Non-Confidential

Case No. – AD (OI) – 29/2025

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

FINAL FINDINGS

Anti-Dumping Investigation concerning imports of Bis (2,2,6,6 Tetramethyl-4-Piperidyl) Sebacate (“UV 770”) originating in or exported from European Union and China PR.

Pictographic presentation of UV 770

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F. No. 6/32/2025-DGTR
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Trade Remedies
4th Floor, Jeevan Tara Building,5, Parliament Street, New Delhi – 110001

Dated: 25th September, 2026

FINAL FINDINGS
Case No. – AD (OI) – 29/2025

Subject: Anti-Dumping Investigation concerning imports of BIS (2,2,6,6 Tetramethyl-4-Piperidyl) Sebacate ("UV 770") originating in or exported from European Union and China PR.

FINAL FINDINGS

F. No. 6/32/2025-DGTR :-Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to as the "Act"), and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time, (hereinafter also referred to as the "Anti-Dumping Rules" or the "Rules").

A. BACKGROUND OF THE CASE

1. The Designated Authority (hereinafter referred to as the "Authority"), pursuant to an application duly filed by Clean Science and Technology Limited ("CSTL") and Clean Fino-Chem Limited ("CFCL") (hereinafter collectively referred to as the "Applicants" or the "Domestic Industry"), had requested the imposition of anti-dumping duty on imports of Bis (2,2,6,6 Tetramethyl-4-Piperidyl) Sebacate (UV 770) (hereinafter also referred to as the "Product under Consideration" or "PUC" or the "Subject Goods") originating in or exported from the European Union ("EU") and China PR (hereinafter collectively referred to as the "Subject Countries").

2. Whereas, upon examination of the application duly substantiated and filed by the Applicants, the Authority, in accordance with Rule 5 of the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the "Anti-Dumping Rules"), issued a public notice vide Notification No. 6/32/2025-DGTR dated 27 September 2025, published in the Gazette of India, Extraordinary, initiating an anti-dumping investigation concerning imports of the Product under Consideration from the

Subject Countries. The investigation was initiated for the purpose of determining the existence, degree and effect of any alleged dumping of the Subject Goods and, consequent thereto, for determining whether the imposition of anti-dumping duty was warranted and, if so, the quantum of such duty that would be adequate to remove the injury allegedly caused to the Domestic Industry.

B. PROCEDURE

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

3.1. Initiation

i. The Authority notified the Embassies of the subject countries in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance with Section 9A of the Act and Rule 5(5) of the Anti-dumping Rules.

ii. The Authority issued a public notice dated 27th September 2025, published in the Gazette of India, Extraordinary, initiating anti-dumping investigation concerning import of product under consideration from the subject countries.

iii. The Authority sent a copy of the initiation notification to the Governments of the subject countries, through their Embassies in India, known producers and exporters from the subject countries, known importers / users and the domestic industry as well as other domestic producers, as per the addresses made available by the applicants and requested them to make their views known in writing within the prescribed time limit.

3.2. Circulation of non-confidential version of the application

i. The Authority provided a copy of the non-confidential version of the application to the known producers/exporters and to the Governments of the subject countries, through their Embassies in India, in accordance with Rule 6(3) of the Anti-Dumping Rules. A copy of the non-confidential version of the application was made available to other interested parties, wherever requested.

3.3. Participation by Producer/Exporter

i. The Embassies of the subject countries in India were requested to advise the exporters/producers from their countries to respond to the questionnaire within the prescribed time limit.

ii. The Authority sent exporter's questionnaire to the following known producers/exporters in accordance with Rule 6(4) of the Rules:

   a. BASF Hong Kong Ltd, China PR
   b. BASF SE, Germany
   c. Bioray Chemical Co Ltd, China PR

d. Hangzhou Disheng Import and Export Co Ltd, China PR
e. NLC Industry (Hong Kong) Co. Ltd, China PR
f. Qingdao Richkem Co Ltd, China PR
g. Qingdao Unichem International Trade, China PR
h. Rianlon Corporation, China PR
i. Riseway International Ltd, China PR
j. SABO S.p.A., Italy
k. Suqian Unitecommerce Company Limited, China PR
l. Unitechem (Shanghai) Co., Ltd, China PR
m. Yantai Sunshow Chemical Technology Co. Ltd, China PR

iii. In response to the initiation of the subject investigation, the following producers/exporters from the subject countries have responded by filing questionnaire response:

a. BASF Lampertheim GmbH, EU
b. BASF SE, EU
c. BASF Hong Kong Limited, China PR
d. Rianlon Corporation, China PR
e. Rianlon Kaiya Company Limited, China PR
f. Rianlon Technology Company Limited, China PR
g. Siquan Unitech Corp. Ltd, China PR
h. Siquan Unitecommerce Co. Ltd., China PR

3.4. Participation by Importers/Users

i. The Authority sent Importer's and User's Questionnaire 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.

a. Alok Industries
b. Alok Master Batches Private Limited
c. Ampacet Speciality Products Private Limited
d. Bajaj Plast Private Limited
e. Bajaj Polyblends Private Limited
f. Bajaj Superpack India Private Limited
g. BASF India Limited
h. Blend Colours Private Limited
i. Chandra Mukhi Impex Limited
j. Chemvera Specialty Chemicals Private Limited
k. Cloud Chemicals
l. Cocreate Global Technologies Private Limited
m. Coraplast Industries
n. D D International
o. Deep Polymers Private Limited
p. Diwan Mundhra Bros Private Limited

q. Environ Speciality Chemicals Private Limited
r. Flexituff Ventures International Limited
s. G M Technochem Private Limited
t. High Grade Industries (India) Private Limited
u. J J Plastalloy Private Limited
v. Kandoi Fabrics Private Limited
w. Kandui Industries Private Limited
x. Kanpur Plastipack Limited
y. Konkan Speciality
z. Konkan Speciality Poly Products Private Limited
aa. Lanya Chem Industries Private Limited
bb. Laveek Addchem
cc. LG Polymers India Private Limited
dd. Makwell Plastisizers Private Limited
ee. Manya Polychem Private Limited
ff. Masterplast India Private Limited
gg. Minolta Chem
hh. Mobelchem Specialty Private Limited
ii. Perfect Colourants And Plastics Private Limited
jj. Petrotech Chemica Private Limited
kk. Plasmix Private Limited
ll. Plastene India Limited
mm. Plastene Polyfilms Limited
nn. Plastiblends India Limited
oo. Poly World
pp. Polycromax Compounds
qq. Polyone Polymers India Private Limited
rr. Prabhu Poly Color Limited
ss. Prakash Chemicals Private Limited
tt. Rainbow Polychem
uu. Ras Polytex Private Limited
vv. Reena Organics Private Limited
ww. Rudraksh Polychem
xx. S K Polymers
yy. Samtone Industries
zz. Servo Plastics Private Limited
aaa. Shakti Polyweave Private Limited
bbb. Shree Sales Corporation
ccc. Shri Ambica Polymer Private Limited
ddd. Shri Jagdamba Polymers Limited
eee. Soltex Petro Products Limited
fff. Sonali Polyplast Private Limited
ggg. Styrenix Performance Materials Limited
hhh. Supreme Petrochem Limited

iii. Trigon Specialty Chem LLP
jjj. Welset Plast Extrusions Private Limited
kkk. Zetchem Supply Chain Services Private Limited

ii. A copy of the initiation notification and non-confidential version of the application was sent to the Compounds and Masterbatch Manufacturers Association of India.

iii. In response to the initiation of the subject investigation, BASF India Limited responded by filing importer questionnaire response.

3.5. Period of Investigation and Injury Period

i. The period of investigation (POI) for the purpose of present investigation is 1st April 2024 to 31st March 2025. The examination of trends in the context of injury analysis covered the periods 2021-22, 2022-23, 2023-24 and the period of investigation. Further, since the applicants have been operational only from 2022-23, relevant operational period has been considered.

3.6. Further Procedure

i. The Authority issued an Economic Interest Questionnaire to the Embassies of the subject countries, all the known exporters/producers, importers/users and the domestic industry. The following parties responded to the Economic Interest Questionnaire.
   i. The domestic industry
   ii. BASF India Limited
   iii. Siquan Unitech Corp. Ltd, China PR
   iv. Siquan Unitecommerce Co. Ltd., China PR
   v. Compounds and Masterbatch Manufacturers Association of India

ii. An economic interest questionnaire was also shared with the Ministry of Chemicals & Fertilizers. The same has been reshared with them vide email dated 10th September, 2026.

iii. In accordance with Rule 6(6) of the Rules, the Authority provided opportunity to the interested parties to present their views orally in a public hearing held on 10th February 2026. The parties, which presented their views in the oral hearing, were requested to file written submissions of the views expressed orally, followed by rejoinder submissions.

iv. Submissions were filed in the subject investigation on behalf of the following interested parties including producers, exporters, users, and importers as well as association of users.
   i. Domestic industry
   ii. 'Delegation of the European Union to India' or 'European Commission' Rianlon Corporation, China PR
   iii. Rianlon Kaiya Company Limited, China PR
   iv. Rianlon Technology Company Limited, China PR

v. BASF Lampertheim GmbH, EU
vi. BASF SE, EU
vii. BASF Hong Kong Limited, China PR
viii. Suqian Unitech Corp. Ltd, China PR
ix. Suqian Unitecommerce Co. Ltd., China PR
x. BASF India Limited
xi. Compounds and Masterbatch Manufacturers Association of India

v. The Authority made available non-confidential version of the evidence presented by various interested parties. A list of all interested parties was uploaded on the DGTR website, along with the request to all of them to email the non-confidential version of their submissions to all the other interested parties.

vi. Request was made to DG Systems to provide the transaction-wise details of imports of subject goods for the injury period and also the period of investigation. The Authority has relied upon the DG Systems data for computation of the volume of imports and required analysis after due examination of the transactions.

vii. The non-injurious price ("NIP") based on the optimum cost of production and cost to make & sell the subject goods in India, as per information furnished by the domestic industry on the basis of Generally Accepted Accounting Principles (GAAP) and Annexure III to the Rules has been worked out so as to ascertain whether anti-dumping duty lower than the dumping margin would be sufficient to remove injury to the domestic industry.

viii. The submissions made by the interested parties during the course of this investigation, to the extent supported with evidence and considered relevant to the present investigation, have been appropriately considered by the Authority, in these final findings.

ix. Information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted and such information has been considered as confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.

x. Wherever an interested party has refused access to or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the views/observations on the basis of the facts available.

xi. The Authority, during the course of the investigation, satisfied itself as to the accuracy of the information supplied by the interested parties, which forms the basis of these final findings to the extent possible and verified the data/documents submitted by all the interested parties to the extent considered relevant, practicable and necessary.

xii. '***' in these final findings represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.

xiii. 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 this final findings. Source: https://foservices.icegate.gov.in/#/services/viewExchangeRate

xiv. The projected figures wherever used in these final findings, including those relating to production, capacity utilisation, domestic sales, market share, cost of sales, selling price, profits, cash profits and return on capital employed of the domestic industry, are based on the project reports submitted by the domestic industry, namely the project report of CSTL prepared in 2021 and the project report of CFCL prepared in 2022, duly signed by the management of the respective companies and consolidated by reference to the comparable operating years of the two constituents. The said project reports have been furnished on confidential basis and the confidentiality claimed in respect thereof has been accepted by the Authority in terms of Rule 7 of the Rules.

C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

C.1. Submissions by other interested parties

4. The other interested parties have made the following submissions with regard to the scope of the product under consideration and like article.

(i) The Rianlon Group, BASF Group and CMMAI submitted that the PUC is a specifically identified chemical compound, BIS (2,2,6,6-Tetramethyl-4-Piperidyl) Sebacate (UV 770), bearing CAS No. 52829-07-9**,** whereas the petition at several places refers to the product manufactured by CSTL as the "like article". They contended that the Authority should verify whether the product manufactured by CSTL corresponds to the exact PUC as defined in the investigation.

(ii) They further submitted that CSTL's environmental clearance does not separately specify UV 770 or an exclusive production capacity for the PUC. According to them, this creates doubt regarding whether CSTL was actually manufacturing the product falling within the defined scope of the PUC during the relevant period.

(iii) Accordingly, the interested parties requested the Authority to verify the product manufactured and commercially sold by CSTL, its specifications and relevant production records, to ascertain whether the product manufactured by CSTL is technically and commercially substitutable with the imported PUC and consequently qualifies as a like article to the PUC.

C.2. Submissions by the domestic industry

5. The domestic industry has made the following submissions with regard to the product under consideration and like article:
   (i) The Domestic Industry submitted that both CSTL and CFCL manufacture the subject goods bearing CAS No. 52829-07-9, corresponding to the PUC under investigation. It stated that CSTL was the first domestic producer of the subject goods and CFCL subsequently commenced commercial production of the same product.
   (ii) In response to the contention regarding the identity of the domestically produced product, the Domestic Industry relied upon comparative technical data sheets, customer approvals and sales to customers who also use imported UV 770. It submitted that these demonstrate that the product manufactured by CSTL and CFCL is technically and commercially substitutable with the imported PUC and constitutes a like article.
   (iii) As regards the reliance placed by the interested parties on CSTL's environmental clearance, clearances are not necessarily issued with separate CAS-wise capacity specifications, and therefore the absence of a separately identified capacity for UV 770 does not establish non-production of the PUC. Authority may verify the relevant production and other records of CSTL and CFCL to see if the product produced is a like article.
   (iv) The subject goods are classified under Chapter 29 and Chapter 38 of the Customs Tariff Act. The subject goods are imported under the codes 29333990 and 38123990. It is submitted that the Customs classification is only indicative and is not binding on the scope of the product under consideration.

C.3. Examination by the Authority

6. At the time of initiation of the present investigation, the Authority considered the following as the scope of product under consideration.

   "The product under consideration is Bis (2,2,6,6-Tetramethyl-4-piperidyl) Sebacate, also known as UV 770 or Hindered Amines Light Stabilizer 770 (HALS 770). The product under consideration is a low molecular weight organic compound with chemical formula $C_{28}H_{52}N_2O_4$, having CAS number 52829-07-9. It is colourless to pale yellow in colour.

   The product under consideration is a UV light stabiliser, used to prevent degradation of polymers from exposure to ultraviolet radiation or sunlight, which result in increased life of products. The product under consideration is also referred to as UV Stabilizer 770 or Light Stabilizer 770, and is available under multiple brand names, including but not limited to Tinuvin 770, Sabostab 77, Riasorb 770 and Sunovin 770."

7. The Authority notes that the product under consideration is Bis (2,2,6,6-Tetramethyl-4-Piperidyl) Sebacate ("UV 770")**,** bearing CAS No. 52829-07-9. The Authority has examined the contention of the interested parties that the use of the expression "like article" in the application and the absence of a separately identified UV 770 capacity in CSTL's environmental clearance cast doubt on whether CSTL manufactures the exact PUC. The Authority notes that the expression "like article" is a term recognised under the Anti-Dumping Rules and the relevant consideration is whether the product manufactured domestically is identical or, in the absence of an identical product, has characteristics closely resembling those of the imported PUC.

8. The Authority has examined the information furnished by CSTL and CFCL concerning the product manufactured by them, including the product description, CAS number, technical specifications, production and sales records and comparative technical information placed on record. It is noted that the product manufactured by CSTL and CFCL bears CAS No. 52829-07-9, which is the same CAS number as the PUC. The information on record further shows that the domestically manufactured product and the imported subject goods have comparable technical characteristics and specifications and are intended for the same end uses. The Domestic Industry has also placed on record information regarding customer approvals and sales to customers using imported UV 770, which supports commercial interchangeability between the domestically produced and imported products. The interested parties have not placed on record evidence demonstrating any material technical or commercial difference that would warrant exclusion of the product manufactured by CSTL or CFCL from the scope of the like article.

9. As regards the environmental clearance relied upon by the interested parties, the Authority considers that the absence of a separate CAS-wise capacity entry for UV 770 in such clearance cannot, by itself, determine whether the PUC was actually manufactured. The question of manufacture is appropriately examined with reference to the production process and contemporaneous production, costing and sales records maintained by the producers. Having regard to the information and evidence on record, the Authority considers that the product manufactured by CSTL and CFCL is identical to, or in any event closely resembles and is technically and commercially substitutable with, the PUC imported from the subject countries**.** The Authority, therefore, considers the product manufactured by CSTL and CFCL as the "like article" to the product under consideration within the meaning of Rule 2(d) of the Anti-Dumping Rules.

10. The Authority, vide the Initiation Notification, had also invited comments on adoption of a PCN methodology. No interested party sought adoption of a PCN methodology and no product differentiation warranting a PCN-wise comparison was identified. Accordingly, the Authority did not consider it necessary to adopt any PCN methodology in the present investigation.

11. The subject goods are imported under HS Codes 29333990 and 38123990, though the customs classification is only indicative and not binding on the scope of the PUC.

12. The Authority has determined to retain the scope of the Product under Consideration as notified at the time of initiation. Accordingly, the PUC is BIS (2,2,6,6-Tetramethyl-4-Piperidyl) Sebacate (UV 770/HALS 770), having chemical formula $C_{28}H_{52}N_2O_4$ and CAS No. 52829-07-9, used as a UV light stabiliser for polymers and also sold under various trade names such as Tinuvin 770, Sabostab 77, Riasorb 770 and Sunovin 770.

D. SCOPE OF THE DOMESTIC INDUSTRY & STANDING

D.1. Submissions by other interested parties

13. The following submissions have been made by the other interested parties with regard to the scope of domestic industry and standing:
    i. The Rianlon Group, BASF Group and CMMAI submitted that CSTL's eligibility as a domestic producer should first be established by verifying its actual commercial production of the PUC. According to them, CSTL cannot qualify as a domestic producer merely on account of CFCL being its wholly owned subsidiary.
    ii. They further submitted that CSTL and CFCL should not be mechanically clubbed for injury analysis, particularly since they commenced production at different points of time. Suqian Group also contended that the performance, project reports and circumstances of each producer should be examined separately before undertaking any consolidated assessment.
    iii. The interested parties accordingly contended that the Authority should determine the producer status and relevant production of each applicant separately before determining the scope of the Domestic Industry and its standing under Rules 2(b) and 5(3).

