrics are mandatorily specified in PSU tenders on account of their technical suitability, and that large companies procure the product from the domestic industry owing to considerations

of stability, while simultaneously alleging that the domestic industry lacks the capability to produce the requisite range of products and that its product suffers from defects.

78. The Authority notes that despite the domestic industry enjoying an assured demand base on account of mandatory stipulations in PSU tenders, imports nevertheless witnessed an increasing trend. This in itself is indicative of the adverse effect of the dumped imports. If the PSU demand were to be excluded, the domestic industry's market share in the remaining demand would be considerably lower on account of competition from imports. This clearly demonstrates that even the existence of assured PSU demand has not shielded the domestic industry from the injury caused by the dumped imports. As regards the submission that the domestic industry caters only to a few large belt manufacturers, the Authority notes that the domestic industry has furnished its sales register for the period of investigation, which shows sales to more than 70 customers during this period alone. The interested parties have not been able to point to any specific instance where the domestic industry declined to sell to a party, save for reasons of commercial viability.

Comparison of the domestic industry with the previous investigation where investigation was terminated.

79. The opposing interested parties have stated that the trend of the economic parameters of the domestic industry in the present investigation is similar to the trend of the previous investigation where the investigation was terminated in the absence of injury and causal link. The Authority notes that it is required to examine the injury on the basis of the facts, evidence, and data pertaining to the present investigation. The mere fact that anti-dumping measures were not recommended in an earlier investigation concerning the same or a similar product does not, *ipso facto*, imply that measures ought not to be recommended in the present investigation. Each investigation stands on its own footing and must be assessed independently, having regard to the particular set of facts, market conditions, and data placed on record before the Authority in that proceeding. It is also noted that the trends reflected in the data of the two investigations are different and cannot be equated. For instance, in the previous investigation, the domestic industry had exhibited a rising trend in profitability during the years 2013-14 and 2014-15, followed by a decline in 2015-16, and a subsequent recovery during the period of investigation of that case. By contrast, in the present investigation, the profitability of the domestic industry declined in 2022-23, thereafter improved in 2023-24, and then registered a significant decline during the period of investigation of the present case.

80. It is a well-settled principle that each investigation must be examined and decided on its own facts and merits. A finding or conclusion rendered by the Authority in an earlier investigation cannot be mechanically transposed or treated as a binding precedent for a subsequent investigation, particularly where, as here, the underlying data and trends are demonstrably different. Accordingly, the contention that the absence of measures in the previous investigation ought to guide the outcome of the present investigation is misconceived and is rejected.

Statements made in annual reports.

81. The interested parties have relied on statements in the domestic industry's annual reports showing good performance. However, those statements relate mainly to periods before the POI, whereas the domestic industry has claimed injury during the POI. Therefore, such statements cannot by themselves establish that the domestic industry did not suffer injury in the POI. In fact, good performance in earlier years, followed by deterioration during the POI,

may support the claim of injury. The Authority is required to examine the trend in the domestic industry's performance over the entire injury period, rather than isolated statements on absolute performance in earlier years. Accordingly, the annual-report statements do not negate the deterioration observed during the POI.

Domestic industry has higher cost of production due to internal cost structure as various products are produced on the same production line.

82. On the submission of the interested parties that cost of domestic industry is higher due to internal cost structure, the data of the domestic industry with respect to the like article has been verified. The domestic industry's raw material pricing approach has been consistent throughout the injury period, and the same costing methodology has been applied across the injury period. The Authority considers that Article 3.5 does not require investigating authorities to conduct a non-attribution analysis in relation to features that are inherent to the domestic industry and that have remained unchanged during the injury period. The view has also been supported by WTO Panel in EU-Biodiesel (Argentina). The domestic industry's performance was better in the preceding years, with the decline in profitability in the period of investigation. If the internal cost structure were responsible for the injury suffered, the domestic industry's performance would have suffered in the earlier years as well.

Import price decline is due to decline in raw material prices.

83. The opposing interested parties have highlighted that the import price from China has declined due to the decline in the raw material prices. The domestic industry has provided comparison of import price of EE grade and raw material price which is produced below.

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Polyester industrial yarn price	Rs/MT	***	***	***	***
2	Change from previous year			16,591	-15,415	6,626
3	Landed price	Rs/MT	1,95,099	1,96,343	1,73,254	1,63,762
4	Change from base year			1,245	-23,090	-9,492

84. It is seen that when seen over the injury period, the raw material price has increased significantly, whereas the import price has declined significantly. Even when compared to the immediately preceding period, the landed price in POI has declined when the input price has increased in the same period. The Authority also notes that as examined in the injury examination below, gap between the cost of sales and landed price of imports has consistently increased over the injury period as the landed price has declined and the cost of sales has increased.

22% return on capital employed.

85. The opposing interested parties have requested for reconsideration of the fixed 22% return on capital employed methodology for calculation of non-injurious prices and adopt the actual return on capital employed earned by the domestic industry during the periods free from dumping allegations, as the benchmark for a reasonable return. The interested parties have placed reliance on the Hon'ble CESTAT's decision in Bridgestone Tyre Manufacturing & Others vs. Designated Authority and M/s Hyosung Corporation vs. Designated Authority. The Authority notes that Annexure III of the Rules refers to reasonable return (pre-tax) on the capital employed and it is a consistent practice of the Authority to determine the non-injurious price of the domestic industry based on reasonable return on capital employed, which is 22%. In the present case, no evidence has been provided by other interested parties

that a return of less than 22% would be appropriate for the present case. The Authority also notes that in subsequent cases post the Tribunal's decisions cited by the interested parties, the Tribunal has upheld the practice of the Authority of applying a 22% return on capital employed in ***Merino panel products* vs. *Designated Authority*** and ***M/s Perstorp Chemicals GmbH and Anr.* vs *Designated Authority and Ors.*** Therefore, the Authority finds it appropriate to consider 22% return on capital employed methodology for calculating the non-injurious price of the domestic industry.

