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Government of India
Ministry of Commerce & Industry
Department of Commerce
(Directorate General of Anti-Dumping & Allied Duties)
4th Floor, Jeevan Tara Building
5 Parliament Street, New Delhi – 110001

Dated 20th March, 2017

Notification

Final Findings

Subject: Anti-Dumping Investigation concerning import of “Clear Float Glass of nominal thicknesses ranging from 4mm to 12mm (both inclusive)” originating in or exported from Iran.

No. 14/7/2015-DGAD: - 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 Rules) thereof;

2. Whereas the Designated Authority (hereinafter referred to as the Authority), under the Rules, received a written application from M/s Gold Plus Glass Industry Ltd., M/s HNG Float Glass Ltd. and M/s Saint-Gobain India Private Ltd., (hereinafter also referred to petitioners or applicants) alleging dumping of Clear Float Glass of nominal thicknesses ranging from 4mm to 12mm (both inclusive) (hereinafter also referred to as subject goods) from Iran (hereinafter also referred to as subject country).

3. Whereas the Authority on the basis of sufficient evidence submitted by the applicant on behalf of the domestic industry, issued a public notice dated 23rd December, 2015 published in the Gazette of India, Extraordinary, initiating anti-dumping investigations concerning imports of the subject goods, originating in or exported from the subject countries, in accordance with the sub-Rule 6(1) of the Rules, to determine the existence, degree and effect of alleged dumping and to consider recommendation of the anti-dumping duty.

A. PROCEDURE

4. The following Procedure described below has been followed with regard to this investigation:

- i. The Authority notified the embassy of the subject country in India about the receipt of dumping application before proceeding to initiate the investigation in accordance with sub-Rule 5(5) of the Anti-Dumping Rules.
- ii. The Authority on the basis of sufficient evidence submitted by the applicant on behalf of the domestic industry, issued a public notice dated 23rd December, 2015, published in the Gazette of India, Extraordinary, initiating anti-dumping investigation concerning imports of the subject goods, originating in or exported from Iran.
- iii. The Authority forwarded a copy of the public notice to all the known exporters and other interested parties (whose details were made available by the Applicant) and industry associations and gave them opportunity to make their views known in writing in accordance with the Rule 6(2) of the Anti-dumping Rules.
- iv. The Authority provided a copy of the non-confidential version of the application to the known exporters and the embassy of the subject country in India in accordance with Rule 6(3) of the Anti-dumping Rules. A copy of the Application was also made available to other interested parties, upon request.
- v. The Authority sent questionnaires to elicit relevant information to the following known exporters in subject countries in accordance with Rule 6(4) of the Antidumping Rules:
 - a. M/s Ardakan Float Glass Co., Iran
 - b. M/s Kaveh Float Glass Company, Iran
- vi. Response to questionnaire was filed by M/s Ardakan Float Glass Co., Iran, and its related exporter from Oman M/s Symbol White International L.L.C, Oman, M/s Kaveh Float Glass Company, Iran and its related exporter from Germany M/s Bismaak GMBH, Germany.
- vii. Questionnaires were sent to the following known importers/users / associations of subject goods in India calling for necessary information in accordance with Rule 6(4) of the Anti-dumping Rules:
 - 1 Atlantic Trading – Mumbai
 - 2 KanchGhar – Mumbai
 - 3 Rajat Glass Traders – Karad
 - 4 Chandan Glass Traders – Pune
 - 5 Kochhar Glass Traders – Bhopal
 - 6 Ganeriwala Brothers Pvt Ltd – Kolakata
 - 7 Sure Safe Group/ Ganeriwala Glass Traders Kolkata
 - 8 RidhiSidhi, Jaipur
 - 9 T. L. Verma, Chandigarh
 - 10 Jagdamba Glass, Delhi
 - 11 Sheesh Mahal Tuff, Rohtak
 - 12 Nutan Glass Hs(P) ltd, Bangalore
 - 13 Mahaveer Glass Hs, Bangalore

- 14 Impact Safety Glass (P) Ltd, Bangalore
- 15 Mahaveer Glass, Chennai / Navakar / MahaveerMirror, Vishakhapatnam
- 16 All India Flat Glass Manufacturers Association
- 17 Federation of Safety Glass