D.2. Submissions by the domestic industry

14. The following submissions have been made by the domestic industry with regard to the scope of domestic industry and standing:
    i. The Domestic Industry submitted that CSTL and CFCL are the only producers of the subject goods in India**.** CSTL commenced commercial production of the PUC in *****,** while CFCL subsequently commenced commercial production in *****.** Accordingly, the applicants constitute the Domestic Industry within the meaning of Rule 2(b) and satisfy the requirements of standing under Rule 5(3)**.**
    ii. In response to the objection regarding CSTL's producer status, the Domestic Industry submitted that both CSTL and CFCL have actually produced the subject goods and furnished their production, sales, injury and costing records for verification. It contended that CSTL's inclusion in the Domestic Industry is based on its own production of the PUC and not merely on its shareholding in CFCL**.**
    iii. As regards consolidation, the Domestic Industry submitted that CFCL is a wholly owned subsidiary of CSTL and both entities are the domestic producers of the PUC, and constitute domestic industry of like product**.** It maintained that consolidated

injury information has been furnished for the Domestic Industry, while company-specific information and separate project reports of CSTL and CFCL are also available for examination by the Authority.

D.3. Examination by the Authority

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

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

16. The Authority notes that Rule 2(b) of the Anti-Dumping Rules defines the domestic industry as the domestic producers as a whole engaged in the manufacture of the like article, or those whose collective output constitutes a major proportion of the total domestic production of such article. The application in the present investigation has been filed by Clean Science and Technology Limited (CSTL) and Clean Fino-Chem Limited (CFCL).

17. The Authority has examined the contention that CSTL should not form part of the Domestic Industry unless its independent production of the PUC is established. As already examined under the PUC and like article section, the product-specific production, sales, stock and costing records on record establish manufacture of the subject goods **by** CSTL from *** and CFCL from ***. Thus, CSTL's inclusion as a domestic producer is based on its own production of the like product and not merely on its corporate relationship with CFCL.

18. The Authority further notes that CSTL and CFCL are the only known producers of the like article in India and together account for the entire Indian production of the subject goods. The Authority also notes that the Applicants have neither imported the PUC into India nor are they related to any exporter of the Subject Goods in the Subject Countries or to any importer of the PUC in India. Accordingly, there is no ground for their exclusion from the scope of the Domestic Industry under Rule 2(b).

19. As regards the contention that CSTL and CFCL should not be consolidated merely because they are related entities and commenced production at different points of time, the Authority notes that their consideration together is not based on their holding-subsidiary relationship, but on the fact that both are domestic producers of the like article and together constitute the Domestic Industry. Their different commencement dates and operating histories are relevant for examining material retardation and the various injury

parameters and have been considered appropriately in the injury examination; however, the same does not warrant exclusion of either producer from the Domestic Industry.

20. The production of the Applicants and their respective share in total domestic production during the POI are given in the table below.

SN	Particulars	Unit	POI
A	**Applicants**	MT	***
1	Clean Science & Technology Ltd.	MT	***
2	Clean Fino Chem Ltd	MT	***
B	**Other Producers**	**MT**	-
C	**Total**	**MT**	***
	% share		
1	Clean Science & Technology Ltd.	%	40-50
2	Clean Fino Chem Ltd	%	50-60
	Total	%	100

21. Accordingly, the Authority considers CSTL and CFCL collectively as the Domestic Industry within the meaning of Rule 2(b) of the Anti-Dumping Rules as the Applicants account for the entire domestic production of the like article. The Authority further considers that the application satisfies the requirements of standing under Rule 5(3)**.** The injury information has accordingly been considered for the Domestic Industry as a whole, while entity-specific circumstances have been examined separately wherever relevant for the assessment of injury and material retardation.

E. ISSUES RELATING TO CONFIDENTIALITY

E.1. Submissions by other interested parties

22. The following submissions have been made by the other interested parties with regard to confidentiality:
    i. The interested parties submitted that the indexed sales figures disclosed by the Domestic Industry are incorrect when compared with the disclosed import information. According to them, correctly indexed sales figures would show substantially higher sales than reported by the Domestic Industry, and the discrepancies in the non-confidential version should be rectified.
    ii. The interested parties contended that the projections have been claimed confidential in entirety without providing an adequate non-confidential summary or range**.** According to them, this prevents examination of the assumptions, methodology, benchmarks and financial projections relied upon by the Domestic Industry and, therefore, does not permit meaningful scrutiny of the evidence forming the basis of the material-retardation claim.

E.2. Submissions by the domestic industry

23. The following submissions have been made by the domestic industry with regard to confidentiality.

   i. The Domestic Industry submitted that the responding exporters/producers have claimed excessive confidentiality contrary to Trade Notice No. 10/2018**.** In particular, Suqian and BASF have not disclosed details of their production facilities, while Rianlon and BASF have claimed confidentiality over information relating to the production process, product catalogue, shareholders, raw materials, affiliates and channels of distribution.

   ii. It further submitted that Suqian has not disclosed the basis of exchange rate, cost-accounting methodology and treatment of by-products/scrap**,** while BASF has claimed confidentiality over its technical data sheet, exchange rates, value chain and basis for claiming level-of-trade adjustment. The exporters/producers have also not adequately disclosed the methodology for adjustments claimed for fair comparison. Further, CMMAI has not disclosed its membership and has claimed its calculation of the impact of proposed duties as confidential**.**

   iii. In response to the confidentiality objections raised by interested parties on the sales figures disclosed by the domestic industry, the sales figures derived by the interested parties from indexed demand and import data are incorrect. The index figures are based on actual confidential data furnished to the Authority which can be verified.

   iv. The Domestic Industry submitted that the project reports, underlying assumptions, methodology, benchmarks and financial projections are commercially sensitive and have been furnished confidentially to the Authority for verification, while projections have been provided in indexed form. It maintained that use of a common base permits meaningful comparison between projected and achieved performance, whereas separately rebasing both series would not. It further submitted that disclosure of the methodology underlying the projections would adversely affect its commercial interests and that the shutdown details are also confidential and have been furnished to the Authority**.**

E.3. Examination by the Authority

24. The Authority made available non-confidential version of the information provided by various parties to all interested parties as per Rule 6(7) of the Anti-Dumping Rules. With regard to confidentiality of information, Rule 7 of Anti-Dumping Rules provides as follows:

   "(1) Notwithstanding anything contained in sub-rules (2), (3) and (7) of rule 6, sub-rule (2) of rule 12, sub-rule (4) of rule 15 and sub-rule (4) of rule 17, the copies of applications received under sub -rule (1) of rule 5, or any other information provided to the designated authority on a confidential basis by any party in the course of investigation, shall, upon the designated authority being satisfied as to its

confidentiality, be treated as such by it and no such information shall be disclosed to any other party without specific authorization of the party providing such information.

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

25. The submissions made by the other interested parties and the domestic industry with regard to confidentiality have been examined as under.

26. As regards comments by the interested parties on the alleged discrepancy in the indexed sales figures, the Authority has examined the data filed. It is seen that the calculations made by the interested parties are derived from disclosed indexed demand and import information. The Authority has examined the actual information furnished by the Domestic Industry and has relied upon the verified sales figures for the injury analysis.

27. With regard to market share, the Authority notes that disclosure of the absolute market share of the Domestic Industry, read with the available demand information, may permit derivation of its confidential sales volume. The relevant information has, therefore, been disclosed in an indexed/summarised form. The Authority considers the confidentiality claimed in this regard to be justified.

28. As regards the project reports and projections, the Authority notes that the reports contain commercially sensitive information relating to expected capacity utilisation, sales, costs, prices, profitability and business strategy. The reports have been furnished confidentially for examination by the Authority, while the projected and actual performance has been disclosed in indexed form. The Authority considers that the confidentiality claimed over the underlying proprietary information is justified, subject to the requirement that the non-confidential disclosure provides a reasonable understanding of the information relied upon.

29. The Authority has further examined the Domestic Industry's objections regarding confidentiality claimed by the responding exporters/producers in respect of their production facilities and process, raw materials, cost-accounting methodology, treatment of by-products/scrap, exchange rates, channels of distribution, value chain and methodology for adjustments, including level-of-trade adjustments. The confidentiality claims have been examined on their merits and accepted only to the extent considered

commercially sensitive and duly justified. The Authority notes that sufficient non-confidential information has been made available to enable the parties to understand the nature of the claims and make their submissions. Where the Domestic Industry itself had access to relevant product information, including BASF's technical specifications, no material prejudice is found to have arisen from the confidentiality claimed over such information.

30. With regard to CMMAI not disclosing the information on impact of duties, the Authority notes that the impact analysis contains user-specific consumption and commercial information. Disclosure of such information may reveal commercially sensitive information of individual users. The confidentiality claimed over such user-specific information is, therefore, considered justified. The Authority has nevertheless examined the underlying information for the purpose of the public-interest assessment.

31. The Authority also notes that the details relating to plant shutdowns have been furnished on a confidential basis. Considering their commercially sensitive nature, the confidentiality claim has been accepted. The effect of the shutdowns, has been examined separately under the injury and non-attribution analysis and is not determined merely on the basis of the confidentiality claim**.**

32. Accordingly, the Authority has accepted confidentiality wherever warranted and supported by good cause, while ensuring, to the extent possible, that sufficient non-confidential information is available to enable the interested parties to meaningfully exercise their right to respond.

F. <u>MISCELLANEOUS SUBMISSIONS</u>

F.1. <u>Submissions by other interested parties</u>

33. The following miscellaneous submissions have been made by the other interested parties.
    i. The interested parties submitted that Proforma IV-A indicates that the Domestic Industry did not export the subject goods and requested verification of whether any exports were made. They also sought clarification as to whether the information reported for 2022-23 in Proforma IV-A has been annualised**.**
    ii. CFCL's capacity for the subject goods is reported at 6,000 MT, which exceeds the domestic demand. It was further contended, based on submissions of users, that only CFCL supplies the subject goods and, therefore, the relevance of considering CSTL's information should be examined.
    iii. The interested parties contended that the project reports of CSTL and CFCL cannot be mechanically consolidated, as they were prepared at different times for different entities. They further submitted that CSTL's project report concerns specialty chemicals whereas CFCL's report concerns the subject goods, and sought clarification regarding the date, scope and methodology adopted for consolidation of the projections**.**

iv. They further questioned the consolidation of unmaterialised projections of CSTL with those of CFCL, contending that the comparison does not adequately account for the initial fixed costs associated with fresh investment. They also questioned the projected increase in profitability during the POI vis-à-vis 2023-24 and submitted that the methodology underlying the projections and their consolidation had not been adequately explained.

F.2. <u>Submissions by the domestic industry</u>

34. The following miscellaneous submissions have been made by the domestic industry.

i. The Domestic Industry submitted that it has furnished the details of exports of the subject goods and that the discrepancy in the non-confidential version arose from a linking error in the indexed export figures.

ii. It clarified that the base-year information represents only three months of operations and that, if annualised, the capacity achieved in the base year is comparable with the projected capacity for the corresponding period.

iii. The Domestic Industry further submitted that Proforma IV-A pertains to both CSTL and CFCL and that omission of CFCL's name on one page was inadvertent. It maintained that the injury information has been consolidated for both applicants.

iv. It stated that the project report for CSTL was prepared in *** and that for CFCL in ***. The Domestic Industry submitted that the projections of the two entities were not mechanically combined and were aligned by comparable operating years for consolidated comparison, while company-specific comparisons are also available.

v. The Domestic Industry also rebutted the contention that CFCL has 6,000 MT capacity for the PUC, stating that the PUC-specific installed capacity is *** MT at CFCL and *** MT at CSTL. It further maintained that CSTL is also a producer of the subject goods and that its information is therefore relevant to the injury analysis.

F.3. <u>Examination by the Authority</u>

35. With regard to exports, the Authority notes that the Domestic Industry has exported the Subject Goods during the relevant period. The information has been disclosed in the injury parameters examined below.

36. The other interested parties have contended that CFCL has a capacity of 6,000 MT, substantially exceeding domestic demand, and that CFCL is the sole producer supplying the Subject Goods and, therefore, CSTL's information should not be considered. The Authority has examined the information on record and notes that the PUC-specific capacity is *** MT for CFCL and *** MT for CSTL, and that both CSTL and CFCL have produced the Subject Goods during the injury period. The contention regarding CFCL's capacity, and that only CFCL produces the Subject Goods is, therefore, not borne out by the information on record. The Authority further notes that the information considered for the present investigation pertains exclusively to the Subject Goods and does not include information relating to other products manufactured by the Domestic Industry. On 10th

February 2026, the other interested parties sought additional clarifications regarding the information reported in Proforma IV-A and the projections furnished by the Domestic Industry. The Domestic Industry, vide submission dated 11th February 2026, clarified that the injury information in Proforma IV-A pertains to both Applicants and that the information for 2022-23 has not been annualised. It also provided the relevant period of preparation of the project reports, namely *** for CSTL and *** for CFCL. The Authority has examined these clarifications and the information on record and has taken the same into account for the purposes of the injury analysis.

37. As regards consolidation of the project reports, the Authority notes that separate project reports were prepared for CSTL and CFCL and that the projections have been consolidated after aligning them for the relevant operating periods. The Authority considers consolidated information for assessing injury to the Domestic Industry as a whole, while the company-specific information has also been examined wherever relevant. Further, the information has been considered on a best utilisation asper projections s to neutralise the impact of high fixed costs during the initial stages of operations, so that such start-up costs do not distort the injury assessment.

G. NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN

G.1. Submissions by other interested parties

38. The other interested parties have requested for individual duty based on information provided as the producers and exporters have cooperated and provided complete responses.

G.2. Submissions by the domestic industry

39. The domestic industry has submitted as follows with reference to determination of normal value, export price, and dumping margin.
    i. China PR should be treated as a non-market economy in accordance with Article 15(a)(i) of China's accession protocol, and the normal value should be determined in accordance with Para 7 of Annexure I to the Rules.
    ii. None of the producers/exporters have denied claims of dumping which indicates that the parties are well aware they have resorted to dumping and distorted the Indian market.
    iii. The actual dumping margin is much higher than that quantified as the producers/exporters have provided post-invoicing discounts which have not been considered for export price.
    iv. Considering that the producers have reported post invoicing discounts, the amounts mentioned on invoices to Indian customers must be compared with the payment received by the exporters
    v. Individual duty rate may be given to producers after the due verification of the accuracy and adequacy of the information furnished.

G.3. Examination by the Authority

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

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

41. The Authority notes that the following producers/exporters of the subject goods have filed exporter's questionnaire responses:
    i. BASF Lampertheim GmbH, EU
    ii. BASF SE, EU
    iii. BASF Hong Kong Limited, China PR
    iv. Rianlon Kaiya Company Limited, China PR
    v. Rianlon Corporation, China PR
    vi. Rianlon Technology Company Limited, China PR
    vii. Suqian Unitech Corp. Ltd., China PR
    viii. Suqian Unitecommerce Co. Ltd., China PR

42. It is noted that the information has been examined for accuracy and that the dumping margin has been determined based on information provided by the producers/exporters.

G.3.1. Determination of Normal value and Export Price

1. Normal value for China PR

43. Article 15 of the China's Accession Protocol to the WTO provides as follows:

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

15. (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 non-market economy provisions of subparagraph (a) shall no longer apply to that industry or sector."

44. The Domestic Industry has relied upon Article 15(a)(i) of China's Accession Protocol and submitted that producers in China PR should be required to demonstrate that market economy conditions prevail in the industry producing the like product, particularly with regard to the manufacture, production and sale of the PUC. The Domestic Industry has further submitted that, where the responding Chinese producers fail to demonstrate that their costs and price information are market-driven, the normal value is required to be determined in accordance with paragraphs 7 and 8 of Annexure I to the Rules.

45. None of the producers have claimed market economy treatment in the present case. Accordingly, the normal value has been determined in accordance with paragraph 7 of Annexure I of the Rules which states as follows.

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

46. In the present case, no evidence has been brought on record by any interested party regarding the price or constructed value prevailing in a market economy third country. Further, since the PUC does not have a dedicated tariff classification, the consideration of export prices from a market economy third country to other countries, including India, is not feasible. It is also seen that imports from other countries into India are miniscule in volume, at 0.11% of total imports. These imports cannot be considered as a basis to arrive at normal value. Accordingly, the Authority has determined the normal value on the basis of the price payable in India, constructed with reference to the cost of production of the Domestic Industry, duly adjusted to account for selling, general and administrative expenses and a reasonable amount of profit.

2. Export price for China PR

Export price for Suqian Unitech Corp., Ltd.

47. During the Period of Investigation, Suqian Unitech Corp., Ltd. ("Suqian Unitech") exported *** MT of the PUC to India through its related exporter, Suqian Unit ecommerce Co., Ltd. ("Suqian Unitecommerce"), which sold the PUC to unrelated customers in India. The Authority notes that all exports of the PUC by Suqian Unitech to India during the Period of Investigation were made through its related exporter, Suqian Unite commerce.

Suqian Unitech Corp., Ltd → Suqian Unitecommerce Co., Ltd → Unrelated customers in India

48. The Authority has determined the export price on the basis of the sale price charged by Suqian Unitecommerce to unrelated customers in India. The Authority has made appropriate adjustments for ocean freight, insurance, inland transportation, port expenses, credit cost and bank charges as reported and based on the findings of the desk verification. Accordingly, the export price at the ex-factory level has been determined as set out in the dumping margin table below.

Export price for Rianlon Kaiya Company Limited

49. During the Period of Investigation, Rianlon Kaiya Company Limited ("Rianlon Kaiya") exported *** MT of the PUC to unrelated customers in India through its related exporters, Rianlon Corporation and Rianlon Technology Company Limited ("Rianlon Technology"). All the three companies have filed complete questionnaire response. Of the total quantity exported, *** MT was exported through Rianlon Corporation, while the remaining *** MT was exported through Rianlon Technology. The sales channel is given below.