86. The Authority has examined the arguments and counterarguments of the interested parties with regard to injury to the domestic industry. The analysis made by the Authority hereunder addresses the various submissions made by the interested parties.

a. Assessment of demand/ apparent consumption

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

SN	Particulars (PUC)	UOM	2021-22	2022-23	2023-24	POI
1	Sales of domestic industry	MT	***	***	***	***
	Trend	Indexed	100	112	115	129
2	Sales of supporter	MT	***	***	***	***
	Trend	Indexed	100	121	120	89
3	Imports from subject country	MT	7,194	6,323	9,889	8,206
4	Imports from other countries	MT	38	-	5	-
5	**Total Demand in India**	**MT**	***	***	***	***
	Trend	Indexed	100	104	125	113

88. The Authority notes that the demand for the product under consideration has increased over the injury period.

G.3.1 Volume effect of dumped imports on the domestic industry

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

SN	Particulars	UoM	2021-22	2022-23	2023-24	POI
1	Imports from China PR	MT	7,194	6,323	9,889	8,206
2	**Subject country imports in relation to-**					
3	Indian Demand	%	***	***	***	***
	Trend	Indexed	100	84	110	101
4	Indian Production	%	***	***	***	***
	Trend	Indexed	100	79	125	106
5	Total Imports	%	99.48%	100.00%	99.95%	100.00%

90. The Authority notes that the import volume from the subject country declined in 2022-23, increased in 2023-24 and declined again in the period of investigation. The import volume has increased over the injury period. The decline in imports is attributable to the decline in the demand and the capacity expansion undertaken by the domestic industry.

91. It is also seen that the imports in relation to production and consumption declined in 2022-23, increased in 2023-24 but has declined again in the period of investigation. The imports hold around ***% share in the Indian demand when the Indian industry has sufficient capacity to cater to the entire demand in the country. The volume of imports is quite significant in relation to consumption in India.

G.3.2 Price effects of dumped imports

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

a. Price undercutting

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

Particulars	UoM	POI
Import Volume	MT	8,206
Net Sales Realisation	₹/MT	***
Landed Price	₹/MT	1,73,589
Price Undercutting	₹/MT	***
Price Undercutting	**%**	***
Range		30-40

94. The Authority notes that the subject imports are priced below the selling price of the domestic industry. The price undercutting is positive and significant in the period of investigation.

b. Price suppression/depression

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

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Cost of Sales	Rs/MT	***	***	***	***
	Trend	Indexed	100	105	97	103
2	Selling Price	Rs/MT	***	***	***	***
	Trend	Indexed	100	98	96	90
3	Landed Price	Rs/MT	1,96,724	2,02,366	1,83,194	1,73,589

96. It is seen that:
    i. The cost of sales of the domestic industry increased in 2022-23, but the selling price declined.
    ii. The cost of sales and selling price of the domestic industry declined in 2023-24 but the decline in the selling price was lower than the decline in cost of sales. The domestic industry continued to earn profit in this period.
    iii. In the period of investigation, the cost of sales has increased but the selling price has declined.
    iv. When compared to the base year, while the cost has increased by Rs ***per MT, the selling price has declined by Rs ***per MT showing that the prices of the domestic industry are depressed.
    v. When compared to the preceding year, while the cost has increased by Rs *** per MT in POI, the selling price has declined by Rs *** per MT in the same period showing that the prices of the domestic industry are depressed.
    vi. The prices of the domestic industry are depressed in POI when compared to the base year or preceding year.
    vii. The landed price of imports is below the cost of the domestic industry and therefore, these imports are having an adverse effect on the prices of the domestic industry.

G.3.3 Economic parameters of domestic industry

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

a. Capacity, production, capacity utilization and domestic sales

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

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Capacity	MT	***	***	***	***
	Trend	Indexed	100	100	114	127

2	Total Production (PUC and NPUC)	MT	***	***	***	***
	Trend	Indexed	100	105	109	116
3	Plant Capacity Utilization (PUC and NPUC)	%	***	***	***	***
	Trend	Indexed	100	105	96	91
4	Production PUC	MT	***	***	***	***
	Trend	Indexed	100	108	107	124
5	Domestic Sales	MT	***	***	***	***
	Trend	Indexed	100	112	115	129

99. Based on the above, the Authority notes that:
    i. The domestic industry has expanded the capacity in view of growing demand for the product in the domestic as well as export market. The domestic industry submitted that the capacity expansion was undertaken to reduce the country's dependence on imports, the imports continue to hold majority of the demand in the country.
    ii. The product under consideration is a made to order product.
    iii. The production and domestic sales of the domestic industry have increased over the injury period.
    iv. While the production of the domestic industry has increased, the domestic industry is operating with significant idle capacity.
    v. The domestic industry has submitted that increase in the domestic sales was attributed to the efforts undertaken by the domestic industry by sacrificing its profitability with a view to keep its customer base intact.

100. The product under consideration is a fabric which is woven on a loom. The product under consideration is made to order items. The domestic industry has submitted that it operates strictly on a "made-to-order" model, whereby production begins only after receiving confirmed purchase orders from customers. The domestic industry has provided information on the number of looms available with it which is produced below.

Particulars	**UoM**	**2021-22**	**2022-23**	**2023-24**	**2024-25**
No of looms Available	Nos.	***	***	***	***
No of looms Actual Running	Nos.	***	***	***	***
Idle looms	Nos.	***	***	***	***

101. The Authority notes that in 2023-24, the domestic industry witnessed a decline in production, accompanied by a corresponding increase in the number of looms. On account of this loss of production, coupled with an insufficiency of orders to sustain production levels, the domestic industry was constrained to undertake a price correction during the period of investigation.

102. It is observed that the extent of this price correction exceeded the reduction achieved in the cost of sales, thereby resulting in a decline in profits, cash profits, and return on investment of the applicant during the period of investigation.

b. Market share

103. The market share of the domestic industry, supporters and subject country imports of the product into India is shown in the table below:

SN	Particulars	UoM	2021-22	2022-23	2023-24	POI
1	Domestic industry	%	***	***	***	***
	Trend	*Indexed*	100	107	92	114
2	Other producers	%	***	***	***	***
	Trend	*Indexed*	100	115	96	79
3	Subject country	%	***	***	***	***
	Trend	*Indexed*	100	84	110	101
4	Other Countries	%	***	***	***	***
	Trend	*Indexed*	100	-	11	-

104. Based on the above, the Authority notes that:
   i. The market share of the domestic industry increased in 2022-23, declined in 2023-24 and increased in the period of investigation.
   ii. The market share of the supporters increased in 2022-23 but declined in the period of investigation.
   iii. The market share of the subject imports declined in 2022-23, increased in 2023-24 and declined again in the period of investigation.
   iv. The Indian industry has sufficient capacity to meet the entire domestic demand. Despite the same, imports are holding a very significant share in Indian demand.

c. Inventories

105. Information with regard to inventory with the domestic industry is given below:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Opening inventory	MT	***	***	***	***
2	Trend	Indexed	100	114	70	18
3	Closing inventory	MT	***	***	***	***
4	Trend	Indexed	100	61	16	55
5	**Average inventory**	MT	***	***	***	***
6	Trend	Indexed	100	86	41	38

106. The Authority notes that the inventory with the domestic industry declined till 2023-24, but has increased in the period of investigation. The domestic industry has emphasized that despite the high demand of the product under consideration, it was faced with accumulated inventories.