- viii. None of the importer has responded to the initiation notification. In addition to above Iran Glass Association also made submissions during the course of the proceedings.
- ix. The Authority made available non-confidential version of the evidence presented by various interested parties in the form of a public file kept open for inspection by the interested parties.
- x. Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to arrange for details of imports of subject goods for the past three years and the period of investigation. The Authority has, therefore, relied upon the DGCI&S data for computation of the volume of imports.
- xi. Optimum cost of production and cost to make & sell the subject goods in India based on the information furnished by the domestic industry on the basis of Generally Accepted Accounting Principles (GAAP) was worked out so as to ascertain if anti-dumping duty lower than the dumping margin would be sufficient to remove injury to Domestic Industry. The NIP has been determined by the Authority in terms of the principles laid down under Annexure III to the Anti-Dumping Rules.
- xii. Information provided by 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 confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis was directed to provide sufficient non-confidential version of the information filed on confidential basis.
- xiii. In accordance with Rule 6(6) of the Anti-Dumping Rules, the Authority also provided opportunity to the interested parties to present their views orally in hearing held on 8th July, 2016. The parties, which presented their views in the oral hearings, were requested to file written submissions of the views expressed orally, followed by rejoinder submissions. The Authority again provided opportunity to the interested parties, in view of new Designated Authority in place, to present their views orally in hearing held on 2.11.2016. The parties, which presented their views in the oral hearings, were requested to file written submissions of the views expressed orally, followed by rejoinder submissions.
- xiv. The submissions made by the interested parties during the course of the investigation have been considered by the Authority, wherever found relevant, in this finding.

Verification to the extent deemed necessary was carried out in respect of the information & data submitted by the domestic industry.

- xv. Investigation was carried out for the period starting from 1st January 2014 to June 2015 (POI). The examination of trends, in the context of injury analysis, covered the period from April 2011-March 2012, April 2012-March 2013 April, April 2013-March 2014 and the POI.
- xvi. The submissions made by the interested parties during the course of the present investigation and considered relevant by the Authority have been addressed in this disclosure statement.
- xvii. ***In this disclosure statement represents information furnished by an interested party on confidential basis, and so considered by the Authority under the Rules.
- xviii. The average exchange rate of 1US\$ = Rs 62.51 prevailing during the POI has been adopted by the Authority in this finding.

B. Product Under Consideration and Like Article

Submissions made by producers/exporters/importers/other interested parties

5. None of the exporters, importers or consumers has offered any views with regard to product under consideration.

Submissions made by the Domestic Industry

6. The product under consideration for the purpose of present investigation is “Clear Float Glass of nominal thicknesses ranging from 4mm to 12mm (both inclusive)”, the nominal thickness being as per BIS 14900:2000.

7. Clear Float Glass is used in construction, refrigeration, mirror and solar energy industries etc. The product is a superior quality of glass. Due to its inherent strength, high optical clarity, distortion free smooth surface etc., the applications of the product have been increasing for different purposes.

8. Float Glass is classified under Chapter Heading 70 “Glass and glassware”. However, the subject goods are also being imported under tariff headings 7003, 7004, 7005, 7009, 7019, 7013, 7015, 7016, 7018 and 7020. It is also submitted that the custom classification is indicative only and in no way, it is binding upon the product scope of the Customs Tariff Act, 1975.

9. There is no known difference in the subject goods produced by the domestic industry and that imported from the subject countries. The subject goods produced by the domestic industry and the subject goods imported from subject countries are comparable in terms of characteristics such as physical and chemical characteristics, manufacturing process and technology, functions and uses, product specifications, distribution and marketing & tariff classification of the goods.

Examination of the Authority

10. The product under consideration for the purpose of present investigation is “Clear Float Glass of nominal thicknesses ranging from 4mm to 12mm (both inclusive)”, (hereinafter referred to as the “subject goods”).

11. Clear Float Glass is used in construction, refrigeration, mirror and solar energy industries etc. The product is a superior quality of glass. Due to its inherent strength, high optical clarity, distortion free smooth surface etc., the applications of the product have been increasing for different purposes and classified under Chapter Heading 70 “Glass and glassware”. However, the subject goods are also being imported under tariff headings 7003, 7004, 7005, 7009, 7019, 7013, 7015, 7016, 7018 and 7020. It is also submitted that the custom classification is indicative only and in no way, it is binding upon the product scope of the Customs Tariff Act, 1975.