Rianlon Kaiya Company Limited →Rianlon Corporation→ Unrelated customers in India
Rianlon Kaiya Company Limited → Rianlon Technology→ Unrelated customers in India

50. The Authority has determined the export price on the basis of the sale price charged by Rianlon Corporation and Rianlon Technology to unrelated customers in India. Appropriate adjustments have been made for ocean freight, insurance, inland freight, port handling charges, credit costs and bank charges, based on the findings of the desk verification. Accordingly, the export price at the ex-factory level has been determined as set out in the dumping margin table below.

Export price for other producers/exporters in China PR

51. The Authority has determined the export price applicable to all other non-cooperating producers and exporters in China PR on the basis of facts available. Accordingly, the export price so determined is set out in the dumping margin table below.

3. Normal value for European Union

Normal value for BASF Lampertheim GmbH

52. During the Period of Investigation, BASF GmbH sold *** MT of the Subject Goods in the domestic market to its related entity and exported *** MT of the Subject Goods to India. Of the domestic sales, BASF GmbH sold *** MT to BASF SE which has then resold *** MT to unrelated customers. The Authority notes that the volume of domestic sales by BASF GmbH is sufficient in comparison with its exports to India and is, therefore, adequate for the determination of normal value.

    BASF GmbH → BASF SE → unrelated customers

53. For the determination of normal value, the Authority has conducted the ordinary course of trade test to identify profit-making domestic sales transactions with reference to the cost of production of the Subject Goods. As more than 80% of the domestic sales were made at profitable prices, the Authority has determined the normal value on the basis of the ex-factory selling price in the domestic market. Appropriate adjustments have been made to the selling price for inland transportation, insurance, packing costs and credit costs, based on the findings of the desk verification. Accordingly, the normal value at the ex-factory level for BASF GmbH has been determined as set out in the dumping margin table below.

Normal value for other producers/exporters in European Union

54. The Authority has determined the normal value applicable to all other non-cooperating producers and exporters from the EU on the basis of facts available. Accordingly, the normal value so determined is set out in the dumping margin table below.

4. Export Price for European Union

Export price for BASF Lampertheim GmbH

55. During the Period of Investigation, BASF Lampertheim GmbH ("BASF Lampertheim") exported ***MT of the PUC to India. Of this quantity, *** MT was exported through BASF SE, which sold the PUC to its related importer, BASF India, for subsequent resale to unrelated customers in India. The remaining *** MT was exported by BASF SE through BASF Hong Kong, which sold the PUC to BASF India, which thereafter resold the same to unrelated customers in India. The sales channel is given below.

    BASF GmbH → BASF SE → BASF India → Unrelated customers in India
    BASF GmbH → BASF SE → BASF Hong Kong → BASF India → Unrelated customers in India

56. All the companies have filed complete questionnaire response. The Authority has considered the price at which the participating producers have exported the product to

India. Appropriate adjustments have been made for ocean freight, insurance and credit costs, based on the findings of the desk verification. Accordingly, the export price at the ex-factory level has been determined as set out in the dumping margin table below.

Export Price for other producers/exporters

57. The Authority has determined the export price applicable to all non-cooperating producers and exporters on the basis of facts available. Accordingly, the export price so determined is set out in the dumping margin table below.

G.3.2. Dumping margin

58. Considering the normal value constructed as provided above, and export price as determined, the dumping margin determined for the subject countries are as follows:

Dumping Margin Table

SN	Name of Producer	Normal Value	Export Price	Dumping Margin	Dumping Margin	Dumping Margin
		(USD/MT)	(USD/MT)	(USD/MT)	(%)	(Range)
A	**China PR**					
1.	Suqian Unitech Corp., Ltd.	***	***	***	***	10-20
2.	Rianlon Kaiya Company Limited	***	***	***	***	10-20
3.	Any other producer	***	***	***	***	20-30
B	**European Union**					
1.	BASF Lampertheim GmbH	***	***	***	***	60-70
2.	Any other producer	***	***	***	***	80-90

H. ASSESSMENT OF INJURY AND CAUSAL LINK

H.1. Submissions by other interested parties

59. The following submissions have been made by the other interested parties with regard to injury and causal link:
    i. The test for establishing material retardation as set out in Morocco-Anti-Dumping Measures on Certain Hot-Rolled Steel from Turkey focuses not on merely introduction of a new product but the degree of overlap with existing infrastructure. CSTL is not a new entity, and the introduction of the new product must be examined in context of the established manufacturing, research, marketing, and distribution capabilities of CSTL. Considering CFCL is a subsidiary of CSTL, the new product line of CFCL has access to the established channels of CSTL.
    ii. The domestic industry cannot be treated like a single entity, as CSTL is an established industry evident by the fact that; (a) they have made significant investments to set up new subsidiary; (b) been in production for more than 2 years. The gap between commencement of production and the period of investigation, in previous investigations has been minimal as held in cases of Fluoroelastomers, Décor paper, Induction and Veneered engineered wooden flooring.
    iii. The standard of material retardation is only applicable to CFCL. CSTL is an established producer as it commenced production in 2022-23. The same was found in the anti-dumping investigation of Styrene Butadiene Rubber.
    iv. The market share of the domestic industry has increased to 34% and that of the subject imports has declined to 66% in the period of investigation. The market position of the domestic industry is relevant to determine whether it has not been able to establish itself in the market. This is in line with the Panel Report in Certain Hot-Rolled Steel from Turkey, and past investigations of the Authority.
    v. Injury information and projections have been provided only for CSTL. In case the projections are only for CSTL, the same cannot be used for comparison with consolidated performance as it fails to account for the costs, capacities and investment of CFCL.
    vi. Since the project report of CSTL relates to broader specialty chemicals and CFCL related to the subject goods, combining the project report provides distorted analysis.
    vii. There is significant gap between preparation of project reports and the commencement of production. This creates significant doubts regarding the reliability of projections.
    viii. It is not clear whether it was known at the time of first projections that CFCL will also be established. If CFCL expansion was planned in 2021 itself, the consolidated report would have been made in 2021 itself. If it was unplanned, then the 2021 report stands on its own and cannot be consolidated and has no relevance to fresh project report in 2022.

ix. The events indicate that the CSTL projections were achieved as expected and CFCL was established after; CSTL is an established industry, and its projections cannot be added for CFCL, and project report for CSTL has no relevance after project report for CFCL was made.

x. Projections appear to be generated ex post facto for the application. The two projections given show glaring discrepancies in cost of sales, profits, and returns. The reason from providing two projections must be given and the benchmark used must be confirmed.

xi. The Proforma IV-A shows no exports, which contradicts the public statements made by the company. It must be verified if the production has been allocated between exports and domestic markets. In view of absence of information of exports sales, the injury assessment solely on domestic sales would not accurately reflect the economic performance.

xii. The consolidation of projections of two companies has failed to account for the high fixed costs incurred in initial years of operation of fresh investments and projected more than 2 times increase in profitability in the period of investigation as compared to 2023-24.

xiii. Evidence shows that capacity of *** MT per annum was set up in CFCL for multiple products. The domestic industry is a producer of multiple HALS products and not just HALS 770. A comparison of capacity and production only for the like article must be done for accurate examination of injury.

xiv. The increase in demand is much more than the increase in subject imports. This clearly establishes that the growth in demand has been met by the domestic industry and it has been able to expand its sales in the growing market. This does not support that the imports have caused suppression of sales or prevented domestic industry from entering the market.

xv. The decline in share of imports in demand, shows that the domestic industry has developed strongly since its establishment, thereby not indicating material retardation.

xvi. Considering the demand has increased more than twice, it is unreasonable for a new producer to supply such huge volume in first year itself.

xvii. There is no price suppression as decline in cost of sales is more than decline in selling price. Further, the decline in import price is the same as decline in cost of sales, indicating the import price has declined due to decline in selling price. The price undercutting is negative. There is no price pressure.

xviii. The domestic industry has been able to set prices in line with its costs which is evident from the fact that the losses of the domestic industry have declined even with commencement of production in new plant. This shows that the domestic industry is not suffering any material retardation, but these are normal start-up conditions. It would have earned a profit if not for the fresh investments in CFCL.

xix. The landed price has declined in light of decline in costs and not due to dumping in India.

xx. The decline in selling price is not commensurate to decline in landed price. This shows that the domestic industry was not forced to match prices.

xxi. The claims of material retardation are contrary to injury information which shows growth in market share, production, capacity utilization, inventory, productivity per day, employee, per day per employee and reduction in losses.

xxii. The low-capacity utilisation is attributable to the phased commercialisation strategy for multiple products and internal business decisions of the companies and not to import competition. Earnings calls show several other products commercialised only shortly before or after the period of investigation. If capacities are used for multiple products, any underutilisation cannot be due to imports.

xxiii. Publicly made statements in Earning Calls show that the company is not facing any problem selling the subject goods and has started to receive customer approvals. Such statements are inconsistent with the claim that the dumping of subject goods has prevented establishment of an industry.

xxiv. Statements made in the Earnings Calls for post period of investigation indicate that the sales revenue has increased as compared to previous year and is mainly attributed to the light stabilizers segment.

xxv. The environmental clearance reports available in public show that the capacity of CFCL is 6,000 MT for the subject goods, which exceeds the total demand in India.

xxvi. Article 3.5 of the Anti-Dumping Agreement requires isolation of impact of other factors such as start-up inefficiencies, ramp-up costs, delays, demand. The same has not been done.

xxvii. Factors such as start-up difficulties, market development efforts, customer trials, and gestation period are normal and must be distinguished from injury caused due to imports.

xxviii. The indexed figures for capacity in projected year 1 is four times the actual capacity in 2022-23. Any shortfall in production, sale or market share cannot be attributed to dumping before assessing causal link between imports and failure to implement expansion plans. It must be examined if the difference in projected capacity and implemented capacity is due to internal factors and other commercial considerations.

xxix. The decline in selling price is not on account of imports but due to discounts provided by the company, as admitted in the Earnings Calls. The domestic industry is the price setter in the market.

xxx. It is a premature application as CSTL has only been in operation for 1 year and CFCL for one month. The decline in financial performance is due to inherent startup inefficiencies and normal operational challenges of a newly established plant.

xxxi. The company has also faced bottlenecks in scaling up, as reported in Annual Reports. This would directly impact production volumes, capacity utilization, conversion costs and variable cost per unit. The Authority is requested to carry out a careful non-attribution analysis of operational issues, rather than with movements in import volumes or import prices.

xxxii. No evidence has been given to show retardation, is due to dumping and not start-up challenges.

xxxiii. No information, transaction records, market analyses, or customer correspondence has been given in support of the causal link claimed.

xxxiv. The applicants classify the subject goods as a low-margin product within their portfolio and plans to focus on other high margin products to drive profitability.

xxxv. Strategic prioritisation of other higher-margin products explains capacity allocation and performance outcomes, further weakening any causal link between imports and alleged retardation.

xxxvi. Existence of application labs show that the domestic industry is still undergoing optimisation.

xxxvii. The details of plant shutdown have been claimed confidential. It is standard for new plants to undergo shut down for maintenance. The same cannot be attributed to imports.

xxxviii. The public statements show that the domestic industry has started exporting the subject goods. Given the limited production, diversion to exports explain the fluctuation in domestic sales and the same cannot be attributed to imports.

xxxix. Allocation of net fixed assets on sales ratio is not appropriate as the common assets are used by multiple products and the same will inflate the cost of the domestic industry since its sales volume is low. The allocation must be based on either designed capacity of each product line, actual machine utilization or batch allocation.

xl. The Authority should determine the non-injurious price based on the projected capacity utilization as per its consistent practice seen in the anti-dumping investigation concerning imports of EG steel from Korea RP.

H.2. Submissions by the domestic industry

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

i. The criteria for considering material retardation are whether the domestic industry has been able to establish itself and not the time period of production it has undertaken.

ii. The applicants have set up dedicated production lines for the subject goods and a fully integrated backward process for the subject goods.

iii. None of the customers for subject goods are common with the existing products of the domestic industry. The industry segment for subject goods are different and existing marketing channels of the domestic industry have not been utilized.

iv. In the anti-dumping investigation concerning N, N′-Dicyclohexyl Carbodiimide (DCC), the applicant in that case was in existence long before the introduction of the new product and the case was considered as material retardation.

v. The reliance of previous investigations for Fluoroelastomers, Décor paper, Induction and Veneered engineered wooden flooring is incorrect. On the other hand, in the anti-dumping investigation concerning HIIR, the domestic industry was considered as establishing when it had been in production for more than 2 years.

vi. There is no legal provision prescribing a threshold of market share for considering an industry as established. Establishment of an industry cannot be in isolation to profitability of the industry. The reliance placed on WTO Panel Report for Certain Hot-Rolled Steel from Türkiye concerns steel products with different market conditions distinct from chemical industry.

vii. Further, improvement in certain parameters indicates the efforts made by the producer to establish itself in the market. This is in line with the findings of the Authority in Anodized Aluminium Frames for Solar Panels/modules for China.

viii. The project reports have been combined after considering the relevant operational periods for both companies. Project report of only one producer cannot be considered as injury must be examined for the domestic industry as a whole and not individual constituents. This is consistent with the decisions of WTO Appellate Body and past investigations of Authority.

ix. The individual injury information and separate project reports have also been provided which show that individual performance also indicates that the establishment of the domestic industry has been materially retarded.

x. The required clarifications regarding the project reports have been provided. The project reports provided are for the subject goods only.

xi. The indexation provided to other interested parties is as per base year. Since trend change based on the base year, the trends of projected performance compared with actual and normated performance are different. The comparison in both cases would show that the domestic industry has not been able to achieve its projected performance.

xii. CSTL and CFCL have prepared the project reports in *** and *** and commenced production in 2023 and 2024 respectively. There is no significant gap in the preparation of project reports and commencement of production.

xiii. As regards concerns as why two project reports were prepared instead of one, and the sequential timing of the project reports, it may be noted that two different projects for two companies were prepared as the domestic industry to achieve projected capacity.

xiv. Other interested parties have not provided reasoning behind claiming projections for CSTL as achieved. There is no basis for treating CSTL as an established industry for subject goods as establishment of an industry is considered on product basis. Individual projections show that both applicants have not achieved respective projected performances.

xv. The subject imports have increased in period of investigation, despite the entry of domestic producers.

xvi. The share of imports in production and consumption remains high even after 2 years of operations of the domestic industry.

xvii. The subject imports continue to account for majority in demand despite the domestic industry having sufficient capacity to cater to entire demand. The subject imports have increased in the post period of investigation also.

xviii. There is no demand supply gap in the country and imports are unnecessary.

xix. Prior to production of domestic industry, the producers/exporters have derived maximum profits from the market. The import prices have reduced prices only since the entry of domestic industry in market, since the producer/exporters have dumped aggressively to prevent the domestic industry from establishing in the market.

xx. On account of being new producers, the domestic industry is not able to price its products higher than the imports prices as the foreign suppliers have longstanding relations with customers.

xxi. Since the domestic industry is establishing itself, an appropriate examination of the price effect will be a comparison of the projected cost of sales and selling price to normated costs and selling price. The same was done by the Authority in anti-dumping investigation into imports of Halobutyl-Rubber.

xxii. The landed price is below the projected selling prices, and the price undercutting is positive for projected prices and significant. Further, despite projecting a price lower than past import prices, the price undercutting is positive and significant as import prices have declined further.

xxiii. The selling price is below the cost of sales of the domestic industry.

xxiv. Despite achieving costs lower than projected, the domestic industry has been forced to sell at losses.

xxv. The selling prices are below the landed price in the period of investigation and previous year. The domestic industry has provided discounts as the customers were unwilling to purchase subject goods from them due to low priced imports.

xxvi. The subject imports have suppressed and depressed the prices of the domestic industry, which have declined significantly below the projected selling prices.

xxvii. It is natural for a new producer to gain market share and the same does not mean absence of injury. The market share of the domestic industry is low despite having capacity to cater to complete demand.

xxviii. The capacity utilisation of the domestic industry is significantly below the projections despite sufficient capacities being available with the domestic industry.

xxix. While production has increased on an overall basis, monthly production and inventories show that production has been curtailed due to accumulated inventories.

xxx. The sales of the domestic industry have remained below the projected sales, and they have been forced to export even before establishing in the home market.

xxxi. Due to low sales, the market share has been low despite having sufficient capacity to cater to entire demand and is significantly below the projected share.

xxxii. The domestic industry has accumulated inventories which reached its highest in the period of investigation. The inventories increased to a level that the domestic industry was forced to curtail production.

xxxiii. The domestic industry has suffered from financial losses and is unable to break even. The performance is in contrast to the profits projected.

xxxiv. Despite 2 years of operations, the domestic industry is yet to earn any returns on its investments and has only lost money since its operations. Such a situation is not sufficient for sustaining operations.

xxxv. More than half of the investments made have been wiped out due to the continuous losses incurred by the domestic industry.

xxxvi. The ability to the domestic industry to raise capital investments has been significantly hampered due to dumping of subject imports.

xxxvii. The condition has aggravated post period of investigation wherein the import prices have declined further and forced selling prices to reduce. The losses of the domestic industry have increased, and the projected performance has become even more unattainable.

xxxviii. The sales of the domestic industry have increased due to continuous reduction in selling price. The sales have increased but the same are significantly below the projections.

xxxix. While the domestic industry is able to sell its product, the same is at the expense of profits.

xl. Losses in the post period of investigation have increased as compared to period of investigation and 2023-24.

xli. Reliance on public statements and consolidated performance to claim improved sales revenue of the domestic industry is incorrect as the HALS segment includes various light stabilizers such as HALS 944, HALS 622, HALS 119, HALS 783 and HALS 701. These include high-priced products which caused increase in sales revenue for the company as a whole. Information exclusive to the subject goods has been provided which shows the subject imports have materially retarded the establishment of the domestic industry.