d. Profitability, cash profit and return on capital employed

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

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Profit/ (Loss)	₹/MT	***	***	***	***
	Trend	Index	100	57	117	14
2	Profit/ (Loss)	₹ Lakh	***	***	***	***
	Trend	Index	100	63	134	18
3	PBIT	₹/MT	***	***	***	***
	Trend	Index	100	59	121	27

4	PBIT	₹ Lakh	***	***	***	***
	Trend	Index	100	64	104	26
5	Cash Profit	₹/MT	***	***	***	***
	Trend	Index	100	62	116	29
6	Cash Profit	₹ Lakh	***	***	***	***
	Trend	Index	100	67	102	29
7	ROCE	%	***	***	***	***
	Trend	Index	100	69	107	17

108. Based on the above, the Authority notes that:
   i. The profit per unit of the domestic industry declined in 2022-23, increased in 2023-24 and thereafter drastically declined in the period of investigation. The profit has declined by Rs *** per MT over the injury period.
   ii. The profit before interest and tax has declined from Rs *** per MT in the base year to Rs *** per MT in the period of investigation.
   iii. The profits, cash profits, and profit before interest on gross domestic sales and the return on capital employed have declined over the injury period. Despite selling higher volumes, the domestic industry suffered deterioration in these parameters.
   iv. The return on investment of the domestic industry was the lowest in the period of investigation.

e. Employment, wages and productivity

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

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Number of employees	Nos.	***	***	***	***
	Trend	Indexed	100	107	118	146
2	Productivity per employee	MT/Nos.	***	***	***	***
	Trend	Indexed	100	100	91	85
3	Productivity per day	MT/Days	***	***	***	***
	Trend	Nos.	100	108	107	124
4	Wages	₹ Lakh	***	***	***	***
	Trend	Indexed	100	102	100	121

110. It is noted that the wages paid by the domestic industry have increased over the injury period. Productivity per day has improved with the increase in these parameters. However, the domestic industry has not claimed injury in these parameters as these parameters are dependent on large number of factors.

f. Growth

111. The growth of the domestic industry in terms of capacity, production, domestic sales volume, PBT, PBIT, cash profits and the return on capital employed is as per the table given below:

SN	Particulars	UOM	2022-23	2023-24	POI
1	Production PUC	%	7%	0%	15%
2	Domestic sales	%	12%	2%	13%
3	Profit/loss per unit	%	-43%	107%	-88%
4	Profit/Loss Rs lakhs	%	-37%	111%	-87%

5	PBIT per unit	%	-34%	109%	-75%
6	PBIT Rs lakhs	%	-41%	104%	-78%
7	Cash Profit per unit	%	-31%	91%	-71%
8	Cash Profit Rs lakhs	%	-38%	87%	-75%

112. It is seen with regard to volume parameters that the production, domestic sales and market share of the domestic industry have shown positive growth. The domestic industry has expanded capacity and therefore, the increase in the volume parameters was natural.

113. The domestic industry has recorded significantly negative growth in price parameters. Profitability, cash profit, profit before interest have shown a significant negative growth in the period of investigation.

g. Magnitude of dumping

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

h. Ability to raise capital investments

115. The Authority notes that the domestic industry has suffered significant decline in the price parameters. Though the domestic industry has expanded its capacity, the decision to expand the capacity was undertaken when the performance was better. The current profits of the domestic industry are less than 2% of the cost of production and therefore, do not justify any investment in the business. The domestic industry has also claimed that its working capital needs have been seriously jeopardised by the dumping of the product. Therefore, the ability to raise capital investment or raise money for capital employed has been impacted.

i. Factors affecting domestic prices

116. It is noted that the landed prices of the product under consideration from the subject country are below the cost and selling price of the domestic industry. The selling price of the domestic industry is depressed which has adversely affected the operations, which is leading to the domestic industry suffering significantly. The dumped imports from the subject country are the principal factor impacting the domestic prices.

H. CAUSAL LINK AND NON-ATTRIBUTION ANALYSIS

117. As per the Rules, it is, *inter alia*, required to be examined any known factors other than the dumped imports which at the same time are injuring the domestic industry, so that the injury caused by these other factors may not be attributed to the dumped imports. It has been examined below whether factors other than dumped imports could have contributed to injury to the domestic industry.

118. Factors which may be relevant in this respect include, inter alia, the volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practices of and competition between the foreign and the domestic producers, developments in technology and the export performance and the productivity of the domestic industry. It has been examined below whether the factors listed under the Rules could have contributed to the injury suffered by the domestic industry.

a. Volume and price of imports from third countries

119. Imports from the subject country constitute 100% share of the total imports into India during the POI. The imports of the subject goods from other countries are not causing injury to the domestic industry.

b. Contraction in demand

120. It is seen that the demand for the product under consideration has increased over the injury period. It is also seen that the domestic sales have also seen an increase when the demand has declined marginally in the period of investigation. Therefore, the domestic industry has not suffered injury due to contraction in demand in POI.

c. Changes in the pattern of consumption

121. There has been no known material change in the pattern of consumption of the product under consideration, which could have caused injury to the domestic industry.

d. Trade restrictive practices

122. No interested parties have produced any evidence relating to any known trade restrictive practice, which could have caused injury to the domestic industry. Therefore, the Authority concludes that the trade restrictive practice has not caused injury to the domestic industry.

e. Development of technology

123. The Authority notes that there has been no known material change in the technology for the production of the PUC. Hence, development in technology has not caused injury to the domestic industry.

f. Export performance

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

g. Performance of other products

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

I. MAGNITUDE OF INJURY MARGIN

126. The Authority has determined the NIP for the domestic industry on the basis of principles laid down in AD Rules read with Annexure III, 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 subject country 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 (i.e., 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.

127. The non-injurious price determined above has been compared with the landed price for the product under consideration. The landed price for the sampled producers in the subject countries has been determined on the basis of the data furnished by the producers. The injury margin for non-sampled cooperating producers has been determined on the basis of the weighted average injury margin determined for the sampled cooperating producers/ exporters. The injury margin for non-cooperative producers/exporters from China PR have been determined on the basis of facts available in terms of Rule 6(8) of the Rules.

SN	Particulars	NIP ($/MT)	Landed Price ($/MT)	Injury Margin		
				$/MT	%	Range
1	Xuyi Huacheng Industrial Cloth Co. Ltd., Wuxi Polymico Materials Co. Ltd and Qingdao Chenlanxin Business and Trading Co. Ltd. (Group)	***	***	***	***	30-40
2	Qingzhou Shengbo New Products Co. Ltd.	***	***	***	***	30-40
3	Jiangsu Taiji Industry New Materials Co. Ltd	***	***	***	***	10-20
4	Non-sampled producers	***	***	***	***	25-35
5	All other producers	***	***	***	***	120-130

J. INDIAN INDUSTRY INTEREST

J.1 Submissions made by interested parties.