12. With regard to like article, Rule 2(d) of the Anti-dumping Rules provides as under:

"like article" means an article which is identical or alike in all respects to the article under investigation for being dumped in India or in the absence of such article, another article which although not alike in all respects, has characteristics closely resembling those of the articles under investigation."

13. The Authority notes that there is no known difference in product under consideration produced by the Indian industry and exported from subject country. Product under consideration produced by the Indian industry and imported from subject country is comparable in terms of characteristics such as physical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. The subject goods produced by the domestic industry are like article to the product under consideration imported from subject countries within the scope and meaning of Rule 2(d) of anti-dumping Rules.

C. Domestic Industry and Standing

Submissions made by producers/exporters/importers/other interested parties

14. It is contended by certain interested parties that the Domestic Industry has withheld the information relating to production in the non-confidential version because they does not have the standing in terms of Rule 2(b).

Submissions made by the Domestic Industry

15. The petition has been filed by M/s Gold Plus Glass Industry Ltd., M/s HNG Float

Glass Ltd. (HNG) and M/s Saint-Gobain India (Pvt.) Ltd. (SGIPL), accounting for more than 50% of the total Indian production. Moreover, it is submitted that the petitioners have neither imported the subject goods from subject country nor they are related to any importer of the subject goods from subject country. Therefore, the applicants satisfy the requirements of 'standing' under Rule 5 of the AD Rules and also constitute 'Domestic Industry' in terms of Rule 2(b) of the AD Rules.

Examination of the Authority

16. Rule 2(b) of the AD Rules defines domestic industry as under: -

“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”

17. The Application has been jointly filed by M/s Gold Plus Glass Industry Ltd., M/s HNG Float Glass Ltd. and M/s Saint-Gobain India (Pvt.) Ltd and they constitute 84% of the total production. There are two other producers, namely M/s Asahi India Glass Limited (AIS) and Gujarat Guardian Ltd. (GGL) who had neither supported nor opposed the petition. The Authority notes that the petitioners account for a major proportion in total production of the like product produced in India. It is further noted that none of petitioners has imported the product under consideration, nor they are related to an importer or exporter of the product under consideration. Therefore, the petitioners constitute 'Domestic Industry' in terms of Rule 2(b) of the AD Rules. Since the application is filed by applicants account for more than 50% of the total domestic production, it satisfies the requirements of 'standing' under Rule 5 of the AD Rules.

D. Confidentiality

Submissions made by producers/exporters/importers/other interested parties

18. The various submissions made by the producers/exporters/importers/other interested parties during the course of the present investigation with regard to confidentiality and considered relevant by the Authority are as follows:

- i. The petition suffers from excessive confidentiality. The petition provides absolutely no information with respect to volume related information also.
- ii. Information relating to petitioner's policy regarding its distribution channels, commission/discount policy, credit terms, normal value calculation etc also kept as

confidential.

- iii. The domestic industry has claimed and has been allowed excessive confidentiality in the sense that they have not made available their annual report in the public file.
- iv. Domestic Industry has also not provided the details of their costing.

Submissions made by the domestic industry

19. The various submissions made by the domestic industry with regard to confidentiality and considered relevant by the Authority are as follows:

- i. Excessive confidentiality has been claimed by the exporters. Exporters had not only claimed confidentiality on the volume related information but also kept certain narrative portion of the response as confidential.
- ii. Non-confidential versions of the questionnaire response were not the exact replica of the confidential version filed by the exporters.
- iii. Petitioner has claimed confidentiality on information provided by them as allowed in rule 7 of the AD rules and a meaningful summary of such information with narrative description were also provided in the non-confidential version of the petition. The claims of interested parties that the petitioner has claimed excessive confidentiality are baseless.

Examination of the Authority

20. The various submissions made by the interested parties during the course of the present investigation with regard to confidentiality and considered relevant by the Authority are examined and addressed as follows:

- i. With regard to confidentiality of information Rule 7 of Anti-dumping Rules provides as follows:-

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

(2) The designated authority may require the parties providing information on confidential basis to furnish non-confidential summary thereof and if, in the opinion of a

party providing such information, such information is not susceptible of summary, such party may submit to the designated authority a statement of reasons why summarization is not possible.