xlii. It is not the case that the domestic industry is unable to sell due to the increase in demand. The domestic industry has sufficient capacity to cater to the total demand and still has surplus capacity available. Further, the domestic industry has suffered on price front also due to the adverse impact on prices.

xliii. The capacity has been considered based on equipment which is only connected to the subject goods. The capacity utilisation has been calculated only for subject goods. The project report and injury information have been provided for the subject goods only.

xliv. The information relied upon by the other interested parties with reference to installed capacity as environmental clearances received by the domestic industry is incorrect. The actual information and project reports provided for capacity installed for the subject goods by both applicants have been provided and must be considered.

xlv. The pricing pattern of the exporters shows deliberate efforts by foreign producers/exporters to drive out the domestic industry. There is a clear link between the dumping and impact of the same on conditions of competition.

xlvi. Reference to de-bottlenecks made in public statements as highlighted by other interested parties is part of common process for establishing and established producers. In fact, the de-bottleneck occurred prior to period of investigation, and the company has not stated that it has not been able to do so. The same does not indicate injury.

xlvii. Even in case of bottlenecked capacity, the inventories have increased which shows that sales which are not related to bottlenecks have been impacted due to dumping.

xlviii. It is immaterial that subject goods are high priced or low-priced products as the domestic industry has incurred losses. A product being low margin does not justify dumping at the expense of viability of the domestic operations.

xlix. The labs set up by the domestic industry for undertaking quality checks for suitability of its products for various applications only boost customer confidence and show that the domestic industry is conscious to maintain desired quality.

l. The costs have been normated to adjust for start-up costs in the base year. The normated costs are below projected costs, and the selling price is low due to dumping, resulting in losses. Customer communications show that selling prices have declined due to dumping.

li. Mere export of subject goods does mean that injury is due to exports. Due to dumping the domestic industry is unable to establish itself in the domestic market. Considering the fixed costs are incurred irrespective production quantity and to keep the same under control, the domestic industry has been forced to keep producing and exporting to avoid accumulated inventories.

lii. The statements made publicly are for all products in the HALS segment and cannot be considered for subject goods alone. The domestic industry has provided normated costs, which corrects the injury caused due to start-up operations.

liii. The concerns raised regarding quality are baseless as the sales of the domestic industry have increased. The customer communications show that the negotiations are solely on prices and not on quality.

liv. The customers can easily switch suppliers. The change in supplier does not need long period and a chemical test only takes approximately 30 to 45 days and no burdensome transition cost.

lv. The projected performance is not unreasonable as the projected costs is comparable to the actual costs and is only adjusted for capacity utilisation. Further, the selling price is as per landed price in previous years. Projected sales allow the domestic industry to cater to a reasonable share in the market. It is also expected to utilise at least half of its capacities.

lvi. Injury is not due to investments in new subsidiary. The domestic industry has incurred losses even before providing for depreciation and interests and CSTL has incurred losses before providing for interest.

lvii. As regards claims of the other interested parties that the domestic industry has undergone standard maintenance-related shutdowns which cannot be attributed to imports, it may be noted that the normation of costs undertaken adjusts any shutdown caused due to newly established facilities.

lviii. The costing information provided does not include the effect of higher fixed costs due to start-up inefficiencies, ramp-up costs or delays, as alleged by other interested parties. Further, demand has increased and the injury is not due to decline in demand.

lix. There is no basis to consider the present investigation as premature as the applicants have already commenced production. There is no need to be in production for a case of material retardation.

lx. Contrary to claims of interested parties, the projected cost cannot be considered as outdated as the normated costs are below such projections.

lxi. The factors listed by other interested parties have not impacted the domestic industry. In case imports enter at undumped prices, the domestic industry would earn profits based on normated costs.

lxii. In response to arguments of other interested parties that allocation of net fixed assets on sales ratio will inflate costs as sales of the domestic industry is low, the domestic industry has submitted that common assets have been allocated based on asset ratio for subject goods and other products.

lxiii. The request of the interested parties for non-injurious price to be based on projected capacity utilisation is contradictory to the claim that the domestic industry is established. Projected capacity utilisation may be referred only if the domestic industry is establishing. Further, the projected capacity utilisation considered must be the third year of operation for CSTL and second year of operation for CFCL.

H.3. <u>Examination by the Authority</u>

61. 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 domestic producers of such article."*. In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, inventory, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Anti-Dumping Rules.

62. The Authority has examined the arguments and counterarguments of the interested parties with regard to injury to the domestic industry. The Authority has noted that the present

application is with respect to material retardation to the establishment of an industry. Thus, prior to undertaking a detailed injury examination, the Authority has examined whether the domestic industry was an established industry to such an extent that the same permits assessment of injury in the form of material injury, or the domestic industry was in the process of establishment and did not have sufficient past history to permit assessment of injury in the form of material injury.

H.3.1. Material retardation to establishment of an industry.

63. The WTO Anti-dumping Agreement or the Anti-Dumping Rules do not provide a definition for “material retardation”. Footnote 9 to Article 3 of the Anti-Dumping Agreement merely states as follows –

> *“Under this Agreement the term "injury" shall, unless otherwise specified, be taken to mean material injury to a domestic industry, threat of material injury to a domestic industry or material retardation of the establishment of such an industry and shall be interpreted in accordance with the provisions of this Article.”*

64. Similarly, Annexure II to the Rules refers to injury having been suffered in the form of ‘material injury’ or ‘threat of material injury’, to an established industry, or ‘material retardation’ to the establishment of industry. There is no further explanation to what constitutes material retardation to the establishment of an industry. It is, however, clear that ‘material retardation’ to an industry would be in reference to an establishing / unestablished industry and not an industry that is fully established.

65. In Morocco – Anti-Dumping Measures on Certain Hot-Rolled Steel from Turkey, the WTO Panel laid down some guidance on determining whether there is establishment of an industry. The Panel observed that Article 3.1 does not prescribe a specific methodology for determining whether an industry has been established. Accordingly, the investigating authority is allowed to use any reasonable methodology which is based on assumptions and inferences. However, these inferences must be based on facts and positive evidence.

66. The Panel also observed that the investigating authority has the discretion in deciding which parameters are relevant to determine whether a new industry has been established. One of the parameters considered to be relevant by the Panel was whether the production constitutes a new ‘product line’ of an existing company. If an existing industry/company merely introduces a new product line, this may not be considered as an ‘establishing industry’. To examine this factor, the investigating authority would have to look into the degree of overlap in the use of overall infrastructure of the producer (including customer contacts, distribution channels, existing productive, commercial, research, and administrative assets etc.). The relevant portion of the Panel's observation is provided as under.

"7.211. We note, at the outset, that we do not pronounce ourselves on these factors or whether they are either prescriptive or definitive for determining whether the domestic industry is unestablished. We accept that a relevant factor may be whether the domestic industry is the only producer of the like product in question in the market. At the same time, we note that whilst there could be only one producer of that product in the market, where that product constitutes merely a new "product line" of an existing industry and benefits from the existing production, marketing and other operations, such shared operations may play an important role in determining whether a distinct new industry has been established. If an existing industry chooses to introduce a new product unlike any other product currently being produced, the introduction of that new product will not necessarily result in the creation of a new industry. It may still be perceived as the introduction of a new product line into the existing industry, depending on the degree to which the overall infrastructure (including the productive, commercial, research, and administrative assets) of the existing industry is implicated. The greater the degree of overlap in the use of overall infrastructure, the less likely the perception that the introduction of the new product marks the establishment of a new industry. The fact that a domestic industry is defined by Article 4.1 of the Anti-Dumping Agreement by reference to like product, and that there are no pre-existing producers of that like product in the domestic market, does not preclude the possibility of that domestic industry utilizing existing infrastructure such as customer contacts and distribution channels, in its introduction of that like product in the domestic market."

67. The Authority further notes that, in an investigation concerning material retardation to the establishment of an industry, the industry concerned, by its very nature, does not possess a sufficiently long history of operations against which the movement of its economic parameters over the injury period can be meaningfully assessed. An industry which has commenced production from a base of nil or negligible operations will necessarily record improvement in its volume parameters over the injury period, and a trend analysis, which constitutes the conventional basis for assessment of material injury to an established industry, would not by itself reveal whether the establishment of the industry has been retarded. The appropriate benchmark against which the performance of such an industry is to be assessed is, therefore, the performance which the industry reasonably expected to achieve as recorded in the project report, feasibility study or business plan on the basis of which the investment decision was taken. The comparison of the actual performance of the industry with the performance projected in such project report thus constitutes the central element of the evaluation in a case of material retardation, and the project report is required to be placed on record as the document for such evaluation and comparison.

68. This approach is grounded in the text of the Anti-Dumping Agreement and the Rules. Article 3.4 of the Anti-Dumping Agreement and para (iv) of Annexure II to the Rules require an evaluation of the "actual and potential" decline in sales, profits, output, market share, productivity, return on investments and utilisation of capacity, and of the "actual

and potential" negative effects on cash flow, inventories, employment, wages, growth and ability to raise capital investments. In the case of an establishing industry, the potential performance of the industry is best evidenced by its project report. Article 3.1 of the Anti-Dumping Agreement further requires that the determination of injury be based on positive evidence and involve an objective examination. A project report prepared prior to the commencement of production for the purpose of the investment decision, signed by the management of the company and examined by the Authority, constitutes contemporaneous, affirmative and verifiable evidence of the performance which the industry could reasonably expect to achieve, and satisfies these requirements.

69. Considering the above and in the absence of any prescribed methodology that the Authority must follow in deciding whether a domestic industry is established, the Authority has analysed the following parameters while examining whether the case is fit to examine material retardation.

H.3.2. Material retardation to the establishment of the domestic industry in the present investigation

70. It is seen that the applicants have set up a new manufacturing facility for the production of the subject goods by making significant investments. Prior to the commencement of production by the domestic industry, the entire demand for the subject goods was being met by imports. Based on the factors examined below, it is seen that the domestic industry in the present case has not been established and the injury caused to the industry is in the nature of material retardation.

i. Commencement of production by the domestic industry

71. The Authority notes that out of the two applicants, CSTL has declared commercial production on [*** 2023]. At the time, there was no other domestic producer. On 22nd March 2022, CFCL was incorporated as a subsidiary of CSTL, which declared commercial production of subject goods on [*** 2024]. Apart from the above, there are no other domestic producers of the subject goods in India and prior to commencement of such production, the demand was being catered solely by imports. It is noted that CSTL has not been in operation for the four years of the injury period. It has been in operations for [***] months of the injury period. CFCL has only commenced production in the last month of the previous year and has produced throughout the period of investigation. Further, a comparison of the actual and projected production and sales of the domestic industry reveals that actual production and sales in the period of investigation have not reached the projected levels. Moreover, the domestic industry has not been able to price its product in consonance with the projections made.

ii. Whether the production of the subject goods is merely a new product line in an existing industry

72. As mentioned hereinabove, the WTO Panel has observed that if the production of the industry is merely a new product line in an existing industry, it may not be a case of material retardation. However, the Panel stressed that what is important is the degree to which the existing infrastructure is utilized for the product under consideration. Further, the Panel observed that in addition to a new product line, the Authority must examine the degree of overlap with the existing infrastructure of the industry.

73. It is seen that the subject goods are a new product being manufactured in the country. The applicants are the only domestic producers of UV 770 in the country. CSTL has invested to commission a new plant in [*** 2022] with production lines for subject goods and its intermediaries. CSTL has developed fully backward integrated process for the subject goods. In March 2022, CSTL set up a new plant under CFCL, its wholly owned subsidiary, for manufacturing specialty chemicals including UV 770. The production operations in the plant of CFCL began with the production of UV 770, along with its intermediary products. The combined investment in the two plants was more than ₹ *** crores. It has been submitted that these intermediaries are not directly saleable in the merchant market and are consumed in production of UV 770 or other products produced by the producer.

74. Thus, the domestic industry has set up a new plant in the same premises of its existing facilities. The details of the plant and machinery that is set up is given in the project reports submitted. The Authority notes that the product is a newly introduced chemical product among a series of other products manufactured by the domestic industry. In view of the above, it is noted that the subject goods produced by the domestic industry is not merely a new product line commenced by the domestic industry. The domestic industry has set up a new plant and entailed significant investment to set up a plant for the like article.

75. The other interested parties have submitted that CSTL is an established industry as it already has established production operations, marketing and distribution networks by virtue of CSTL being a producer since 2003. Further, it has been submitted that only CFCL may be considered as a new industry since CSTL has been in operation for more than 2 years. In this regard, the domestic industry has submitted that the applicants do not have any overlapping customers for the subject goods and its other established products and that the subject goods cater to a distinct industry segment wherein the existing marketing channels of the domestic industry are not utilized. Further, in any case, it has been examined and noted that the production line, and plant and machinery for the subject goods, do not overlap with other products. As regard, the argument that CSTL is established as it has produced the subject goods for more than 2 years, it is noted that nothing in the Anti-dumping Rules provide such a threshold for examining injury in the

form of material retardation. The Authority has previously also considered a producer having production for more than 2 years for injury in the form of material retardation.

iii. Size of production and capacity in comparison to the size of the domestic market as a whole

76. The domestic industry has sufficient capacities to cater to the entire demand in the country. However, the domestic industry has not been able to fully utilize its capacities, and it has not been able to reach its projected levels of capacity utilization. The market share of the domestic industry is only [***] % as against the share of imports which is [***] % in the period of investigation. Despite being the only domestic producer in the market, the domestic industry has not been able to achieve its projected sales. In this regard, the month-wise trend of production and inventory of the domestic industry shows that due to competition from imports and accumulation of inventories, the production of the domestic industry was suspended intermittently in the injury period. Further, the capacity utilization has remained extremely low, at only [***] %. Thus, the domestic industry has not been able to utilize its capacities to a material extent. This shows that the subject imports have not allowed the domestic industry to cater to the domestic market in India.

iv. Ability to reach break-even point

77. It is noted that the domestic industry has incurred financial and cash losses in all periods of its operations. Further, even when costs are considered at optimum capacity utilization, the domestic industry has incurred losses and cash losses in the period of investigation. Despite being the sole producer in the Indian market, the domestic industry is unable to establish itself in the market and break even.

78. It is also seen that the losses incurred by the domestic industry till the period of investigation quite significant as compared to value of the investments made by the domestic industry for setting up production of the subject goods. Further, the losses of the domestic industry have increased significantly over the period.

v. Stability of operations as compared to projected operations

79. As per Annexure-II to the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Authority is required to consider both actual and potential performance of the domestic industry.

> *"(iv) The examination of the impact of the dumped imports on the domestic industry concerned, shall include an evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential11 decline in sales, profits, output, market share, productivity, return on investments*

or utilization of capacity; factors affecting domestic prices; the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments."

80. The Authority notes that the provisions of Annexure II only list out the parameters to be considered in examination of injury to established industries, in the form of material injury or threat of material injury. No parameters have been identified for examination of material retardation to the establishment of industry. Nevertheless, the examination of potential performance is specifically permitted under the Anti-Dumping Rules. Moreover, the provisions of para (iv) contain an inclusive list of parameters, which may be examined. Therefore, the Authority is free to examine further parameters, depending on the requirements of the investigation.

81. The Authority has examined the actual performance of the domestic industry during the period and compared it with the projections made to assess whether the dumping of the subject goods has materially retarded establishment of the domestic industry.

Particulars	Unit	Projected (POI)	Actual	Difference
Production	MT	***	***	-46%
Best Capacity utilisation	%	***	***	-46%
Domestic Sales	MT	***	***	-51%
Profits*	₹ Lakhs	***	***	-120%
Cash Profits*	₹ Lakhs	***	***	-108%
Return on investments*	%	***	***	-126%

** Actual as per best capacity utilization as per project report*

82. The performance achieved by the domestic industry in respect of various economic parameters, such as production, domestic sales, capacity utilisation, profits, cash profits and return on capital employed is materially below the levels projected by the domestic industry at the time of making investments. Further, while the domestic industry projected that it would be profitable in the third year of its operations, it has incurred losses, cash losses and recorded a negative return on capital employed.

83. The Authority further notes that the above comparison has been undertaken on the basis of the performance of the domestic industry at the best capacity utilisation, being the higher of the capacity utilisation envisaged in the project report, so as to exclude the effect of the high fixed costs of the initial period of operations. When the actual performance of the domestic industry with the best capacity utilisation , is considered, the injury is further aggravated.. Thus, whether the performance of the domestic industry is assessed on the basis of the actual figures or on the basis of the best utilisation levels as projected in the project report, the performance of the domestic industry is materially below the projected levels.

84. The above analysis indicates that the production of subject goods, by both CSTL and CFCL, is new, and there is no significant degree of overlap with the existing manufacturing facilities of the applicants. Further, the current performance is materially below the projected levels. Accordingly, the Authority holds that the present investigation is that of material retardation to the establishment of the domestic industry in India.

85. With regard to submissions that the performance of applicants in other publicly made statements do not match the performance of the domestic industry, it is noted that the Authority has relied upon the verified information of the applicants with regard to performance of only the subject goods. Reference to other statements of the domestic producers may not be appropriate, as it would include information with regard to performance in other markets, and other products as well.

86. As regards the contention that there has been considerable improvement in volume parameters of the domestic industry including parameters such as capacity utilization, market share, employment and wages, productivity etc., the Authority notes that the improvement in such parameters is largely on account of the commencement of the production by the domestic industry. It is noted that since present investigation is that of material retardation to the domestic industry, comparison of performance over the injury period is not appropriate. Rather a comparison should be made with regard to the fact whether the domestic industry has been able to achieve its targeted performance parameters or not. It is natural that a new industry commencing production would show improvement over the period. The Authority shall, instead, examine whether the performance of the domestic industry is being retarded due to dumping.

87. The projections and injury information have been provided for both applicants, as clarified by the domestic industry in its post hearing submission dated 11th February 2026. The Authority has considered consolidated information for projections and actual performance for examining injury hereinbelow.