128. The other interested parties have made the following submissions with regard to the Indian industry's interest:

a. Belting fabric is a material input for textile-reinforced conveyor belts used in mining, cement, steel, power and other industrial sectors; accordingly, the impact of any duty is required to be examined both at the level of conveyor-belt manufacturers and at the level of further downstream users.

b. AIRIA has submitted that conveyor belts procured by public sector undertakings are priced at about Rs. 115-125/kg and commercial-grade belts at about Rs. 100/kg; it has stated that fabric cost is about Rs. 34/kg and has estimated an impact of about 12.7% on the price of conveyor belts, materially higher than the estimate furnished by the domestic industry.

c. AIRIA states that it represents about 90 conveyor-belt manufacturers, more than 80% of whom are MSMEs, and has furnished Udyam certificates of 57 members. It submits that reverse auctions and closed tenders materially constrain the ability of such manufacturers to pass on higher input costs.

d. Micro and small belt manufacturers requiring small lots, stated to be in the range of 1-4 rolls, are claimed to depend substantially on importers and stockists and to have weaker bargaining power, limited access to credit and lower ability to maintain inventory.

e. The user association submits that an aggregate comparison of domestic capacity with demand does not address availability of particular fabric styles, technical specifications, quality, delivery timelines and accessibility to small manufacturers.

f. It has further been alleged that the domestic industry follows customer-specific pricing, that prices of comparable belting fabric vary materially across customers, and that small buyers do not enjoy the same access or commercial terms as large or vertically integrated belt manufacturers do.

g. AIRIA disputes the contention that imports of finished conveyor belts account for less than 10% of the Indian market and submits that the monthly import values relied upon by the domestic industry themselves indicate a materially higher annual import presence.

h. The participating producers/exporters have similarly submitted that duty on belting fabric would increase costs for downstream belt manufacturers and, in turn, sectors such as mining, cement, steel and power, and may adversely affect the competitiveness of MSME users.

J.2 Submissions made by domestic industry.

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

a. Belting fabric is used as reinforcement in conveyor belts. The domestic industry has submitted that rubber is the principal material and cost driver in a rubber conveyor belt and that fabric accounts for a materially smaller share.

b. The imposition of anti-dumping duty would not be contrary to public interest; the measure would address unfair dumping without preventing imports from entering India at fair prices.

c. The domestic industry has estimated the impact of duty on a conveyor-belt producer at about 2-4% and the further impact on a conveyor system at about 0.2-2.5%.

d. The downstream industry is stated to have the ability to pass on the increase in input cost because imports of finished conveyor belts are claimed to constitute a small share of the Indian market.

e. The aggregate capacity of the Indian industry is stated to be sufficient to meet domestic demand and, therefore, no demand-supply gap is claimed to exist in the country.

f. Despite AIRIA claiming to represent about 90 consumers/manufacturers of belting fabric, no individual member has filed a complete user questionnaire response setting out its own profitability, consumption and ability to pass on a cost increase.

g. The domestic industry has furnished a list containing more than 70 customers and has also placed customer-wise sales information on record to demonstrate that its supplies are not confined to a few selected buyers.

h. The allegation of discriminatory pricing has been denied. The domestic industry submits that the prices charged are broadly comparable once the product supplied and the relevant commercial circumstances are considered.

i. With regard to the specific allegations concerning Neelkanth and Eureka, the domestic industry has submitted that Neelkanth was supplied at one of the lower prices, while the price charged to Eureka was higher than its average selling price.

j. The domestic industry has also emphasized the importance of indigenous production of technical textiles and submitted that a fair and viable domestic supply base is in the long-term interest of users.

J.3 Examination by the Authority.

a. Assessment of impact of the measure on the user industry

130. The Authority has examined the impact of the recommended anti-dumping duty on importers, conveyor-belt manufacturers and further downstream industries. The assessment is based on the Economic Interest Questionnaire (EIQ) responses, written submissions, rejoinders and supporting evidence on record. Belting fabric is used as reinforcement in rubber conveyor belts, which are used in mining, cement, steel, power and other material-handling industries.

131. The recommended duty applies to imported belting fabric and does not prohibit imports or reserve the Indian market for domestic producers. The Authority has examined the quantified additional cost, the availability of supply and the ability of downstream manufacturers to reflect input costs in their selling prices. The question is whether the evidence establishes an adverse effect on the downstream industry.

b. Participation of the user industry and evidentiary basis

132. The Authority notes that responses to the Economic Interest Questionnaire were received from the domestic industry, certain producers/exporters, Oriental Industries (Suzhou) Ltd. and AIRIA. AIRIA represents about 90 conveyor-belt manufacturers, over 80% of whom are MSMEs, and has furnished Udyam certificates for 57 members. However, no individual member has provided complete verified data on consumption, sourcing, profitability or ability to pass on higher input costs. The Authority has therefore considered AIRIA's association-level submissions and supporting material, while keeping this evidentiary limitation in view.

c. Importance of belting fabric in the downstream product

133. The Authority notes that belting fabric is a significant input in a rubber conveyor belt, though its share varies depending on the basis adopted. The representative composition shows fabric at about 17% by weight, while the domestic industry estimates its share at about 20% of raw-material cost. AIRIA, on the other hand, places fabric cost at about ₹34/kg, equivalent to roughly 29.6%-34% of the selling value of certain conveyor belts. Since these figures are based on different denominators, they are not directly comparable. The relevant consideration is therefore the actual duty incidence on the fabric, its quantity used in the belt, the value of the finished belt and the extent of downstream value addition.

d. Quantification of the immediate downstream impact

134. The parties have given different estimates of user impact. The domestic industry estimates about 2.01%–2.82% using an illustrative 20% duty, whereas AIRIA estimates 12.7% using different assumptions about fabric cost and belt price. As these estimates are not directly comparable, the Authority has used a common basis: the lowest and highest duty amounts recommended in these Final Findings, a representative fabric share of 17% by weight and the belt-price ranges submitted by the parties. The table shows the direct cost incidence on a finished belt; it does not show an automatic increase in its selling price or the actual average impact on the downstream industry.

Particulars	UOM	Lower incidence	Upper incidence
Lower of dumping/injury margin amount across disclosed producer categories	US$/MT	374	1,620
Equivalent ADD incidence on belting fabric at ₹85.43/US$	₹/kg fabric	31.95	138.40
Representative fabric share used for illustration	% of belt weight	17%	17%
Direct impact on finished conveyor belt	₹/kg belt	5.43	23.53
Impact at AIRIA's finished-belt price range of ₹100–125/kg	% of belt value	4.3%	23.5%

Impact at domestic industry's finished-belt price range of ₹150–350/kg	% of belt value	1.6%	15.7%

135. At the lower recommended duty of US$374/MT, the additional duty is about ₹31.95 per kg of imported fabric. With fabric representing 17% of belt weight, this adds about ₹5.43 per kg of finished conveyor belt. It amounts to about 1.6% of a belt priced at ₹350/kg and 4.3% of a belt priced at ₹125/kg. On this illustrated lower-duty basis, the direct cost increase is limited relative to the value of the finished belt and is not a comparable percentage increase in the cost of an entire conveyor system.