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

- ii. 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 confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis was directed to provide sufficient non confidential version of the information filed on confidential basis. The Authority made available the non-confidential version of the evidences submitted by various interested parties in the form of public file.

E. Miscellaneous Submissions

Submissions made by producers/exporters/importers/other interested parties

21. The miscellaneous submissions made by the producers/exporters/importers/other interested parties during the course of the present investigation and considered relevant by the Authority are as follows:

- i. The application filed by the Domestic Industry is not in the form and manner prescribed by the Authority.
- ii. The petition is deficient and therefore the investigation needs to be terminated.
- iii. Certifications provided by Domestic Industry are not correct and even not covering the complete period of investigation.
- iv. Domestic Industry has not provided complete information in Proforma IV B in the non-confidential version as per the formats prescribed by the Authority.

Submissions made by the Domestic Industry

22. The miscellaneous submissions made by the domestic industry during the course of the present investigation and considered relevant by the Authority are as follows:

- i. The supply chain of responding exporters are not complete and therefore, their

response needs to be rejected.

- ii. Exchange rate for POI prevailing in Iran, Oman and Germany needs to be disclosed. Further, Domestic Industry also requested the Authority to disclose whether producers / exporters are claiming weighted average rate or monthly.
- iii. With regard to initiation, the Authority notes the said certificates were signed prior to initiation. However, since the Authority extended the POI at the time of initiation, the certificates were again signed post-initiation for revised POI for January 2014 to June 2015.
- iv. In relation to filing incomplete information, it is submitted that the Domestic Industry has provided all the information as per prescribed format.

Examination of the Authority

23. The various miscellaneous issues raised by the interested parties during the course of the present investigation and considered relevant by the Authority are examined herein below:

- a. As regards the argument of the opposite interested parties that the petition is deficient and therefore the investigation needs to be terminated, the Authority notes that the present investigation was initiated on the basis of *prima facie* evidence furnished by the domestic industry showing dumping, injury and dumping causing injury to the domestic industry. There was sufficient evidence to justify the initiation of the anti-dumping investigation and it is in accordance with the AD Act and Rules. The Authority also called additional information wherever required and verified the information furnished by the domestic industry.
- b. With regard to the argument on certificates, it is noted that the same are complete and correct for the period of investigation. In the context of certain deficient formats, it is noted that the same were complete and as per the prescribed formats.
- c. In relation to the allegation of the Domestic Industry that supply chain of the responding interested party are not complete, the same have been discussed under the relevant paragraphs relating to the computation of dumping margin.

DUMPING MARGIN

MARKET ECONOMY TREATMENT (MET), NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN

24. While the domestic industry submitted that considering China as a non market economy, normal value for China PR should be determined in terms of Para 7 of Annexure-I of the Anti-Dumping Rules, on the basis of cost of production in India, duly adjusted, including selling, general and administrative expenses and reasonable profit, none of the exporters, importers, users and other interested parties has made any relevant submission in this regard. None of the respondent Chinese producers/exporters in the present investigation have filed Market Economy Treatment questionnaire response and claimed market economy treatment.

F. Determination of Normal Value

Normal Value

25. Under Section 9A (1) (c), normal value in relation to an article means:-

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

Provisions relating to Non- Market Economy countries

26. Annexure-I to AD rules states as under:

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

given a reasonable period of time to offer their comments.

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

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

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

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

- (a) the decisions of the concerned firms in such country regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment, are made in response to market signals reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs substantially reflect market values;
- (b) the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets, other write-offs, barter trade and payment via compensation of debts;
- (c) Such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms, and
- (d) The exchange rate conversions are carried out at the market rate.

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

Submissions made by producers/exporters/importers/other interested parties

27. The submissions concerning normal value, export price and dumping margin made by the producers/exporters/importers/other interested parties during the course of the investigation and considered relevant by the Authority are as follows:

- i. The Domestic Industry did not produce any evidence in support of their claim for normal value as well as export price. In this connection, it is submitted that no investigation is tenable without the fulfilment of the basic evidentiary standards and, therefore, the present investigation must be terminated immediately.
- ii. The conditions specified in the relevant provisions do not include “non-availability” of data relating to domestic selling prices as a ground for construction of normal value. The basis stated in the application for resorting to constructed normal value is thus erroneous.
- iii. The estimate of inland freight, ocean freight, commission, etc., provided by the Domestic Industry is also not supported by any evidence. The application did not contain any evidence as to how the figures cited were arrived at and what the relevant calculations are.
- iv. The normal value and export price arrived at by petitioners in the petition cannot be accepted as correct since petitioners have not made available any evidence to support their computations.
- v. The Designated Authority has also not followed the prescribed procedure with regard to Normal Value terms of paragraph 7 of Annexure I of the Anti-dumping Rules.
- vi. The adjustments made by the Applicants with respect to the export price are abnormally high and unsupported by any evidence. Therefore, the Authority should use correct adjustments while computing Export price.
- vii. Total quantum of imports from Iran is very low and constitutes only around 4% of the demand in India and therefore, no duties should be recommended against imports from Iran.

Submissions made by the Domestic Industry

28. The submissions made by the domestic industry concerning normal value, export price and dumping margin and considered relevant by the Authority are as follows:

- a. Responding exporters from Oman and Germany have failed to provide the transaction-wise linkage between the subject goods procured from producers in Iran and exported to India. In view thereof, the responses of the exporters are liable to be rejected in line with the view taken by the Authority in recent findings.
- b. Responding exporter has specifically withheld information from the Authority in relation to supply of raw material and utilities. As per the understanding of the Domestic Industry, producers in Iran are getting raw materials and utility at less than market value. Even the costing heads have not been provided in Appendix 8, which gives rise to a suspicion that they are attempting to hide something or to mislead the Authority.

- c. Responding exporter has also misled the Authority by not disclosing the fact that there are significant differences in the export sales and domestic sales regarding packing, freight, delivery terms and payment terms while charting differences in export and domestic sales. Further, they have also not provided any details about service support they are providing in domestic market.
- d. Responding exporters have not provided any information about their SG&A expenses and profits which are required to be deducted to arrive at the ex-factory export price.
- e. The Authority should deduct complete SG&A and profit of exporters from the export price in addition to the actual expenses incurred by them to arrive at the ex-factory export price.

Examination of the Authority

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

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

30. The Authority sent questionnaires to the known exporters from the Iran, advising them to provide information in the form and manner prescribed. However, barring the following producer and exporters, none of the other producers/exporters from Iran co-operated in this investigation by filing the prescribed questionnaire responses,

- a. M/s Ardakan Float Glass Co., Iran (Producer)
- b. M/s Symbol White International L.L.C, Oman, (Exporter)
- c. M/s Kaveh Float Glass Company, Iran (Producer)
- d. M/s Bismaak GMBH, Germany (Exporter)

31. Since the above mentioned producers/exporters have filed the questionnaire response,

the Authority proposes to determine individual dumping margin in respect of these companies. The general methodology adopted by the Authority for determination of Normal Value for these exporters is to first examine whether the domestic sales of the subject goods by the responding exporters in their home markets were representative and viable for permitting determination of Normal Values on the basis of domestic selling prices and whether the ordinary course of trade test was satisfied as per the data provided by the respondents. In other cases, i.e., where the domestic sales of the subject goods by the responding exporters in their home markets are not representative and viable for permitting determination of Normal Values on the basis of domestic selling prices and where the ordinary course of trade test is not satisfied, the costs of production including SG&A expenses claimed by the respective exporters is accepted after due verification and after adding 5% towards profit to arrive at the normal value.

32. In the case of non-cooperating exporters in the subject countries, the Authority proposes to determine the normal value on the basis of facts available in terms of Rule 6 (8) of AD Rules read with Article 6.8 of the Agreement.

33. The Authority proposes to determine the normal value, export price and dumping margin in respect of producers/exporters of the subject goods as follows:

Normal Value of M/s Kaveh Float Glass Company, Iran. (“Kaveh”)

34. The questionnaire response filed by Kaveh has been examined and it is found that the respondent has provided domestic sales price details of the subject goods in Appendix-1 of their response. It was noted that the weighted average domestic selling price so determined was less than the weighted average domestic cost of production and it was also noted that the loss making transactions were more than 20% of the total sales. Therefore, the Authority has proceeded to determine the normal value based only on the profitable sales in terms of the provisions of Annexure I of the AD Rules. The adjustments claimed by Kaveh has been verified and accepted to the extent found correct. The proposed Normal value of Kaveh so determined works out to US\$ ***per MT.