88. With regard to the submission that the fixed costs of the domestic industry are high due to it being in the start-up phase, the Authority notes that a comparison has been made between the actual performance of the domestic industry at optimum capacity utilization and the projected performance of the domestic industry. Accordingly, the Authority has not considered the high fixed costs of the domestic industry in the initial phase for determination of injury.

H.3.3. Cumulative assessment of injury

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

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

90. In the instant case, volume of imports and dumping margin for each of the subject country is more than the de-minimis. Further, the imports from the subject countries and the product manufactured by the domestic industry have inter-se comparable properties and is being used for the same applications and by the same segment of customers. Thus, the subject imports are competing in the Indian market inter-se as well as with the subject goods manufactured by the domestic industry.

91. The Authority thus concludes that it would be appropriate to undertake cumulative assessment of injury in the present investigation for the following reasons.
a. The subject goods are being dumped into India from the subject countries.
b. The margin of dumping from each of the subject countries is more than the *de minimis* limits prescribed under the Rules.
c. The volume of imports from each of the subject countries is individually more than 3% of the total volume of imports.
d. Cumulative assessment of the effects of import is appropriate as the imports from the subject countries not only directly compete with the imports from each of the subject countries but also the like articles offered by the domestic industry in the Indian market.

H.3.4. <u>Volume Effect of dumped imports</u>

i. Assessment of Demand (Apparent Consumption)

92. The Authority, for the purpose of the present investigation, has defined demand or apparent consumption of the product in India as the sum of domestic sales of the Indian producers and imports from all sources. The demand so assessed is given in the table below.

Particulars	Unit	2021-22	2022-23	2023-24	POI
Sales of domestic industry	MT	-	***	***	***
Trend	Index	-	100	5,637	13,719
Captive Consumption	MT	-	***	***	***
Trend	Index	-	-	-	-
Sales of the Supporting Producers	MT	-	-	-	-

Subject imports	MT	2,634	2,517	2,030	2,472
Other imports	MT	3 3	22	60	3
Total Demand	MT	***	***	***	***
Trend	Index	100	96	96	137

93. The Authority notes that the demand for the subject goods declined marginally in 2022-23 and 2023-24 and thereafter increased significantly during the POI from *** MT in 2021-22 to *** MT during the POI, reflecting an overall increase of about 37%. The sales of the Domestic Industry increased from *** MT in 2022-23 to *** MT during the POI, commensurate with the commencement and gradual ramp-up of domestic production. However, despite the significant increase in domestic sales, subject imports remained substantial and decreased to *** MT during the injury period, accounting for a major part of the growing domestic demand. Imports from other countries remained insignificant throughout the period.

ii. Imports in Absolute and Relative Terms

94. With regard to the volume of dumped imports, it is required to be considered whether there has been a significant increase in dumped imports either in absolute terms or relative to production or consumption in India. The volume of imports over the injury period was as follows:

Particulars	Unit	2021-22	2022-23	2023-24	POI
Subject imports	MT	2,634	2,517	2,030	2,472
Other imports	MT	33	22	60	3
Total imports	MT	2,667	2,538	2,090	2,475
Subject Imports in relation to					
Domestic production	%	-	***	***	***
Trend	Index	-	100	5	3
Consumption	%	***	***	***	***
Trend	Index	100	100	80	69
Total Imports	%	99%	99%	97%	100%

95. The Authority notes that:
    i. The volume of subject imports declined up to 2023-24 and thereafter. increased by 22% in the period of investigation as compared to previous year.
    ii. The subject imports account for *** % of the Indian consumption during the period of investigation.
    iii. The subject imports in relation to production has declined over the injury period. The decline in subject imports in relation to production is attributable to commencement of domestic production in India. However, the same remains significant and almost double the Indian production.
    iv. The subject imports account for almost the entirety of imports into India.

96. The other interested parties have submitted that the demand has increased significantly, and such an increase cannot be catered to by a new producer in its initial years. The domestic industry holds the capacities more than the demand in the country. The production and sales of the domestic industry have increased over the injury period and there is no evidence on record which shows that the domestic industry is not capable of catering to the demand in India. The table below shows the information on capacity and demand. It is seen that the available capacity in the period of investigation was more than the demand in India and therefore, there is no demand and supply gap.

Particulars	Unit	POI
Capacity of domestic industry	MT	***
Demand	MT	***
Excess supply	MT	***

H.3.5. <u>Price Effect</u>

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

i. Price Undercutting

98. For the purpose of price undercutting analysis, the net sales realisation of the domestic industry has been compared with the landed price of imports from subject countries. Table is shown below:

Particulars	Unit	China PR	EU	Subject Country
Net sales realization	₹/MT	***	***	***
Landed price	₹/MT	4,40,829	4,31,046	4,37,795
Price undercutting	₹/MT	***	***	***
Price undercutting	%	***	***	***
Price undercutting	Range	Negative	Negative	Negative

99. It is noted that the price undercutting is negative. The domestic industry has submitted that the price undercutting is negative as it being a new industry, is not able to charge a price higher than landed price. The landed price of imports is below the cost of sales of the domestic industry. It has been forced to charge lower prices for attracting customers as a new producer in the market.

100. The domestic industry has claimed that the exporters/producers from subject countries have been in the market for almost 20 years and enjoy long established distribution channels. Due to this, the domestic industry is only able to make sales when its product is priced below the imported product. The domestic industry has provided evidence to show that the customers have negotiated a lower price by quoting the import prices. The evidence also shows that the subject goods have been purchased from the domestic industry at prices lower than what it had quoted. This shows that the domestic industry has been forced to sell below the import prices in order to gain customers in the market.

101. The domestic industry has also claimed that the price undercutting is positive when projected selling price is compared with the actual landed price. If the projected selling price of the domestic industry is compared, it is noted that the subject imports are undercutting the projected prices of the domestic industry which establishes that had the domestic industry not reduced its prices drastically and sold at the prices which it had projected while setting up the plant, the price undercutting would have been positive.

Particulars	Unit	POI
Projected Prices	₹/MT	***
Landed price	₹/MT	4,37,795
Price undercutting	₹/MT	***
Price undercutting	%	***
Price undercutting	Range	40-50%

102. The Authority further notes that the actual price undercutting, based on the actual selling price of the Domestic Industry, is negative during the POI. However, the Domestic Industry, being a new producer seeking to establish itself in the market, was selling at prices below the landed price of imports. Therefore, negative actual price undercutting, by itself, does not establish absence of price effect. The significant difference between the projected selling price and the landed price indicates that the prices prevailing in the market were substantially below the level envisaged by the Domestic Industry at the time of investment. The Authority has considered this comparison as a benchmark for assessing the projected vis-à-vis achieved price performance and price suppression/material retardation.

ii. Price Suppression / Depression

103. In order to determine whether the dumped imports are depressing the domestic prices to a significant degree or whether the effect of such imports is to suppress price to a significant degree or prevent price increase which otherwise would have occurred in normal course, the Authority has examined the actual and projected cost of sales and selling price of the domestic industry. The projected data of the domestic industry has been considered based on the project report duly submitted by the domestic industry which has been signed by the management of the company.

Particulars	Unit	Actual*	Projected	Difference	Difference (%)
Cost of sales	₹/MT	***	***	***	-11%
Net sales realisation	₹/MT	***	***	***	-36%

** Cost of sales based on best capacity utilization*

104. The Authority notes that the cost of sales of the Domestic Industry during the POI was 11% lower than the projected cost, whereas its actual net sales realisation was 36% lower than the projected selling price. Thus, the Domestic Industry was unable to achieve its projected selling price despite the lower optimum cost of sales. The selling price has declined at a greater rate as compared to the cost of sales. The Authority considers that this shortfall in selling price indicates that the Domestic Industry was unable to realise the prices envisaged at the time of investment.

105. The other interested parties have submitted that there is no price pressure as the decline in cost of sales is more than the decline in selling price and selling price has declined in line with decline in import price. In this regard, it is noted that reliance on trends is inappropriate since the cost of sales of the domestic industry is above the selling price of the domestic industry. Further, selling price of the domestic industry has declined at a higher rate than the decline in the cost of sales to compete with the imports. The domestic industry has not been able to increase its prices above costs due to low priced imports.

H.3.6. <u>Economic Parameters of the Domestic Industry</u>

106. Annexure II to the Anti-Dumping Rules require that the determination of the injury shall involve an objective examination of the consequent impact of dumped imports on the domestic producers of the subject goods. With regards to the consequent impact of these imports on the domestic producers of subject goods, the Rules further provide that the examination of the impact of the dumped imports on the domestic industry would include an objective unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. Accordingly, performance of the domestic industry has been examined hereinbelow.

i. Production, capacity, capacity utilization and sales

107. The performance of the domestic industry with regard to capacity, production, sales and capacity utilization over the injury period was as below:

Particulars	Unit	2021-22	2022-23	2023-24	POI
Installed Capacity	MT	-	***	***	***
Trend	Indexed	-	100	467	1,200
Production (PUC)	MT	-	***	***	***
Trend	Indexed	-	100	1,760	3,902
Capacity utilization	%	-	***	***	***
Trend	Indexed	-	100	377	325
Domestic Sales	MT	-	***	***	***
Trend	Indexed	-	100	5,637	13,719

108. The domestic industry has set up new capacity in 2022-23. As the capacities were set up, the production of the domestic industry increased in 2023-24, and further increased in the period of investigation. The capacity utilisation increased in 2023-24, and declined in the period of investigation. The domestic sales of the domestic industry have increased over the injury period.

109. It is however seen that increase in production and domestic sales have increased which was natural considering the new capacities set up by the domestic industry. However, the Authority considers that considering the capacities set up by the domestic industry, the production and domestic sales are very low.

110. The Authority has also compared the actual volume with the projected volume for the period of investigation.

Particulars	Unit	Actual	Projected	Difference	Difference (%)
Installed Capacity	MT	***	***	***	0%
Production	MT	***	***	***	-46%
Capacity Utilisation	%	***	***	***	-46%
Domestic sales	MT	***	***	***	-51%
Export sales	MT	***	***	***	-

111. The Authority notes that:
   i. The actual production of the domestic industry is 46% lower than its projected production. As a result, the capacity utilisation is only half of what was projected by the domestic industry.
   ii. The domestic sales are 51% less than the projected sales of the domestic industry. Further, while the domestic industry projected selling higher volumes at profitable prices, it has not been able to achieve projected sales even after selling at losses.

112. The other interested parties have submitted that the domestic industry has not been able to meet its projected domestic sales as it has undertaken exports in the period of investigation. The Authority notes that the capacities of the domestic industry have

remained under-utilised and the capacity utilization is less than that projected by the domestic industry. The export sales undertaken have allowed the domestic industry to improve their capacity utilization by a mere 2%. Further, the total sales by the domestic industry including domestic sales and export sales are less than the projected domestic sales of the domestic industry. Thus, the claim that the domestic sales are less than projected due to export sales is not appropriate.

113. As regards the claim that the capacity utilisation is low on account of increase in capacity, the Authority notes that while the capacity of the domestic industry is higher than demand, the domestic industry had projected to sell a volume equivalent to ***% of the demand. The projected production and sales volume of the domestic industry is, therefore, not inordinately high, compared to demand. However, even then, the domestic industry has not been able to achieve the projected volumes, resulting in underutilized capacities.

114. The Authority further notes that on month wise comparison of production and inventories, the domestic industry has been able to achieve highest capacity utilization of [***]% within 6 months of production in the period of investigation itself, which is comparable to the projected utilization. However, due to accumulation of inventories, the domestic industry was forced to curtail production intermittently, and the average capacity utilization remained low.

Year	Period	Production	Closing stock	Capacity utilization
23-24	Apr-23	***	***	***
23-24	May-23	***	***	***
23-24	Jun-23	***	***	***
23-24	Jul-23	***	***	***
23-24	Aug-23	***	***	***
23-24	Sep-23	***	***	***
23-24	Oct-23	***	***	***
23-24	Nov-23	***	***	***
23-24	Dec-23	***	***	***
23-24	Jan-24	***	***	***
23-24	Feb-24	***	***	***
23-24	Mar-24	***	***	***
POI	Apr-24	***	***	***
POI	May-24	***	***	***
POI	Jun-24	***	***	***
POI	Jul-24	***	***	***
POI	Aug-24	***	***	***
POI	Sep-24	***	***	***

Year	Period	Production	Closing stock	Capacity utilization
POI	Oct-24	***	***	***
POI	Nov-24	***	***	***
POI	Dec-24	***	***	***
POI	Jan-25	***	***	***
POI	Feb-25	***	***	***
POI	Mar-25	***	***	***

** Based on domestic industry data*

ii. Market share in demand

115. The market share of subject imports, domestic industry and other imports over the period was as under.

Particulars	Unit	2021-22	2022-23	2023-24	POI
Domestic industry	%	***	***	***	***
Trend	Indexed	-	100	5589	9596
Subject imports	%	***	***	***	***
Trend	Indexed	100	100	80	69
Other imports	%	***	***	***	***
Trend	Indexed	100	68	189	6

116. It is noted that the market share of the domestic industry has increased over the injury period as it has commenced production during this period. However, the subject imports continue to cater to majority of the market despite the domestic industry having sufficient capacities to cater to entire demand in India.

117. The Authority notes that had the domestic industry reached its projected sales, it would have achieved a market share of [***]%. However, even after selling the subject goods at losses and prices much below the projected prices, the domestic industry has not been able to reach its projected market share, and the imports continue to account for the majority share.

iii. Inventories

118. Inventories of the domestic industry over the injury period were as follows.

Particulars	Unit	2021-22	2022-23	2023-24	POI
Opening inventory	MT	***	***	***	***
Closing inventory	MT	***	***	***	***
Average inventory	MT	***	***	***	***
Trend	MT	-	100	645	1,213

119. The Authority notes that the inventories of the domestic industry have increased significantly over the injury period and were the highest during the period of investigation. Further, the inventories of the domestic industry have increased even when it has sold the subject goods at prices below the projected prices and has incurred losses in the period of investigation.

120. The month-wise details of production and inventories shows that the domestic industry has been forced to reduce its production on a monthly basis to control accumulation of inventories. In fact, over the period of investigation, the average inventories held in a month are higher than the average production per month.

Year	Period	Production	Closing stock
23-24	Apr-23	***	***
23-24	May-23	***	***
23-24	Jun-23	***	***
23-24	Jul-23	***	***
23-24	Aug-23	***	***
23-24	Sep-23	***	***
23-24	Oct-23	***	***
23-24	Nov-23	***	***
23-24	Dec-23	***	***
23-24	Jan-24	***	***
23-24	Feb-24	***	***
23-24	Mar-24	***	***
POI	Apr-24	***	***
POI	May-24	***	***
POI	Jun-24	***	***
POI	Jul-24	***	***
POI	Aug-24	***	***
POI	Sep-24	***	***
POI	Oct-24	***	***
POI	Nov-24	***	***
POI	Dec-24	***	***
POI	Jan-25	***	***
POI	Feb-25	***	***
POI	Mar-25	***	***

iv. Employment, productivity and wages

121. The Authority has examined the information relating to employment, wages and productivity, as given below:

Particulars	Unit	2021-22	2022-23	2023-24	POI
No. of employees	No.	***	***	***	***
Trend	Indexed	-	100	286	257
Productivity per day	MT/Day	***	***	***	***
Trend	Indexed	-	100	1,760	3,902
Productivity per employee	MT/No	***	***	***	***
Trend	Indexed	-	100	616	1,517
Salaries & Wages	₹ lakhs	***	***	***	***
Trend	Indexed	-	100	4,888	7,798

122. The Authority notes that the number of employees has increased till 2023-24 and declined slightly in the period of investigation. Productivity and salary and wages have increased, with increase in production. The domestic industry has not claimed any injury on this account.

v. Profits, cash profits and return on capital employed

123. Information on profits, cash profits and return on capital employed of the domestic industry is given below.

Particulars	Unit	2021-22	2022-23	2023-24	POI Actual	POI (Optimum capacity utilisation)
Profit per MT	Rs/MT	-	***	***	***	***
Trend	Indexed	-	-100	-31	-15	-8
Profit Rs lakhs	Rs lakhs	-	***	***	***	***
Trend	Indexed	-	-100	-1,774	-2,024	-1,076
Cash profits Rs lakhs	Rs lakhs	-	***	***	***	***
Trend	Indexed	-	100	-39,500	-34,000	-17,200
ROCE	%	-	***	***	***	***
Trend	Indexed	-	-100	-705	-771	-411

124. Profits, cash profits and return on capital employed of the domestic industry as compared to the projected performance is given in the table below:

Particulars	Unit	Actual *	Projected	Difference %
Cost of sales *	₹/MT	***	***	-11%
Selling price	₹/MT	***	***	-36%

Profits *	₹/MT	***	***	-141%
Profits *	₹ Lakhs	***	***	-120%
PBDIT*	₹ Lakhs	***	***	-108%
Cash profits *	₹ Lakhs	***	***	-108%
Return on capital employed*	%	***	***	-126%

** Actual figures are based on best capacity utilization as per project report*

125. The Authority notes that:
    i. The actual performance of the domestic industry has been considered on performance at optimum capacity utilization to remove any effect of high fixed costs incurred during the initial operational period due to low capacity utilization.
    ii. The domestic industry had projected that it would be in profits in the second year of operations. However, it has remained in losses throughout its operation.
    iii. The profitability of the domestic industry is 141% lower than projected.
    iv. Further, while the domestic industry has been able to achieve a cost of sales below the projected cost of sales, it has still incurred losses instead of projected profits during the period of investigation.
    v. The domestic industry has incurred cash losses as opposed to the cash profits projected.
    vi. The domestic industry had projected to earn positive returns on its investments. However, due to continuous losses incurred, it has recorded a negative return on capital employed in this period.
    vii. When the actual performance of the domestic industry, , is considered, the injury is further aggravated. The injury is thus established both on the basis of the actual figures and on the basis of the best utilisation levels as projected in the project report, and is more pronounced on the actual figures.

vi. Growth

126. The growth of the domestic industry in terms of volume and profitability parameters is as under.

Particulars	Units	2021-22	2022-23	2023-24	POI
Installed Capacity	%	-	-	367%	157%
Production	%	-	-	1,660%	122%
Domestic sales	%	-	-	5,537%	143%
Profit / (loss) per unit	%	-	-	-58%	68%
Cash profits	%	-	-	-2181	47%
Return on capital employed	%	-	-	-850	26%

127. It is noted that the economic parameters have shown positive growth in the injury period as the domestic industry has commenced production in this period. Such parameters are likely to show a positive growth for all industries which commence production and sale

of a product in the recent period. The domestic industry continues to operate with losses. However, the domestic industry has not been able to achieve its projected performance in terms of both volume and price parameters.

vii. Ability to Raise Capital Investment

128. The domestic industry has set up capacities for subject goods after investing almost ₹ *** crores. However, in the three years of operations it has incurred losses amounting to more than half of such investments. The domestic industry has not been able to break even and has recorded a negative return on its capital employed due to dumping in India. Thus, the ability of the domestic industry to raise any future investment has been adversely impacted.

viii. Factors affecting prices

129. The domestic industry has been forced to reduce its selling price below the import prices as the customers have negotiated with the domestic industry considering the import prices. Despite achieving cost of sales lower than projected, the domestic industry has not been able to increase its prices, and the landed price has created a strain on the prices of the domestic industry. Thus, the price of imports from the subject countries has adversely impacted the prices of the domestic industry.

ix. Magnitude of Dumping Margin

130. The Authority notes that the subject goods are being dumped in India from the subject countries. The dumping margin is positive and significant.