136. The duty is levied on imported fabric, not on the full value of the belt. Fabric is only one component of the finished product. The additional cost therefore becomes a smaller share of value when further materials and manufacturing are added, and smaller still in a complete conveyor system. The table measures the first-stage input-cost incidence only; it does not establish how much a belt manufacturer will ultimately charge its customer.

137. The upper-end illustration uses the highest recommended duty of US$1,620/MT and the lower end of the stated belt-price ranges. On the same assumptions, it gives an additional cost of about ₹23.53/kg of belt, or 23.5% against a belt priced at ₹100/kg. This is a high-end mathematical combination, not the normal or average duty burden of the downstream industry. In the absence of verified data showing how purchases are distributed across duty categories and belt specifications, this figure cannot be treated as representative of all users. It does, however, illustrate that the effect can differ between individual transactions.

e. Ability of conveyor-belt manufacturers to pass through the additional cost

138. The Authority notes that manufacturers may not be able to revise prices under existing fixed-price contracts immediately. They can, however, take the additional input cost into account when quoting for new orders and tenders or renewing contracts. At the lower duty, the illustrated direct cost is about ₹5.43/kg of belt. The evidence does not show that downstream manufacturers generally would be unable to reflect this cost in prices over subsequent orders, although the time and extent of recovery may vary between users.

139. AIRIA and certain users have raised concerns about competition from imported finished belts and the difficulty faced by MSMEs in increasing prices. These concerns have been examined. The available evidence does not establish that the recommended duty would make the downstream industry unviable, cause widespread closures or lead to industry-wide job losses. Possible difficulties under particular contracts do not establish a material adverse effect on downstream users as a whole.

f. Availability, sourcing alternatives and MSME access

140. Domestic and imported belting fabric remain available as sources of supply. During the POI, subject imports accounted for about 39.74% of Indian demand, and the domestic industry sold about 8,365 MT to more than 70 customers. The recommended duty does not stop imports; users may continue to purchase imported fabric, including particular specifications, on payment of the applicable duty. While individual users have raised concerns about style, lot size and delivery time, the verified record does not establish a general shortage of the PUC or show that the duty would prevent the downstream industry as a whole from obtaining its inputs.

g. Customer-specific pricing and competitive conditions

141. The Authority has also examined the allegation of different prices for different customers. Invoice prices may differ because of specification, order quantity, credit, delivery and other commercial terms. The record does not establish that such differences are necessarily discriminatory. The recommended duty does not prevent users from choosing domestic or imported sources of supply.

h. Overall assessment of user impact and public interest

142. Having considered the impact table and the evidence on record, the Authority notes the following:

i. at the lower recommended duty of US$374/MT, the illustrated additional cost is about ₹5.43/kg of belt, or about 1.6% at ₹350/kg and 4.3% at ₹125/kg of finished belt;
ii. the duty applies to imported fabric only; the direct incidence on the belt is not an equivalent increase in the selling price of the belt or in the cost of the complete conveyor system;
iii. the upper figure combines the highest duty with low finished-belt prices; it is a high-end illustration and cannot be treated as the average incidence on all users;
iv. manufacturers may include additional fabric cost in future tenders, new orders and contract renewals, even though existing fixed-price contracts may delay recovery;
v. users will continue to have access to imported fabric on payment of duty, alongside domestic production;
vi. the information on record does not establish that the recommended duty would cause a material adverse effect on the downstream industry; and
vii. the measure addresses injury caused by dumped imports while preserving the option of sourcing from domestic and imported suppliers.

143. The Authority therefore finds that the quantified incidence at the lower recommended duty is limited in relation to the illustrated finished-belt prices. The high-end calculation cannot be treated as the normal burden across the downstream industry. As manufacturers can reflect additional input costs in future orders and tenders, and imports remain available, the evidence does not establish that the recommended duty would cause material detriment to downstream users as a whole.

144. The Authority accordingly concludes that the recommended anti-dumping duty is not contrary to public interest. It addresses injury caused by dumped imports, maintains access to imported belting fabric and allows downstream manufacturers to take additional input costs into account in future prices. On the quantified evidence available, no adverse impact on the downstream industry has been established.

K. POST-DISCLOSURE COMMENTS

K.1. COMMENTS BY THE OTHER INTERESTED PARTIES

Product scope, requested exclusions, dipping/twisting process and EEN fabric

145. Jiangsu Jiaheng Fibre Co., Ltd. and Zhangjiagang Xinbaoyuan Trading Co., Ltd. have sought reconsideration of the requested product exclusions. They submit that the non-confidential record does not adequately show whether the disputed specifications were commercially produced and sold by the domestic industry during the POI. AIRIA has similarly submitted that post-POI material should not be used to establish POI production or commercial supply.

146. Jiaheng submits that its EE fabric is produced through a two-bath dipping process and may also be supplied in untwisted form, and has sought exclusion or an appropriate PCN/comparison adjustment. AIRIA submits that the two-bath process uses lower-cost yarn and lower dip pick-up, resulting in lower GSM, chemical consumption and production cost, and therefore seeks a like-to-like comparison. Jiaheng has also sought exclusion of EEN fabric on the ground that no verified domestic commercial sale of a comparable product during the POI has been established.

147. AIRIA and Neelkanth Beltings have raised quality and technical-suitability concerns. Neelkanth states that even the revised domestic samples were unsuitable for its requirements. AIRIA further submits that some users discontinued purchases after quality issues, problematic rolls were not replaced, and MSMEs using older machinery may require fabrics compatible with their processing capabilities. It therefore seeks consideration of technical suitability, specification, roll size, delivery time and ease of processing while assessing actual availability.

Sampling and treatment of non-sampled cooperating producers/exporters

148. Oriental Industries and Wuhu S.H.Z. seek individual examination under Rule 17(3) on the ground that they fully and timely cooperated in the investigation. If individual examination is not granted, they request the rate applicable to cooperating non-sampled producers/exporters instead of the residual rate. Oriental and Jiangsu Jiaheng also request that all cooperating non-sampled producers/exporters be clearly identified in the Final Findings, while Zhejiang Unifull seeks correction of its name.