Export price of M/s Kaveh Float Glass Co., Iran (Producer) and M/s Bismaak GMBH, Germany (Exporter)

35. As per the exporter’s questionnaire response (EQR), M/s Bismaak GMBH (Exporter from Germany) exported the subject goods produced by M/s Kaveh Float Glass Co. from Iran (Producer). Both the companies have filed exporter questionnaire response. As per the EQ responses, during the POI, Kaveh Float Glass has exported 20,234 MT of subject goods to India through Bismaak GMBH. It is noted by the authority that Kaveh ships the finished subject goods directly to India and only the commercial invoicing is done through M/s Bismaak GMBH. Adjustment on account of inland freight, overseas freight, clearance & handling charges has been claimed and the same have been accepted after necessary verification. The authority has also made adjustment of SG&A and profit of trader for determination of export price. The proposed export price for Kaveh has been determined at US\$ *** per MT.

Normal Value in case of M/s Ardakan Float Glass Co., Iran.

36. The questionnaire response filed by the producer has been examined and certain deficiencies were pointed out to them during the course of investigation. Moreover, initially they have refused for their documents to be verified. However, during the second public hearing, their representatives submitted that they are willing for verification and, the Authority verified their data/information at their premises. However, during the verification visit also they have failed to produce satisfactory evidences in support of their information filed. In view thereof, their information in relation to normal value cannot be said to be reliable and, therefore, the Authority has constructed their normal value based on the best facts available as per Rule 6 (8) of AD Rules read with Article 6.8 of the Agreement. The proposed constructed normal value of the producer so determined works out to US\$ *** per MT.

Export price in case of M/s Ardakan Float Glass Co., Iran and M/s Symbol White International L.L.C, Oman

37. As per the exporter's questionnaire response (EQR), M/s Symbol White International L. L. C (Exporter from Oman) exported the subject goods produced by M/s Ardakan Float Glass from Iran (Producer). Both the companies have filed exporter questionnaire response. As per the EQ responses, during the POI, Ardakan Float Glass has exported 49,902 MT of subject goods to India through Symbol White. It is noted that Ardakan ships the finished subject goods directly to India and only the commercial invoicing is done through Symbol White. Adjustment on account of inland freight, overseas freight, clearance & handling charges has been claimed and the same have been accepted after necessary verification. The authority has also made adjustment of SG&A and profit of trader for determination of export price. The proposed export price for **Ardakan** has been determined at US\$ *** per MT.

Normal value in the case of other producers and exporters from Iran

38. In view of the non-cooperation of other exporters from Iran in this investigation, the normal value for other producers/exporters in Iran has been determined on the basis of facts available in terms of 6(8) of the Antidumping Rules and the same works out to US\$ *** per MT.

Export price in case of other producers and exporters from Iran

39. In view of the non-cooperation of other exporters from Iran in this investigation, the export price for other exporters has been determined on the basis of best facts available in terms of Rule 6(8) of the Antidumping Rules. The proposed net export price so determined works out to US\$ *** per MT.

DUMPING MARGIN

40. Considering the normal value and export price for subject goods as determined above, the dumping margin for the subject goods as a whole has been determined as follows,

Country	Exporter/Producer	Normal Value	Net Export Price	Dumping Margin		
		(US\$/MT)	(US\$/MT)	US\$/MT	%	Range
Iran	M/s Ardakan Float Glass Co., Iran (Producer) and M/s Symbol White International L.L.C, Oman, (Exporter)	***	***	***	***	25 - 35
Iran	M/s Kaveh Float Glass Company, Iran (Producer) and M/s Bismaak GMBH, Germany (Exporter)	***	***	***	***	(10)-5
Iran	others	***	***	***	***	25-35

G. INJURY AND CAUSAL LINK

Submissions made by the producers/exporters/importers/other interested parties

41. The following submissions have been made by the interested parties during the course of the present investigation and considered relevant by the Authority.

- i. Import prices have increased during the injury period and, therefore, the claim of the petitioner that the dumped imports are affecting profitability and its inability to increase its selling price has no merit, therefore, there is no volume loss.
- ii. Imports from Iran are negligible to have caused any injury to the Domestic Industry.
- iii. There has been admitted improvement in production, production capacity, sales, employment, productivity (per day as well as per employee), etc. Thus, injury claimed by domestic industry holds no merit.
- iv. The real cause for the alleged injury if any to the petitioner is not dumping of subject goods but rather due to other reasons such as the internal competition with other domestic producers and un-mindful investments.