H.3.7. Examination of the injury

131. Based on the above, the Authority concludes that:
    i. The volume of subject imports has increased in absolute terms in the period of investigation as compared to the preceding year. Although the subject imports in relation to consumption and production have declined consequent to the commencement and ramp-up of domestic production, the same remained significant during the period of investigation, accounting for ***% of Indian consumption and being equivalent to ***% of domestic production**.**
    ii. The landed price of the subject imports remained below the cost of sales of the Domestic Industry during the period of investigation. The Authority notes that the Domestic Industry was unable to recover its cost of sales at the prevailing import prices, thereby constraining its ability to achieve remunerative prices.
    iii. The actual selling price achieved by the Domestic Industry remained significantly below the selling price projected at the time of making the investment. The Authority has considered the projected selling price as a benchmark for assessing the projected vis-à-vis achieved performance of the Domestic Industry and not for

determining price undercutting. The Authority further notes that the price undercutting based on the actual selling price of the Domestic Industry is negative during the period of investigation.

iv. The subject imports are priced below the cost of sales of the domestic industry.

v. The market share of the subject imports remains significant despite commencement of production of the domestic industry. The market share of the domestic industry is much below the projected market share.

vi. The production and sales of the domestic industry is significantly below its projected production and sales.

vii. The capacities of the domestic industry is significantly underutilized.

viii. While the domestic industry has capacities enough to cater to the entirety of demand in India, the market share of the subject imports have continued to cater to majority of market in India.

ix. The domestic industry has faced accumulation of inventories due to which it was forced to curtail its production.

x. The domestic industry has incurred losses in all years of its operations as opposed to projected profits.

xi. The domestic industry has incurred cash losses and recorded negative return on capital employed.

xii. The profitability of the domestic industry is significantly lower than the projected performance.

xiii. The imports have adversely affected the ability of the domestic industry to raise capital investments.

xiv. The dumping margin for the subject countries is positive and significant.

H.3.8. Non-attribution analysis and causal link

132. Article 3.5 of the Anti-Dumping Agreement and para (v) of Annexure II to the Rules require the Authority to examine any known factors other than the dumped imports which at the same time are injuring the domestic industry, and to ensure that the injury caused by such other factors is not attributed to the dumped imports.. In a case of material retardation, where the performance of the domestic industry is assessed with reference to its projected performance, the Authority has examined whether the shortfall in performance vis-à-vis the projections is explained by any factor other than the dumped imports.

133. Having examined the existence of injury, volume and price effects of dumped imports on the prices of the domestic industry, the Authority has examined whether injury to the domestic industry can be attributed to any factor, other than the dumped imports, as listed under the Rules:

a. Volume and value of imports from third countries

134. It is noted that apart from the subject countries, imports from other countries are not substantial in quantity and thus, the injury is not attributable to such imports.

b. Contraction in demand

135. The demand for the subject goods has increased during the injury period. Hence, injury is not attributable to contraction in demand.

c. Pattern of consumption

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

d. Conditions of competition and trade restrictive practices

137. There are no trade restrictive practices or conditions of competition, which may have caused injury to the domestic industry. Since the domestic industry is the sole producer of the subject goods in the country, there is no possibility of inter-se competition between the domestic producers causing injury to the domestic industry.

e. Developments in technology

138. There has been no change in technology or plant by the domestic industry which could have led to injury to the domestic industry. In fact, the plants of the domestic industry are newly established in India.

f. Productivity

139. The productivity per day and per employee of the domestic industry has increased during the injury period, in line with the increase in production. Thus, injury cannot be due to decline in productivity.

g. Export performance of the domestic industry

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

h. Performance of other products

141. The injury suffered cannot be attributed to the performance of other products of the company, as the domestic industry has segregated and provided information with regard to the like article only.

142. The other interested parties have claimed that capacity utilisation is low due to simultaneous commercialisation of other products and focus on high margin products. The Authority notes that the domestic industry has dedicated capacities for production of the subject goods. The capacity considered in the projections and actual performance related to the subject goods only and is not impacted by other products.

143. As regards the submission that the focus on high profits products has resulted in injury of low profit products, such as the subject goods, it is noted that at present, the domestic industry has incurred losses and cash losses during the injury period instead of earning

any profits. In any case, even if the subject goods are low profit products, it does not justify dumping in India which threatens the viability of domestic industry.

i. Injury due to start-up inefficiencies and operation challenges of new industry

144. The interested parties have highlighted that the injury to the domestic industry is due to start up inefficiencies, process losses, high rejection rates, batch cycle times, customer approvals and bottlenecks. It is noted that the Authority in its examination above has compared the performance of the domestic industry at optimum capacity utilization with the projected performance of the domestic industry. The same shows that the domestic industry has suffered injury even when start up inefficiencies and high costs due to low capacity utilization is not considered. Further, the other interested parties have not provided any information or evidence to support their claims regarding process losses, batch cycle time and rejection rates. It is noted that the domestic industry has been able to increase its production in India over the injury period and it has been forced to curtail production due to inventory build up which is apparently as a result of dumping in India.

j. Other factors

145. The other interested parties have claimed that injury is due to plant shutdowns. It is noted that the domestic industry was forced to shut down its plant, due to absence of demand for domestic product. In any case, the injury has been considered at optimum capacity utilization and thus, any plant shutdown does not impact the performance considered by the Authority.

146. The interested parties have contended that the shortfall in performance vis-à-vis the projections may be on account of the domestic industry having failed to install the projected capacity or to achieve its planned expansion milestones. The Authority notes that the installed capacity of the domestic industry during the period of investigation at *** MT is identical to the capacity envisaged in the project reports for the corresponding period. The project has, therefore, been implemented as planned, and the shortfall in production, capacity utilisation and sales cannot be attributed to any failure in project implementation. The domestic industry has further achieved a cost of sales lower than projected which establishes that the projections were neither unrealistic nor unachievable on the cost side.

147. In order to separate and distinguish the effects of the dumped imports from those of the other factors, the Authority has decomposed the shortfall in the profitability of the domestic industry vis-à-vis its projections into the element attributable to cost of sales and the element attributable to selling price. Factors such as start-up inefficiencies, process losses, scale-up bottlenecks, plant shutdowns, low capacity utilisation and high fixed costs, to the extent they have any effect, would manifest themselves in the cost of sales of the domestic industry.

148. The net sales realisation of the domestic industry has been constrained by the landed price of the subject imports, which remained below the actual as well as the optimum cost of

sales of the domestic industry, and the customer communications on record show that the domestic industry was compelled to reduce its prices by reference to the prices of the subject imports.

k. Conclusion on non-attribution

149. Having examined each of the other known factors, the Authority concludes that none of the other known factors, whether considered individually or collectively, explains the material retardation to the establishment of the domestic industry or breaks the causal link between the dumped imports and the injury suffered. The injury suffered by the domestic industry is attributable to the dumped imports from the subject countries. The Authority further notes that the injury is aggravated when the actual figures of the domestic industry are considered, and is established even when the performance of the domestic industry is considered at the best utilisation levels as projected in the project report, so that no part of the injury found can be ascribed to start-up inefficiencies or other factors peculiar to the initial phase of operations.

H.3.9. Analysis of causal link

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

i. The subject imports have been dumped, and the dumping margin is positive and significant.
ii. The subject imports have increased in India at prices which are below the cost of sales of the domestic industry and have suppressed and depressed the domestic prices.
iii. The subject imports are priced below the optimum and projected cost of sales of the domestic industry.
iv. Due to low priced imports, the domestic industry has not been able to achieve its projected sales.
v. The domestic industry holds a minor share in the demand despite commencement of production and holding capacities enough to cater to the entire demand in India.
vi. The landed price of imports started to decline during the period the domestic industry commenced operations. The prices have declined since and forced the domestic industry to reduce its prices below projected levels and below imports to gain customers.
vii. The domestic industry is unable to achieve its projected production and sales.
viii. The domestic industry has incurred financial losses in all years of its operations and is unable to break even.
ix. While the domestic industry projected profits in its operations, it has incurred losses and cash losses.
x. It has incurred cumulative losses equal to more than half of the investments made to set up production.
xi. While the domestic industry projected a positive return on capital employed, it has recorded a negative return on capital employed in the period of investigation.

xii. The shortfall in the performance of the domestic industry vis-à-vis its projections is attributable to the depressed selling price, the domestic industry having achieved a cost of sales lower than projected on both actual and optimum basis.

xiii. The injury is established both on the basis of the actual figures and on the basis of the best utilisation levels as projected in the project report, and is further aggravated when the actual figures are considered.

151. The Authority, therefore, concludes that the material retardation to the establishment of the domestic industry has been caused by the dumped imports from the subject countries, and that the injury suffered by the domestic industry is attributable to dumping.

I. MAGNITUDE OF INJURY MARGIN

152. The Authority has determined the non-injurious price for the domestic industry on the basis of principles laid down in the Rules read with Annexure III, as amended. The non-injurious price 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 non-injurious price has been compared with the landed price of subject goods from the subject countries for calculating injury margin. For determining the non-injurious price, the best quarterly utilization of the raw materials and utilities and best quarterly utilization of production capacity has been considered. Extraordinary or non-recurring expenses and/or assets have been excluded from the cost of production and/or non-injurious price. A reasonable return (pre-tax @ 22%) on average capital employed (i.e., average net fixed assets plus average working capital) deployed for the product under consideration has been allowed for recovery of interest, corporate tax and profit to arrive at the non-injurious price as prescribed in Annexure III of the Rules.

153. The landed price for the cooperative exporters has been determined on the basis of the data furnished by the exporters. For all the non-cooperative producers/exporters from the subject countries, the Authority has determined the landed price based on the facts available.

154. With regard to the contention that high costs due to start-up operations must be optimised, the Authority notes that the non-injurious price has been determined based on higher of [***] %or quarter wise capacity utilization of the domestic industry. Hence, the Authority has not considered high costs due to start-up operations by the domestic industry.

155. Based on the landed price and non-injurious price determined above, the injury margin for producers/exporters has been determined by the Authority and the same is provided in the table below:

Injury Margin Table

SN	Name of Producer	NIP	Landed price	Injury margin	Injury margin	Injury margin
		(USD/MT)	(USD/MT)	(USD/MT)	(%)	(Range)
A	**China PR**					
4.	Suqian Unitech Corp., Ltd.	***	***	***	***	20-30
5.	Rianlon Kaiya Company Limited	***	***	***	***	20-30
6.	Any other producer	***	***	***	***	40-50
B	**European Union**					
3.	BASF Lampertheim GmbH	***	***	***	***	30-40
4.	Any other producer	***	***	***	***	40-50

J. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES

J.1. Submissions by other interested parties

156. The other interested parties have made the following submissions with regard to the Indian industry's interest:
    i. The impact provided by the applicants is understated as the subject goods form 20% of total cost of masterbatches and it is a major cost component.
    ii. The masterbatches producers are majorly MSME and work on contracts for plastic processors. They have limited pricing power and cannot pass on the increase in raw material costs.
    iii. The impact of duties on employment, competitiveness, and export performance of the downstream industry must be examined.
    iv. Imposition of duty will restrict imports and expose users to supply and quality risks and price volatility. This threat is increased given the bottlenecks faced by the domestic industry and the growing demand.
    v. The subject goods require long customer approvals and change in supply sources would disrupt existing supply chains and commercial arrangements and add burden of transition costs on users.
    vi. There are quality concerns related to product supplied by the domestic industry which increases the operational burden for user industry. In case of exports of downstream product requires approvals, which the domestic industry does not have.
    vii. Application labs set up by the applicants indicate that production is undergoing optimization.
    viii. The public interest analysis must balance the interests of upstream and downstream manufacturers and consumers.

J.2. Submissions by the domestic industry

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

i. The dumped imports have prevented the sole producers from establishing in the market. The domestic industry has been forced to sell at losses to compete with the dumped imports. This has impacted the performance of the domestic industry, which is much below the projected performance.

ii. Imposition of duties would allow establishment of domestic manufacturing capacities.

iii. The duties would allow the domestic industry to establish in the market. This would also protect the viability of the investments made for research and development for setting up indigenous capacities.

iv. The duties will ensure that the fair prices to prevail and incentivise new domestic producers to enter the market which will expand the sourcing options for the user industry.

v. In case the sole producers shut operations, the user industry would be exposed volatile external supply chains.

vi. There is no demand supply gap in the country and even if duties were to lead to cessation of imports, there would be no shortage of supply for the user industry.

vii. The subject goods are only an additive and forms a small portion in the end product. The impact of proposed duties is negligible in the end product.

viii. The import prices have been high in the past and the user industry has imported the subject goods in absence of a domestic industry. No adverse impact has been shown as a result of higher prices prevailing in the past. Users cannot claim that any price increase due to imposition of duties would pose a threat to their operations.

ix. The presence of a domestic industry would allow users to maintain lesser inventories and help reduce inventory and warehousing expenses.

x. The prices of subject imports have decline as the applicants set up production in the country to drive them out of the market. In absence of a domestic industry, a few foreign producers will monopolise the market and increase the prices to the detriment of the users. This has been seen previously in the anti-dumping investigation into imports of N, N′-Dicyclohexyl Carbodiimide (DCC) from China PR (F. No. 06/53/2020-DGTR).

xi. The domestic industry focuses on green chemistry by using catalysts instead of harmful solvents which minimise hazardous waste and emissions.

xii. The domestic industry routinely engages in CSR activities for the upliftment of the lower socio-economic segments of the society. The domestic industry is required to maintain material profits to be able to engage in these CSR initiatives, which has been threatened by the dumped imports.

xiii. The producers/exporters from China receive veracious subsidies which render the cost and prices in China unreliable and destroy the market conditions in India.

J.3. Examination by the Authority

158. The Authority notes that the primary objective of anti-dumping duties is to rectify the injury inflicted upon the domestic industry by the unjust trade practices of dumping, thereby fostering an environment of open and equitable competition in the Indian market. This is not merely a regulatory measure, but a matter of national interest. The imposition of anti-dumping measures is not designed to curtail imports from the subject countries arbitrarily. Rather, it is a mechanism to ensure a level playing field. The Authority acknowledges that the persistence of anti-dumping duties may influence the price levels of the product in India. However, it is crucial to note that the essence of fair competition in the Indian market will remain unscathed by the imposition of these measures. Far from diminishing competition, the imposition of anti-dumping measures serves to prevent the accrual of unfair advantages through dumping practices. It safeguards the consumers' access to a broad selection of the subject goods. Thus, anti-dumping duties are not a hindrance but a facilitator of fair-trade practices.

159. The Authority issued the initiation notification, inviting views from all interested parties including importers, users and consumers. An Economic Interest Questionnaire was also prescribed to allow various stakeholders, including the domestic industry, producers/exporters and importers/users/consumers to provide relevant information concerning the present investigation, including the possible effect of anti-dumping duty on their operations.

160. The Authority notes that the dumping of subject goods in India has materially retarded the establishment of the domestic industry in India. The domestic industry invested almost ₹ [***] crores for setting up production capacities in the country. However, the subject imports have prevented the domestic industry from achieving its projected performance. The domestic industry has incurred significant losses during the injury period and has not been able to break even. The subject goods are a product which was not being produced in India, and the domestic industry has set up first production facilities in India for manufacturing of the same.

161. It is noted that the applicants are the only domestic producers in the country. It is necessary that the domestic producers are able to sustain production operations to ensure there is domestic supply source and promote future investments in domestic production capacities. In case, the current market situation is not remedied and remains unfair, the domestic producers will likely not be able to sustain production and will shut down. This will bring India back to complete reliance on imports of the product under consideration.

162. The Authority notes that the users have claimed that the subject goods is a major cost component and constitutes ***% of total cost of masterbatches. In this regard it is noted that the subject goods are consumed as additives in masterbatches. The users have not provided any evidence in support of their claims. Further, masterbatches are used for manufacturing other downstream products and there is no evidence that any increase in

cost of the masterbatches due to increase in cost of raw material cannot be passed on further. The impact of the duty has been quantified below. It is noted that the impact of the duties recommended is less than 0.8%.

Particulars	Unit	Rate
Price of FIBC	₹/Kg	205
Polypropylene content in FIBC	Kg/KG	2.15
Masterbatch content in FIBC	Kg/Kg	0.043
PUC used in FIBC*	Kg	0.008600
ADD	₹/Kg	***
Cost of ADD in FIBC	₹/Kg	***
Impact of duty		0.73%

**As per SION*

163. In this regard, it is also noted that the price of imports prior to the commencement of domestic production was higher than the import prices in the period of investigation. The importer/user industry has not shown that such high prices had adversely affected their operations and performance in the past. Thus, imposition of anti-dumping duty and access to raw material at fair prices will not have an adverse impact on the performance of the downstream industry.