Normal value for China PR

149. The responding Chinese producers/exporters submit that, after expiry of Article 15(a)(ii) of China's WTO Accession Protocol on 11 December 2016, normal value should be determined on the basis of their own prices and costs. They therefore object to determination of normal value under paragraph 7 of Annexure I.

Injury, price effects and causal link

150. The interested parties submit that the domestic industry's volume performance improved during the injury period. Production, domestic sales and market share increased, while inventories fell and employment, wages and productivity improved. They also point out that imports declined from 9,889 MT in 2023-24 to 8,206 MT in the POI. AIRIA further notes that profitability improved when imports were highest in 2023-24 but fell sharply in the POI when imports declined. It also seeks clarification of the two landed-price figures of ₹1,73,589/MT and ₹1,63,762/MT.

151. The interested parties also rely on the fact that NSR was higher than NIP and seek a fair comparison across the different technical variants of belting fabric, including through appropriate PCN-wise or transaction-level analysis. They further ask the Authority to separately examine other possible causes of injury, such as capacity expansion, depreciation, finance cost, fixed-cost absorption, product and customer mix, pricing decisions and decline in demand. They also rely on the 2018 investigation, which ended without duty, and on the domestic industry's annual reports referring to its earlier performance, lower Government spending and weak conveyor-belt export demand.

Non-injurious price and 22% ROCE

152. AIRIA and the responding exporters challenge the use of a uniform 22% pre-tax return on capital employed for determining NIP, submitting that Annexure III requires a reasonable

return but does not prescribe 22%. AIRIA also seeks verification of allocation of common depreciation, finance and administrative costs to the PUC and reconciliation of profitability with changes in raw-material cost, conversion cost, depreciation, finance cost, product mix and selling price.

AIRIA: MSME impact, supply availability and public interest

153. AIRIA states that it represents about 90 conveyor-belt manufacturers, over 80% of whom are MSMEs. It submits that small manufacturers often buy only a few rolls and therefore depend on importers and stockists. According to AIRIA, total installed capacity does not show whether every required specification is actually available in the needed quantity and within the required delivery time. It further submits that effective open-market supply is mainly from SRF and Madura, as NRC is largely captive, Grabtech has stopped production, Sanrhea has diverted capacity and part of Madura's production is used captively.

154. AIRIA also submits that the earlier QCO on polyester industrial yarn had increased input costs and affected supply. It alleges differences in pricing, credit terms and supply between large and small buyers, as well as an advantage for vertically integrated producers using captive fabric. It further states that MSMEs may not be able to pass on higher fabric costs because of fixed-price tenders, reverse auctions and competition from imported finished belts. AIRIA also argues that the duty burden may be significant for lower-priced belts, that the 22% return used for NIP should not be compared with the actual ROCE of downstream users, and that its association-level evidence should not be rejected merely because individual members did not file complete data, particularly when no deficiency letter was issued. It also raises concerns about limited participation despite wider attendance and requests consideration of all its written submissions, while reiterating its earlier objections on standing and imports by supporting domestic producers.

Additional downstream-user concerns

155. Boston Rubbers and Star Polymers submit that MSMEs often need only a few rolls at short notice, while domestic suppliers generally work on bulk, made-to-order and advance-payment terms. Importers and stockists are said to provide smaller lots, quicker delivery and credit. They also submit that belting fabric is highly customised, so overall domestic capacity does not necessarily mean that every required specification is readily available.

156. Dynamic Rubbers and ARB submit that post-POI prices and input costs have increased and that ADD could raise the cost of finished belts by about 5.4% to over 10%. They also expect their fabric requirements to rise significantly due to new investments and seek verification of actual specification-wise supply and SRF's saleable output. They further argue that higher fabric costs may increase imports of finished belts and affect domestic value addition, employment, investment and exports. Boston adds that small buyers purchasing through traders may face a higher effective burden. They therefore seek a suitably calibrated measure so that imports remain a practical supplementary source.

Relief sought

157. The opposing interested parties seek reconsideration of the requested product exclusions, individual examination where applicable, the cooperating non-sampled rate for eligible exporters, and reconsideration of the normal-value and NIP methodologies. They primarily seek termination of the investigation for lack of material injury and causal link or, alternatively, a suitably calibrated measure that does not impose a disproportionate burden on the downstream industry.

K.2. COMMENTS BY THE DOMESTIC INDUSTRY

Product scope and requested exclusions

158. The domestic industry seeks confirmation of the disclosed product scope. It states that invoices and packing lists show supply of widths above 225 cm, lengths above 1,000 metres, 520-metre rolls of 350 rating and rolls exceeding 2 MT. It therefore opposes exclusion of widths above 125 cm and the EEE, EEH, EHH, EES, NN and NES PCNs merely because their import volumes are low.
159. On double dipping, the domestic industry states that it has both single- and double-dipping facilities and has submitted customer orders showing supply of double-dipped fabric. It also maintains that it can supply both twisted and untwisted constructions depending on customer requirements.

Injury and need for remedial measures

160. The domestic industry submits that dumping and injury margins are positive and significant, subject imports remain substantial and price undercutting during the POI is in the range of 30–40%. It states that the increase in production and sales was achieved by reducing prices and sacrificing profitability, while significant idle capacity continued.
161. It further relies on the sharp decline in profit, PBIT, cash profit and ROCE during the POI. According to it, landed prices declined despite higher raw-material prices, widening the gap between import prices and domestic costs and causing price depression. It also submits that certain Chinese producers reduced their export prices to India more sharply than their domestic prices.

MSME producers, quality, availability and pass-through

162. The domestic industry submits that Indian producers also include MSMEs and refers to suspension of production by Grabtech and diversion of capacity by Sanrhea. It therefore requests that the interests of MSME domestic producers be considered along with those of downstream MSME users.
163. It disputes claims of inadequate domestic quality or availability, relying on repeat purchases, acceptance in institutional and PSU specifications, a broad customer base and available idle capacity. It submits that isolated complaints do not establish a general quality problem and that domestic delivery lead times are shorter than import lead times.
164. The domestic industry accepts that conveyor-belt manufacturers cannot immediately increase their prices under existing contracts, even if fabric becomes costlier. However, it submits that they can include the higher fabric cost when quoting prices for new orders. It also states that the additional cost can gradually be passed on to their customers, reducing the burden on conveyor-belt manufacturers.

Public interest, duration and form of duty

165. The domestic industry submits that there is no overall demand-supply gap and that imports would continue on payment of duty. It contends that the measure would restore fair competition rather than create a monopoly. It also submits that the MSME user evidence does not establish actual profitability, consumption or pass-through because individual users did not file complete verified data.
166. The domestic industry seeks definitive anti-dumping duty for five years. It also requests a form of duty capable of addressing wide variations in import prices and PCNs and preventing injurious dumping through changes in invoice prices.

K.3. EXAMINATION BY THE AUTHORITY

Product scope, dipping/twisting process and EEN

167. The Authority has again examined the requests for product exclusion. For claims that the domestic industry did not produce or sell certain products, only evidence from the POI has been considered. Evidence from later periods may show that the domestic industry can manufacture a product, but it does not prove that the product was actually sold during the POI. No new evidence has been found to change the earlier decision. Requests to exclude widths above 125 cm and PCNs EEE, EEH, EHH, EES, NN and NES are also rejected. A product cannot be excluded merely because it is imported in small quantities. PCNs are used only to ensure fair comparison.
168. The Authority has also examined the requests to exclude double-dipped, untwisted and EEN fabric. The domestic industry has shown that it can produce double-dipped and untwisted fabric. No reliable evidence has been provided to show that the differences in manufacturing process justify exclusion or separate comparison. These differences also do not change the basic nature or use of the product. Similarly, no evidence has been provided to show that EEN is a different product or has a different use. Accordingly, these exclusion requests are rejected.

Quality and technical suitability

169. The Authority has considered the quality concerns raised by Neelkanth and AIRIA. However, these appear to be specific to certain users, because the record also shows repeat purchases and wider use of domestic belting fabric.
170. Since belting fabric is customised, its suitability can vary depending on the user's machinery, process and application. This does not show a general quality problem with the domestic product. Suitable material can also continue to be imported, so no change in the PUC is required.

Sampling and cooperating non-sampled producers/exporters

171. The requests of Oriental and Wuhu for individual examination have been reconsidered. However, examining them separately at this stage would require additional verification and producer-specific dumping and injury calculations, which could delay completion of the investigation. Their requests are therefore not accepted. This decision is not based on any lack of cooperation.
172. Oriental, Wuhu, Zhejiang Unifull and Jiangsu Jiaheng are treated as cooperating non-sampled producers/exporters, with Xinbaoyuan considered along with Jiaheng. Accordingly, the residual rate will not apply to their eligible exports. The requested correction to the name of Zhejiang Unifull Hi-Tech Industry Co., Ltd. has also been accepted in the Final Findings.

Normal value for China PR

173. The post-disclosure submissions on China PR do not contain any new material requiring a change in the normal-value methodology. The expiry of Article 15(a)(ii) has been considered, but the responding producers did not establish market-economy conditions in the manner required under paragraph 8 of Annexure I.
174. No reliable PCN-wise price or constructed-value information for an appropriate market-economy third country was furnished. The disclosed normal-value methodology is therefore retained.

Volume injury, price effects and NSR/NIP

175. The Authority notes that production, domestic sales, market share, employment, wages and productivity improved, while inventories declined. However, this does not mean that the domestic industry suffered no injury. Although imports fell from 9,889 MT to 8,206 MT in the POI, they remained above the base-year level and accounted for about 40% of Indian demand. The price of ₹1,63,762/MT relates only to EE-grade fabric, whereas ₹1,73,589/MT is the overall import price of the PUC. The overall import price remained much lower than the domestic selling price, resulting in price undercutting range 30-40%.

176. Although the domestic industry sold more, its profit, cash profit and return on investment fell sharply during the POI. This shows that higher sales did not prevent injury caused by low-priced imports. The claim that the domestic selling price (NSR) was higher than the non-injurious price (NIP) was made by the opposing parties and was not a finding of the Authority. The injury margin has been calculated by comparing the NIP and import price for each PCN. Since the existing PCNs already allow a fair comparison, AIRIA's request to compare every product variety separately is not accepted.

Capacity expansion, other factors and causal link

177. The Authority has considered whether the decline in the domestic industry's performance was caused by capacity expansion, higher depreciation and finance costs, lower demand, changes in product/customer mix, common facilities or pricing decisions. These factors do not fully explain the injury, because cash profit and PBIT also fell sharply. The verified PUC costing has been applied consistently, and no quantified evidence shows that these other factors caused the extent of the deterioration.

178. AIRIA is correct that profitability improved in 2023-24 when imports were highest. However, one year alone cannot determine causation. During the POI, import prices fell further, domestic costs increased, selling prices declined, and profitability and ROCE worsened sharply. The Authority therefore maintains that dumped imports materially contributed to the price depression and financial deterioration of the domestic industry.

Previous investigation and annual reports

179. The 2018 investigation has been considered as a factual reference. However, the relevant injury period, import prices, profitability, capacity and market conditions were different. It therefore does not determine the outcome of the present investigation.

180. Similarly, better performance reported in earlier annual reports does not establish absence of injury during the present POI. The present findings are based on verified PUC-specific data for the current injury period.

Non-injurious price and 22% ROCE

181. The post-disclosure submissions do not provide case-specific evidence warranting departure from the 22% pre-tax return used for NIP. Annexure III requires a reasonable return, and the Authority has consistently applied 22%.

182. Common costs and utilisation norms have also been examined on the basis of verified records and reasonable allocation principles. No verified post-disclosure material establishes that the NIP has been inflated by improper allocation of common costs.

AIRIA evidence, MSMEs and public interest

183. The Authority has considered all submissions made by AIRIA, including its written comments and information provided by its members. The fact that all members could not speak at the hearing does not mean their views were ignored. However, information that has not been verified cannot be treated in the same way as verified data. The Authority has

considered the available information based on its reliability. No negative conclusion has been drawn merely because individual members did not file complete questionnaires.

184. The Authority has examined AIRIA's concerns regarding domestic supply, product quality, prices, payment terms and difficulties faced by small manufacturers. The evidence does not show a general shortage of belting fabric. Prices may vary with specification, order size, payment terms and delivery conditions, and imports remain available on payment of duty. The lower-duty calculation shows a direct additional cost of about ₹5.43/kg of belt, which can be taken into account in future orders and tenders. Verified evidence establishes that the measure would have a negligible impact on the downstream industry.

Post-POI developments and downstream-user concerns

185. The Authority has considered the post-disclosure submissions of Boston Rubbers, Star Polymers, Dynamic Rubbers and ARB regarding small-lot purchases, credit terms, post-POI prices, planned expansion and competition from imported finished belts. The post-POI figures are largely company estimates and cannot replace verified POI data. They have nevertheless been considered in the user-interest assessment. The higher-end duty illustration is not an estimate of the normal industry-wide impact, and no verified evidence establishes that the recommended duty would make the downstream industry unviable.

186. Purchasing through a domestic stockist does not automatically attract the residual duty rate; the applicable rate depends on the producer/exporter category at import. The possible shift towards imported finished belts has also been considered, but the record does not establish that the recommended duty would cause such a shift or harm the downstream industry. Manufacturers may reflect additional fabric costs in future prices, and the measure retains producer/exporter-specific duty rates under the lesser-duty principle.