164. The other interested parties have contended that imposition of duty will restrict imports, jeopardise supply chain and increase transition cost of users. The Authority notes that imposition of anti-dumping duty does not restrict imports into India but only ensures that the same are at fair prices. Further, the users and importers have reported that there are no long-term contracts with suppliers and thus, it is not the case where the users will not be able to switch to domestic sources post imposition of anti-dumping duty.

165. The Authority further notes that there is no demand supply gap in the country. Availability of subject goods from multiple sources including the domestic producers will help maintain fair prices in India and allow users to control the inventory expenses as there will be no need to maintain high inventories for the subject goods. Moreover, presence of a domestic source in the country will only add to the sourcing options of the users and protect the users from external supply chain blockages.

166. The other interested parties have submitted that the downstream industry is MSME in nature and have limited pricing power. It has also been claimed that the duties will impact the employment, competitiveness and export performance. The Authority notes that there is no evidence to demonstrate that the downstream industry would not be able to pass on cost increases further to the final consumer. It is further noted that the customer communications provided by the domestic industry shows the domestic industry has supplied at lower prices due to the users quoting lower import prices and thus, the users in India have acted as a price setter in the market. Moreover, the users have not provided

any information and evidence to show the competitiveness, and employment has suffered in the past when the prices in the market were higher.

167. It is further noted that the prices in the domestic market started to decline post commencement of production by the domestic industry. In case, the domestic producers are unable to break even, they will have to cease operations with regard to the subject goods in the domestic market. The prices are likely to increase in case of shut down of the domestic producers.

168. As regards the export performance of the downstream industry, it is noted that subject goods may be imported under export incentive schemes, such as advance licenses, duty free for production of exportable products. Therefore, the Authority does not find merit in the contention that the downstream industry would face an undue burden in case of imposition of duty.

169. The other interested parties have also claimed that the product supplied by the domestic industry have quality issues and the subject goods require specific approvals for exports of downstream products. It is noted that no evidence has been provided by the interested parties in this regard. The domestic industry itself has exported the subject goods and have been able to increase its domestic sales in the Indian market. Further, customer communications show that the users have negotiated on prices and have not raised any concerns of quality of the goods sold by the domestic industry. Thus, the contention that the product supplied by the domestic industry is not of desired quality is not supported by merit. same is rejected.

K. POST DISCLOSURE COMMENTS

170. In accordance with Rule 16 of the Rules, the Authority issued a disclosure statement dated 16th September 2026 disclosing the essential facts under consideration, and granted time to all the interested parties to furnish their comments thereon. Comments on the disclosure statement have been received on behalf of the Rianlon Group, the BASF Group, M/s Suqian Unitech Corp., Ltd. and M/s Suqian Unitecommerce Co., Ltd., the Compounds and Masterbatch Manufacturers Association of India and the domestic industry. The Authority has examined all the post disclosure comments made by the interested parties in these final findings to the extent deemed relevant. Any submission which was merely a reproduction of the previous submissions, and which has already been adequately examined by the Authority, has not been repeated for the sake of brevity.

K.1. <u>Submissions of other interested parties</u>

171. The following comments were submitted on behalf of the other interested parties on the essential facts disclosed by the Authority:

i. The Rianlon Group, the BASF Group and CMMAI have no comments on the general disclosure and background of the case, on the procedure followed by the

Authority, on the scope of the product under consideration proposed in the disclosure statement, or on the determinations recorded by the Authority in respect of confidentiality, which are stated to be consistent with the practice adopted across several investigations.

ii. The issue raised in respect of CSTL was not merely whether CSTL had recorded production of a product described as the "like article", but whether CSTL had in fact manufactured and commercially sold the product under consideration as defined in the initiation notification, namely Bis (2,2,6,6-Tetramethyl-4-piperidyl) Sebacate bearing CAS No. 52829-07-9. The reference in paragraph 17 of the disclosure statement to production, sales, stock and costing records does not address the issue raised unless those records have been verified to relate specifically to CAS No. 52829-07-9.

iii. The environmental clearance of CSTL placed on record does not identify any production capacity attributable specifically to the product under consideration. If the statutory approvals obtained by CSTL do not record exclusive manufacture of CAS No. 52829-07-9, and if the production facilities for the product under consideration are instead established under a separate legal entity, namely CFCL, it must be examined whether CSTL has independently manufactured and sold the product under consideration at all. It appears that CFCL was established as a subsidiary for the purpose of undertaking manufacture of the product under consideration.

iv. If the product manufactured by CSTL is not CAS No. 52829-07-9, the Authority is required to examine, in terms of Rule 2(d) of the Rules and paragraphs 3.34 and 3.35 of the Manual of Operating Practices for Trade Remedy Investigations, whether such product is identical or alike in all respects to the product under consideration or has characteristics closely resembling it. The conclusion in paragraph 18 of the disclosure statement that CSTL and CFCL together account for the entire Indian production proceeds on the prior conclusion that CSTL is a producer. If neither requirement is met, CSTL should not be included in the domestic industry and its data should not form part of the injury or material retardation analysis.

v. Material retardation is intended to protect a developing industry which has not yet established itself in the market. CSTL is an established specialty chemicals manufacturer and the mere introduction of the product under consideration cannot automatically be equated with the establishment of a new industry. The relevant test is the degree of overlap with the existing infrastructure, and where a producer utilises existing management, technical expertise, financial resources, customer relationships and commercial networks, the product represents an extension of an existing business rather than the creation of a new industry. The threshold for a finding of material retardation is therefore not met.

vi. The domestic industry has failed to provide transparent and verifiable evidence to substantiate its claim of material retardation. The project reports, which form the basis of the alleged benchmark performance, have been kept entirely confidential, preventing the interested parties from examining the assumptions relating to capacity utilisation, costs, sales, demand and profitability.

vii. Any gap between projected and actual performance cannot automatically be attributed to imports. Project implementation, commissioning timelines, capacity installation, customer development, market acceptance, start-up inefficiencies and the normal gestation challenges associated with a new product are likely contributors to the performance of the domestic industry. If the domestic industry itself failed to install the projected capacity or to achieve planned expansion milestones, the resulting shortfall cannot be attributed to dumped imports without a demonstrated causal link. Material retardation requires objective evidence that imports prevented the industry from establishing itself, and not merely that actual performance fell short of ambitious projections.

viii. The indexed data does not demonstrate either price depression or price suppression. The cost of sales of the domestic industry declined significantly over the injury period, from an index of 100 to 45, while its net sales realisation declined at a much slower rate, from 100 to 84. Since costs fell more sharply than selling prices, the domestic industry was neither forced to sell below cost nor unable to recover its costs on account of imports. A finding of price suppression requires evidence that rising costs could not be passed on through higher selling prices because of imports, whereas in the present case costs did not increase but declined substantially. The domestic prices did not track the decline in import prices, indicating that the domestic industry was not compelled to match import pricing.

ix. The performance of the domestic industry has been significantly affected by internal operational inefficiencies, process optimisation efforts and scale-up bottlenecks rather than by imports. In its earnings call, the company acknowledged that it had not yet reached optimum operating efficiency and that ongoing improvements in process efficiencies were expected to meaningfully improve EBITDA, and its annual reports confirm the existence of bottlenecks during the scale-up of UV 770 production. The Authority must conduct a proper non-attribution analysis distinguishing the effects of process inefficiencies, commissioning issues, yield losses and scale-up challenges from any alleged impact of imports.

x. The actual performance data disclosed by the Authority itself shows significant improvement in the position of the domestic industry over 2022-23, 2023-24 and the period of investigation in respect of installed capacity, production, capacity utilisation, domestic sales, number of employees, productivity per day, productivity per employee and salaries and wages, and the normated profit per MT improved from an index of (–)100 in 2022-23 to (–)31 in 2023-24 and further to (–)8 in the period of investigation. These trends are not consistent with a finding of material retardation, irrespective of the projections.

xi. The entire foundation of the disclosure statement rests on material retardation, which is based on a comparison of the actual performance of the domestic industry against certain projections. It is economically irrational to consolidate one set of projections of CSTL with another set of projections of CFCL within a one year time frame when the first set of projections had not materialised. Where fresh investment was made, fresh capacity installed and commercial production commenced at CFCL in ***, that is, almost at the beginning of the period of investigation, the projected profitability ought to have undergone moderation as compared with the earlier projections of 2021, since fresh investment takes time to generate a return on account of high fixed costs in the initial years. The projected profits were not rationalised and the Authority has accepted consolidated projections without disclosing the methodology adopted for consolidating the projections of two constituents which commenced production at different times.

xii. The losses incurred by the domestic industry have declined by approximately 92% over a period of three years despite fresh investment in the second year. The Authority has treated the decline in losses as an indicator of material retardation only because the decline is not in accordance with the consolidated projections. These facts do not show material retardation to the establishment of an industry.

xiii. The return of 22% on capital employed adopted for the determination of the non-injurious price is too high for the chemical industry. The Rules use the expression "reasonable" pre-tax return without defining it, and what is reasonable must be evaluated on a case-to-case basis having regard to the nature of the industry, prevalent economic conditions, gestation period and existing interest rates. The 22% return was referred to only as a guideline in the notes approved on the file at the time the Rules were notified in 1995, with reference to price control orders of 1976-77 framed for fixing the prices of drugs and pharmaceuticals when the prime lending rate was 18%, whereas the current rate at which Indian banks offer project funds is approximately 9.75% to 10.50%. Reliance is placed on the observation of the Hon'ble CESTAT in Bridge Stone Tyre Manufacturing & Others v. Designated Authority, 2011 (270) E.L.T. 696 (Tri.-Del.), that calculating the non-injurious price by assuming such a high rate of return gives an inflated picture of price underselling or injury margin. The return on capital employed of the BASF antioxidants site at Jurong, Singapore, placed on record as Exhibit-A, shows negative returns between 2022 and 2025.

xiv. Without prejudice to the above, the high fixed costs and start-up costs of the applicants must be normated while computing the non-injurious price and the injury margins for the responding producers. Rule 4(iii) of Annexure III to the Rules requires the Authority to make necessary adjustments to costs for any inefficient utilisation of production capacities. Reliance is placed on the final findings of the Authority dated 12th July 2017 in the anti-dumping investigation concerning Styrene Butadiene Rubber (SBR) of 1500 and 1700 series from the European Union, Korea RP and Thailand, in which the costs of a new producer were normated by adopting project standards as per the project report or the best achieved capacity utilisation, so as to address the abnormally high start-up costs of new entrants.

xv. As the applicants commenced commercial production only during the injury period, the anti-dumping duty, if recommended, should be limited to two years, by which time a complete four-year injury period of commercial production and sale of the product under consideration would be available for the purposes of a sunset review.

xvi. The methodology recorded in the disclosure statement, namely determination of the non-injurious price on the basis of the capacity utilisation envisaged in the project report or the highest capacity utilisation achieved in any quarter during the period of investigation and the preceding years since commencement of production, whichever is higher, is in accordance with the consistent practice of the Authority and may be confirmed in the final findings.

xvii. The imposition of anti-dumping duty would be contrary to public interest. The product under consideration is a critical input for the manufacture of UV masterbatch, an industry largely comprised of MSMEs, and reportedly constitutes around 20% of the manufacturing cost of UV masterbatch. Any anti-dumping duty would significantly increase input costs, compress margins and adversely affect the competitiveness, employment and export performance of downstream manufacturers, many of whom operate with limited pricing power and may be unable to pass on higher raw material costs. Concerns regarding the quality consistency of the domestic product, its ongoing process optimisation and customer acceptance indicate that the product of the domestic industry is still undergoing market stabilisation. Given a domestic demand of approximately 3,500 MT and dependence on a single domestic supplier, any operational disruption could create supply reliability issues, price volatility and supply concentration risks, and downstream users may require three to four months to obtain customer approvals when switching suppliers.

K.2. <u>Submissions of the domestic industry</u>

172. The following comments were submitted by the domestic industry with regard to the disclosure statement and the methodology adopted therein:

i. The determinations recorded in the disclosure statement may be confirmed in the final findings, namely that the applicants account for a major proportion of the total domestic production, are not related to any exporter of the subject goods in the subject countries or to any importer of the product under consideration in India and have not imported the subject goods during the period of investigation, and accordingly constitute the domestic industry under Rule 2(b); that the domestic industry is an establishing industry and the injury is required to be examined in the form of material retardation; that the product under consideration has been exported at dumped prices; that the domestic industry has faced price suppression, incurred financial and cash losses and recorded negative returns on investment; that the performance of the domestic industry is significantly below its projections on account of the dumped imports; that there exists a causal link between the dumped imports and the injury so suffered; and that the dumping margin and the injury margin are positive.

ii. In the absence of a domestic industry, the users in India would be left to the mercy of the foreign producers, who would enjoy an absolute monopoly and price the goods at significantly high prices to the detriment of consumers. In the anti-dumping investigation concerning N,N′-Dicyclohexyl Carbodiimide (DCC) from China PR (F. No. 06/53/2020-DGTR), the imports were being exported at abnormally high prices in the absence of a domestic industry and the prices crashed once the domestic industry set up production facilities in the country. Similarly, in the anti-dumping investigation concerning Epichlorohydrin from China PR, Korea RP and Thailand (F. No. 6/15/2023-DGTR), import prices surged after the sole domestic producer shut down and plunged when a new domestic producer entered the market.

iii. The domestic industry is presently seeking relief only to the extent that the subject imports are priced at fair and competitive levels. Imposition of duties to that extent would ensure sufficient competition in the market while also ensuring that the domestic industry is able to earn remunerative returns.

iv. It is in the interest of the public at large to have a strong and competitive domestic production of the product under consideration. Encouraging domestic manufacturing would boost employment and add to the growth of the national economy, whereas if the injury suffered by the domestic industry is allowed to continue, domestic production of the product would become unsustainable. The domestic industry also uses proprietary catalysts which enable chemical reactions without harmful solvents or reagents and operates several processes without solvents, thereby minimising hazardous waste and emissions, and undertakes corporate social responsibility initiatives, including zero liquid discharge systems, water recycling, emission reduction, energy efficiency programmes and support for education of the underprivileged, which are directly linked to its performance.

v. There is sufficient evidence showing that the producers in China PR benefit from various subsidy programmes of the Government of China, rendering the costs and prices in China PR unreliable on account of government intervention.

K.3. Examination by the Authority

173. The Authority has examined the post disclosure submissions made by the interested parties. It is observed that most of these submissions are reiterations of arguments and contentions that have already been examined and addressed to the extent deemed necessary in the relevant paragraphs of these final findings. The issues raised for the first time in the post disclosure comments by the interested parties and the domestic industry, and considered relevant by the Authority, are examined below. Any submission which was merely a reproduction of the previous submissions, and which had been adequately examined by the Authority, has not been repeated for the sake of brevity.

174. With regard to the submissions of the Rianlon Group, the BASF Group and CMMAI that the status of CSTL as a producer of the product under consideration bearing CAS No. 52829-07-9 has not been established and that the data of CSTL should therefore be excluded, the Authority notes that this contention has already been examined in the relevant paragraphs of these final findings. The Authority reiterates that it has examined the product-specific production, sales, stock and costing records of CSTL, which relate exclusively to the product under consideration, together with the product description, CAS number, technical specifications, comparative technical data sheets and evidence of customer approvals and sales to customers who also use imported UV 770. The said information establishes that the product manufactured by CSTL bears CAS No. 52829-07-9 and is technically and commercially substitutable with the imported product under consideration. The absence of a separate CAS-wise capacity entry in an environmental clearance does not, by itself, determine whether the product under consideration was actually manufactured, that question being appropriately examined with reference to the production process and contemporaneous production, costing and sales records maintained by the producer. The interested parties have placed no evidence on record demonstrating any material technical or commercial difference between the product manufactured by CSTL and the product under consideration. The submission is, therefore, not accepted and the determination recorded in these final findings remains unchanged.

175. With regard to the contention that the threshold for a finding of material retardation is not met inasmuch as CSTL is an established specialty chemicals manufacturer and the product under consideration is merely a new product line of an existing business, the Authority notes that this contention has been examined in detail in the relevant paragraphs of these final findings. The Authority reiterates that on the record of the present investigation the applicants have commissioned new plants with dedicated production lines for the product under consideration and its intermediates, have developed a fully backward integrated process, and have made a combined investment of more than ₹ *** crores. The plant and machinery and the production lines for the product under consideration do not overlap with those of the other products of the applicants, the customers for the product under consideration are not common with the customers for their existing products, and the existing marketing channels of the applicants are not utilised for the product under consideration. Nothing in the Rules prescribes a threshold in terms of the period of production for examining injury in the form of material retardation. The submission is not accepted.

176. With regard to the submission that the project reports have been kept entirely confidential, thereby preventing the interested parties from examining the assumptions underlying the projections, the Authority notes that this contention has already been examined in the relevant paragraphs of these final findings. The Authority reiterates that the project reports contain commercially sensitive information relating to expected capacity utilisation, sales, costs, prices, profitability and business strategy, and that the confidentiality claimed in respect thereof has been accepted in terms of Rule 7 of the Rules. The reports have been furnished on a confidential basis for examination by the

Authority, and the projected and achieved performance of the domestic industry has been disclosed in indexed or summarised form in respect of production, capacity utilisation, domestic sales, market share, cost of sales, net sales realisation, profits, cash profits and return on capital employed. The Authority considers that sufficient non-confidential information has been made available to enable the interested parties to understand the nature of the claim and to meaningfully exercise their right to respond.