Duration and form of the measure

187. Since dumping, injury and causal link have been established, the Authority considers a definitive measure necessary. A fixed duty in US dollars per MT is considered appropriate, based on the lower of the dumping margin and injury margin for each producer/exporter category. The measure shall remain in force for the period of 5 years, unless revoked, superseded or amended earlier in accordance with law.

L. CONCLUSION

188. Having regard to the contentions raised, information provided, submissions made and the facts available on record, and on the basis of the analysis undertaken above, the Authority concludes as follows:

i. The product under consideration is Belting Fabric made of 80% or more of polyester or nylon in any combination, subject to the exclusions already specified in these Final Findings, including Chafer fabric, grey/undipped fabric, Nylon 6,6 and the notified excluded warp-weft constructions.

ii. SRF Limited constitutes the domestic industry within the meaning of Rule 2(b), and the application satisfies the standing requirements under Rule 5(3) of the Anti-Dumping Rules.

iii. The subject goods exported from China PR have entered India at dumped prices. The dumping margins determined for the sampled producers/exporters, the cooperating non-sampled category and the residual category are positive and significant.

iv. Subject imports increased over the injury period and continued to account for about 40% of Indian demand in the POI. The imports significantly undercut the domestic industry's prices and were landed below its cost of sales.

v. The domestic industry's production, domestic sales and market share improved; however, its selling price was depressed and its profit, PBIT, cash profit and ROCE deteriorated sharply in the POI. The injury found is therefore principally price and financial injury rather than a decline in sales volume.

vi. The known other factors, including the modest decline in demand, capacity expansion, depreciation and finance costs, product/customer mix, export performance and performance of other products, have been examined and do not explain the material deterioration attributable to the dumped imports.

vii. The concerns raised after disclosure regarding quality, supply concentration and MSME user impact have been examined. At the lower recommended duty, the illustrated direct additional cost is about ₹5.43/kg of belt, and manufacturers may reflect that cost in future tenders and orders. The higher-end illustration does not represent an established average industry burden. Imports remain available, and the evidence does not establish that the recommended measure would have a negligible impact on the downstream industry or be contrary to public interest.

viii. The Authority accordingly concludes that the domestic industry has suffered material injury caused by dumped imports from China PR and that imposition of a definitive anti-dumping duty is warranted.

M. RECOMMENDATIONS

189. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was provided to the domestic industry, producers/exporters, importers, users and associations to provide information and submissions on dumping, injury, causal link and the likely economic impact of the measure.

190. Having established the existence of dumping, material injury to the domestic industry and a causal link between the two, and having examined the submissions concerning user impact and public interest, the Authority recommends the imposition of definitive anti-dumping duty on imports of the product under consideration originating in or exported from China PR. The quantified assessment indicates that the impact of the proposed duty on downstream users would be negligible, while imports would continue to remain available. In accordance with the lesser duty principle, the recommended duty for each producer/exporter category is restricted to the lower of the determined dumping margin and injury margin.

191. Accordingly, the Authority recommends imposition of anti-dumping duty on the imports described in the duty table below from the date of notification to be issued by the Central Government, for a period of five (5) years, unless revoked, superseded or amended earlier.

Duty Table

S. No.	Heading	Description	Country of Origin	Country of Export	Producer / Export Channel	Amount	Unit	Currency
1	2	3	4	5	6	7	8	9
1	5906 99 90	Belting Fabric made of 80% or more of polyester or nylon in any combination, excluding	China PR	Any country including China PR	Xuyi Huacheng Industrial Cloth Co., Ltd., when exported through Wuxi Polymico Materials Co., Ltd. and/or Qingdao	678	MT	USD

		Chafer fabric*			Chenlanxin Business and Trading Co., Ltd.			
2	-do-	-do-	China PR	Any country including China PR	Qingzhou Shengbo New Products Co., Ltd.	731	MT	USD
3	-do-	-do-	China PR	Any country including China PR	Jiangsu Taiji Industry New Materials Co., Ltd.	374	MT	USD
4	-do-	-do-	China PR	Any country including China PR	Wuhu S.H.Z. Industrial Fabric Co., Ltd.	630	MT	USD
5	-do-	-do-	China PR	Any country including China PR	Oriental Industries (Suzhou) Limited	630	MT	USD
6	-do-	-do-	China PR	Any country including China PR	Zhejiang Unifull Hi-Tech Industry Co., Ltd.	630	MT	USD
7	-do-	-do-	China PR	Any country including China PR	Jiangsu Jiaheng Fibre Co., Ltd.	630	MT	USD
8	-do-	-do-	China PR	Any country including China PR	Any producer other than those specified above from S. No. 1 to 7	1,620	MT	USD
9	-do-	-do-	Any country other than China PR	China PR	Any Producer	1,620	MT	USD

*The product scope excludes grey/undipped fabric, Nylon 6,6 fiber and 19 numbers of warp-weft constructions specified below:

SN	***Warp 1 Yarn Type***	***Warp 2 Yarn Type***	***Weft Yarn Type***	***Belting Fabric Code***
1.	*m-Aramid*	*--*	*m-Aramid*	*AA*

2.	*Polycotton*	*--*	*Polycotton*	*BPBP*
3.	*p-Aramid*	*--*	*p-Aramid*	*DD*
4.	*Polyester*	*Polyester*	*Polyester Monofilament*	*EEM*
5.	*Polyester*	*Polyester*	*Nylon 6,6*	*EEP*
6.	*Polyester*	*--*	*Polyester Monofilament*	*EM*
7.	*Polyester*	*--*	*Nylon 6*	*EN*
8.	*Polyester*	*--*	*Nylon 6,6*	*EP*
9.	*Polyester*	*Nylon 6,6*	*Nylon 6,6*	*EPP*
10.	*Spun Polyester*	*--*	*Polyester Monofilament*	*ESM*
11.	*Nylon 6,6*	*--*	*Nylon 6,6*	*PP*
12.	*Nylon 6,6*	*--*	*Polyester*	*PE*
13.	*Nylon 6,6*	*--*	*Polyester Monofilament*	*PM*
14.	*Nylon 6*	*--*	*Cotton*	*NB*
15.	*Poly- Propylene*	*--*	*Polypropylene Monofilament*	*RM*
16.	*Poly- Propylene*	*--*	*Polypropylene*	*RR*
17.	*Polyester*	*--*	*Steel cord*	*SB*
18.	*Nylon 6*	*--*	*Nylon 6*	*SC-Chafer*
19.	*Polyester*	*--*	*Cotton*	*EB-SW*

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

192. 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 and the Rules.

Digitally signed by
Amitabh Kumar
Date: 25-09-2026
16:36:28

Amitabh Kumar
Designated Authority