177. With regard to the submissions of M/s Suqian Unitech Corp., Ltd. and M/s Suqian Unitecommerce Co., Ltd. that the consolidation of the projections of CSTL and CFCL is economically irrational and that the methodology adopted for such consolidation has not been disclosed, the Authority notes that the domestic industry within the meaning of Rule 2(b) of the Rules is required to be examined as a whole, and that injury is required to be assessed in respect of the domestic industry and not in respect of its individual constituents. The project report of CSTL was prepared in 2021 and that of CFCL in 2022, and the projections have not been mechanically combined but have been aligned by reference to comparable operating years of the two constituents before consolidation. The Authority has, in addition, examined the entity-specific project reports and the entity-specific achieved performance, which show that neither constituent has achieved its respective projected performance. The Authority further notes that the comparison undertaken in these final findings is between the projected performance and the actual performance of the domestic industry, the actual performance has been considered based on the higher of the capacity utilisation envisaged in the project report or the best quarterly capacity utilisation achieved since commencement of production, so that the effect of the high fixed costs attributable to the initial years of operation, including those arising from the fresh investment at CFCL, stands neutralised.

178. With regard to the contention that the improvement recorded in installed capacity, production, capacity utilisation, domestic sales, employment, productivity and salaries and wages, and the reduction in the quantum of losses over the injury period, are inconsistent with a finding of material retardation, the Authority notes that this contention has already been examined in the relevant paragraphs of these final findings. The Authority reiterates that in an investigation concerning material retardation to the establishment of an industry a comparison of performance across the injury period is not, by itself, determinative, since an industry commencing production from a base of nil or negligible operations will necessarily record improvement in its volume parameters. The relevant comparison is between the performance projected at the time of making the investment and the performance actually achieved. On that comparison, the production of the domestic industry during the period of investigation is 46% below the projected production, its domestic sales are 51% below the projected sales, its capacity utilisation is ***% as against the projected ***%, and it has incurred losses of ₹ *** lakhs and cash losses of ₹ *** lakhs as against projected profits of ₹ ***lakhs and projected cash profits of ₹ *** lakhs, recording a return on capital employed of (–)*** % as against the projected ***%. The reduction in the quantum of per unit losses does not establish that the domestic industry has been able to establish itself, the domestic industry having remained in losses

and cash losses in every year of its operations and having been unable to break even. The submission is not accepted.

179. With regard to the submission that the indexed data does not demonstrate price depression or price suppression inasmuch as the cost of sales of the domestic industry declined more steeply than its net sales realisation, the Authority notes that this contention has already been examined in the relevant paragraphs of these final findings. The Authority reiterates that reliance upon the trend of indices over the injury period is inappropriate in the present case, since the base year represents only three months of operations of a single constituent at abnormally high start-up costs, so that the movement of the index reflects the ramp-up of operations rather than the conditions prevailing in the market. The appropriate comparison in a case of material retardation is with the projected cost of sales and the projected selling price. On that comparison, the cost of sales of the domestic industry during the period of investigation was 11% below the projected cost of sales, whereas its net sales realisation was 36% below the projected selling price, establishing that the domestic industry was unable to realise the prices envisaged at the time of investment despite having achieved a cost of sales lower than projected. It is further noted that the net sales realisation of the domestic industry at ₹ *** /MT remained below its cost of sales of ₹ *** /MT, and that the landed price of the subject imports at ₹ *** /MT also remained below the cost of sales of the domestic industry, during the period of investigation. The submission is not accepted.

180. With regard to the submission that the performance of the domestic industry is attributable to internal operational inefficiencies, process optimisation and scale-up bottlenecks disclosed in its earnings calls and annual reports, and that a proper non-attribution analysis has not been undertaken, the Authority notes that this contention has been examined in the non-attribution analysis in the relevant paragraphs of these final findings. The Authority reiterates that the injury examination in the present investigation has been undertaken on the basis of the performance of the domestic industry at optimum capacity utilisation, so that the effect of start-up inefficiencies, low capacity utilisation and high fixed costs in the initial period of operations stands excluded from the assessment, and that the interested parties have placed no information or evidence on record quantifying process losses, batch cycle times or rejection rates. The Authority further notes that the public statements relied upon pertain to the hindered amine light stabiliser segment of the applicants as a whole, which comprises several products including HALS 944, HALS 622, HALS 119, HALS 783 and HALS 701, and not to the product under consideration alone, whereas the Authority has relied upon the verified information relating exclusively to the product under consideration. It is also noted that the de-bottlenecking referred to in the public statements occurred prior to the period of investigation, and that the accumulation of inventories which compelled the domestic industry to curtail production intermittently is not explained by the operational factors relied upon. The submission is not accepted.

181. With regard to the submission that the return of 22% on average capital employed adopted for the determination of the non-injurious price is excessive and unreasonable, the Authority notes that the non-injurious price has been determined in terms of Annexure III to the Rules, which requires that a reasonable return be allowed on the average capital employed for the product under consideration towards recovery of interest, corporate tax and profit. The Authority has consistently allowed a pre-tax return of 22% on average capital employed for this purpose across investigations, and the said return is allowed uniformly and is not determined by reference to the rate of interest prevailing at any given time, the return being intended to cover interest, corporate tax and profit taken together. The return on capital employed of a site of the BASF Group at Jurong, Singapore, placed on record as Exhibit-A, relates to a different producer, a different product and a different market, and does not afford a basis for departing from the methodology prescribed under Annexure III in the present investigation. No material has been placed on record in the present investigation warranting a departure from the consistent practice of the Authority. The submission is, therefore, not accepted.

182. With regard to the submissions that the impact of high fixed costs and start-up costs of the applicants must be removed while computing the non-injurious price and the injury margins, and to the request of M/s Suqian Unitech Corp., Ltd. that the methodology recorded in the disclosure statement be confirmed, the Authority notes that the non-injurious price in the present investigation has been determined by adopting the best quarter-on-quarter utilisation of raw materials and utilities achieved during the period of investigation and the preceding years since commencement of production, valued at the rates prevailing during the period of investigation, and by considering the fixed cost at the higher of [***]% capacity utilisation as envisaged in the project report or the highest capacity utilisation achieved in any quarter during the period of investigation and the preceding years since commencement of production. The high fixed costs attributable to the start-up phase and to the low capacity utilisation of the domestic industry have accordingly not been considered in the determination of the non-injurious price. The methodology so adopted is in accordance with Rule 4(iii) of Annexure III to the Rules.The said methodology is confirmed, and the observation recorded in the disclosure statement stands clarified accordingly.

183. With regard to the request of the Rianlon Group and the BASF Group that the anti-dumping duty, if recommended, be limited to a period of two years, the Authority notes that Section 9A(5) of the Act provides that an anti-dumping duty imposed under the said section shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of its imposition, and that the Rules provide for a review of the measure in terms of Rule 23 where circumstances so warrant. The present investigation concerns material retardation to the establishment of the domestic industry, which has been unable to break even in any year of its operations and whose cumulative losses exceed half of the investment made by it in setting up production of the product under consideration. A period shorter than the statutory period would not permit the remedial effect of the

measure to be realised or the domestic industry to establish itself. The request is, therefore, not accepted.

184. With regard to the submission of the BASF Group that the landed value should be adjusted to the extent of the net margin earned by BASF India Limited in the business of the product under consideration, the Authority notes that the landed value has been determined, in accordance with the consistent practice of the Authority, as the assessable value of the imports at the port of importation together with the applicable basic customs duty and landing charges, and represents the price at which the subject goods enter the Indian market. The said landed value is compared with the non-injurious price of the domestic industry determined at the ex-factory level. The margin earned by a related importer on its subsequent resale within India is a post-importation element which does not form part of the landed value and is not liable to be deducted therefrom. Acceptance of the submission would result in the injury margin being determined by reference to the internal commercial arrangements within a group of related entities rather than by reference to the price at which the subject goods enter the Indian market, and would place a producer exporting through a related importer in a more favourable position than one exporting to unrelated customers. The submission is, therefore, not accepted.

185. With regard to the submissions concerning the impact of the duty on the downstream masterbatch industry, the limited pricing power of MSME users, the quality consistency of the product of the domestic industry, the dependence of the market on a single domestic supplier and the time required for obtaining customer approvals upon a change of supplier, the Authority notes that these submissions are reiterations of contentions already examined in the relevant paragraphs of these final findings. The Authority reiterates that the impact of the recommended duty on the price of the downstream product has been quantified at less than 0.8%; that no evidence has been placed on record to show that an increase of that order in the cost of masterbatch cannot be passed on further down the value chain; that the installed capacity of the domestic industry at *** MT exceeds the entire demand in India of *** MT during the period of investigation, so that no demand-supply gap arises; that the imposition of anti-dumping duty does not restrict imports but only ensures that they enter the Indian market at fair prices; and that the users and importers have themselves reported that there are no long-term contracts with suppliers. The customer communications placed on record show that the negotiations with the domestic industry were solely on price and that no concern as to quality was raised, and the domestic industry has itself exported the subject goods and increased its domestic sales. The prices of imports prevailing prior to the commencement of domestic production were higher, and the user industry has not demonstrated that its competitiveness, employment or export performance was adversely affected during that period.

186. With regard to the submissions of the domestic industry concerning the consequences of a cessation of domestic production, the restoration of a level playing field and the encouragement of domestic manufacturing, The Authority notes that the purpose of an

anti-dumping measure is to offset the injurious effect of dumping and to restore conditions of fair competition in the Indian market, and that the measure recommended herein is confined to the extent necessary to remove the injury to the domestic industry. The considerations relating to the environmental practices and the corporate social responsibility initiatives of the applicants, while noted, do not form part of the determination required to be made under the Rules.

187. With regard to the submission of the domestic industry that the producers in China PR benefit from subsidy programmes of the Government of China, the Authority notes that the present investigation is an anti-dumping investigation under Section 9A of the Act read with the Anti-Dumping Rules, and that the existence or otherwise of countervailable subsidies is not a matter falling for determination in these proceedings.

188. The Authority has examined the remaining post disclosure comments of the interested parties and finds that they are reiterations of submissions already made during the course of the investigation and already examined in the relevant paragraphs of these final findings. Save as recorded hereinabove, the essential facts disclosed vide the disclosure statement dated 16th September 2026 stand confirmed.

L. CONCLUSION

189. Having regard to the contentions raised, the information provided and the submissions made by the interested parties, and the facts available before the Authority as recorded above, and on the basis of the above analysis of dumping, injury in the form of material retardation to the establishment of the domestic industry and causal link, the Authority concludes that:

i. The present investigation was initiated under Section 9A of the Act read with Rule 5 of the Rules on the basis of a duly substantiated application filed by Clean Science and Technology Limited and Clean Fino-Chem Limited concerning imports of Bis (2,2,6,6-Tetramethyl-4-Piperidyl) Sebacate (UV 770) originating in or exported from the European Union and China PR.

ii. Clean Science and Technology Limited and Clean Fino-Chem Limited account for the entire Indian production of the like article during the period of investigation, are not related to any exporter of the subject goods in the subject countries or to any importer of the product under consideration in India and have not imported the subject goods, and accordingly constitute the "domestic industry" within the meaning of Rule 2(b) of the Rules and satisfy the requirement of standing under Rule 5(3) of the Rules.

iii. The product manufactured by the domestic industry bears CAS No. 52829-07-9, is technically and commercially substitutable with the product under consideration imported from the subject countries and is a like article thereto within the meaning of Rule 2(d) of the Rules. No product differentiation warranting the adoption of a product control number methodology has been established.

iv. None of the producers/exporters from China PR has claimed market economy treatment so as to rebut the presumption of non-market economy status. The normal value for China PR has accordingly been determined under Para 7 of Annexure I to the Rules on the basis of the price payable in India, constructed with reference to the cost of production of the domestic industry, duly adjusted to include selling, general and administrative expenses and a reasonable profit margin. The normal value for the European Union has been determined on the basis of the ex-factory domestic selling price of the cooperating producer.

v. The product under consideration has been exported to India from the subject countries at prices below its normal value, resulting in dumping. The dumping margins determined for the producers/exporters from the subject countries are above the de minimis level and are significant.

vi. The requirements for a cumulative assessment of the effect of the subject imports in terms of Article 3.3 of the Anti-Dumping Agreement read with para (iii) of Annexure II to the Rules are satisfied, the dumping margin and the volume of imports from each subject country being above the de minimis and threshold levels respectively, and a cumulative assessment is appropriate having regard to the conditions of competition between the imports from the subject countries inter se and between such imports and the like article produced by the domestic industry.

vii. The applicants have commissioned new plants with dedicated production lines for the product under consideration and its intermediates, entailing a combined investment of more than ₹ *** crores, with no material overlap with the existing infrastructure, customers or marketing channels of the applicants. The domestic industry has not been established, and the injury suffered by it is in the nature of material retardation to the establishment of an industry.

viii. Imports of the product under consideration from the subject countries increased in absolute terms during the period of investigation as compared to preceding year, accounted for *** % of Indian consumption and were equivalent to *** % of domestic production, and constituted substantially the entirety of the imports into India during the period of investigation. The landed price of the subject imports remained below the cost of sales of the domestic industry throughout the period of investigation. While the price undercutting determined with reference to the actual selling price of the domestic industry is negative, the domestic industry, being a new producer seeking to establish itself against suppliers with long standing distribution relationships, was constrained to sell below the landed price of imports in order to secure customers, and the projected selling price of the domestic industry was undercut by the landed price of the subject imports by *** %.

ix. The net sales realisation of the domestic industry during the period of investigation was 36% below its projected selling price, whereas its cost of sales was only 11% below the projected cost of sales. The prices of the domestic industry have accordingly been suppressed and depressed by the subject imports.

x. The production, capacity utilisation, domestic sales and market share of the domestic industry remained materially below the levels projected at the time of making the investment, its production being *** % and its domestic sales *** % below projection and its capacity utilisation being *** % as against the projected *** %, notwithstanding that its installed capacity of *** MT exceeds the entire demand in India.

xi. The inventories of the domestic industry increased throughout the injury period and were the highest during the period of investigation, compelling the domestic industry to curtail its production intermittently.

xii. The domestic industry has incurred financial losses and cash losses and has recorded a negative return on capital employed in every year of its operations, as against the profits, cash profits and positive return on capital employed projected by it, and its cumulative losses are quite significant in comparison to the investment made by it in setting up production of the product under consideration. The ability of the domestic industry to raise capital investment has been adversely affected.

xiii. The other known factors examined in the non-attribution analysis, namely imports from third countries, contraction in demand, changes in the pattern of consumption, conditions of competition and trade restrictive practices, developments in technology, productivity, the export performance of the domestic industry, the performance of other products of the applicants, start-up inefficiencies and operational challenges and plant shutdowns, have not caused injury to the domestic industry.

xiv. The dumped imports of the product under consideration from the subject countries have materially retarded the establishment of the domestic industry in India, and there exists a causal link between such dumped imports and the material retardation so suffered.

xv. The injury margins determined for the producers/exporters from the subject countries are positive and significant.

xvi. Imposition of anti-dumping duty is not against the wider public interest. The impact of the duty on the price of the downstream product has been quantified at less than 0.8%. The installed capacity of the domestic industry is sufficient to cater to the entire demand in India, and the imposition of anti-dumping duty will not restrict imports or lead to scarcity of the subject goods or to a situation of monopoly in the Indian market.

M. RECOMMENDATION

190. The Authority notes that the investigation was initiated and notified to all interested parties and that adequate opportunity was given to the domestic industry, exporters, importers and other interested parties to furnish information and to present their views on the issues arising in the investigation. Having concluded that the product under consideration has been exported to India from the subject countries at dumped prices, that the establishment of the domestic industry has been materially retarded and that such

material retardation has been caused by the dumped imports, the Authority is of the view that imposition of anti-dumping duty is necessary on imports of the product under consideration from the subject countries.

191. The Authority, in terms of the second proviso to Rule 17(1)(b) of the Rules, recommends imposition of anti-dumping duty equal to the lesser of the margin of dumping and the margin of injury, so as to remove the injury to the domestic industry.

192. Considering the facts and circumstances of the case as established hereinabove, anti-dumping duty equal to the amount indicated in Column (7) of the duty table given below is recommended to be imposed from the date of the notification to be issued in this regard by the Central Government, on all imports of the product under consideration originating in or exported from the subject countries, for a period of five (5) years.

Non-Confidential

DUTY TABLE

SN	Heading/ sub-heading	Description of goods	Country of origin	Country of export	Producer	Amount (USD)/ MT
1	**2**	**3**	**4**	**5**	**6**	**7**
1	29333990, 38123990	Bis (2,2,6,6-Tetramethyl-4-Piperidyl) Sebacate (UV 770)	China PR	Any country including China PR	Suqian Unitech Corp., Ltd.	469.00
2	-do-	-do-	China PR	Any country including China PR	Rianlon Kaiya Company Limited	646.00
3	-do-	-do-	China PR	Any country including China PR	Any other than S. No. 1 and 2	1070
4	-do-	-do-	Any country other than China PR and European Union	China PR	Any	1070
5	-do-	-do-	European Union	Any country including European Union	BASF Lampertheim GmbH	1,565.00
6	-do-	-do-	European Union	Any country including European Union	Any other than S. No. 5	2,052.00
7	-do-	-do-	Any country other than European Union and China PR	European Union	Any	2,052.00

*Note: Customs classification is only indicative and the determination of anti-dumping duty shall be made as per the description of the product under consideration. The product under consideration is imported under sub-headings 29333990 and 38123990 of the First Schedule to the Customs Tariff Act, 1975.

193. The application of the individual rates of anti-dumping duty specified for the companies mentioned in the above duty table shall be conditional upon presentation to the 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 Bis (2,2,6,6-Tetramethyl-4-Piperidyl) Sebacate (UV 770) sold for export to India covered by this invoice was manufactured by (company name and address) in (country). I declare that the information provided in this invoice is complete and correct.'*

194. If no such invoice is presented, the rate of duty applicable to "any other" producer shall apply. This requirement is without prejudice to the verification procedures independently undertaken by the customs authorities under the applicable customs law and regulations.

N. FURTHER PROCEDURE

195. 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 16:06:42

(Amitabh Kumar)
Designated Authority