Submissions made by the Domestic Industry

42. The following are the injury related submissions made by the domestic industry during the course of the present investigation and considered relevant by the Authority:

- i. Imports of the product under consideration have shown significant increase over the years with a significant increase in POI;
- ii. Imports have increased in relation to production and consumption in India;
- iii. Market share of Iran in demand is significant. Market share of the domestic industry has decreased in the POI as compared to the base year. The same is due to significant imports from Iran;
- iv. With reduction in the prices by the foreign producers, the only choice available to the Indian producers is to either realign their prices with the changes in the import prices or to lose orders and hence the market share;
- v. Domestic industry prices reflect the effect of the prices that are being offered by the importers in the domestic market;
- vi. Imported goods have been undercutting the prices of the domestic industry. Price undercutting in respect of the product under consideration is quite significant;
- vii. Inventories with the domestic industry increased in the POI as compared with the base year;
- viii. The profitability of the domestic industry has been severely affected in the period of investigation due to dumped imports from Iran. As a result of the increased volumes at dumped prices, the domestic industry is suffering injury during the injury investigation period. Further, it clearly indicates that the dumped imports from Iran have caused serious injury by preventing the domestic industry from increasing its prices to a remunerative level throughout the injury investigation period. Thus, the dumped imports have not only severely affected their profitability but also resulted in impediment of the legitimated return on investments to a very significant extent;
- ix. Decline in profitability of the domestic industry was due to significant increase in the import volume at non-remunerative prices from the subject countries.
- x. Increase in selling price was lower than the increase in cost of production and thus the dumped imports are creating price suppression effect on the domestic industry.
- xi. Domestic industry has suffered material injury in connection with dumping of subject goods from Iran. Further, the domestic industry is threatened with continued injury, should the present condition continue.

Examination of the Authority

43. Article 3.1 of the WTO Agreement and Annexure-II of the AD Rules provide for an objective examination of both, (a) the volume of dumped imports and the effect of the dumped imports on prices, in the domestic market, for the like products; and (b) the consequent impact of these imports on domestic producers of such products. With regard to the volume effect of the dumped imports, the Authority is required to examine whether there has been a significant increase in dumped imports, either in absolute term or relative to production or consumption in India. With regard to the price effect of the dumped imports, the Authority is required to examine whether there has been significant price undercutting by the dumped imports as compared to the price of the like product in India, or whether the effect of such imports is otherwise to depress the prices to a significant degree, or prevent price increases, which would have otherwise occurred to a significant degree.

44. As regards the impact of the dumped imports on the domestic industry para (iv) of Annexure-II of the AD Rules states as follows.

“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 natural and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of margin of dumping actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments.”

45. The injury analysis made by the Authority hereunder addresses the various submissions made by the interested parties. For the examination of the impact of imports on the domestic industry in India, the Authority has considered such indices having a bearing on the state of the industry as production, capacity utilization, sales quantum, stock, profitability, net sales realization, the magnitude and margin of dumping etc. in accordance with Annexure II(iv) of the Rules supra.

46. The Authority proposes to compute the non-injurious price in accordance with Annexure 3 to the Anti-dumping Rules and the established practices of the DGAD.

H. Volume Effect of Dumped Imports

Import Volume and Market Share

47. With regard to the volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports, either in absolute terms or relative to production or consumption in India. For the purpose of injury analysis,

the Authority has relied on the import data procured from DGCI&S data. Further, the Authority has removed undumped import volume of M/s Kaveh Float Glass Company, Iran from the total volume of imports from Iran as they are not dumped. The volume of imports of the subject good from Iran has been analyzed as under:

Particulars	Units	2011-12	2012-13	2013-14	POI	POI (Annualized)
Iran	MT	0	574	3067	67802	45201
Iran	Trend	0	100	534	11803	7869
Un-dumped Imports of Iran	MT				20234	13489
Dumped Imports of Iran	MT	0	574	3067	47568	31712
Dumped Imports of Iran	Trend		100	534	8281	5521
Other Countries	MT	24268	129878	49755	166005	110670
Other Countries	Trend	100	535	205	684	456
Total Imports Volume	MT	24268	130452	52822	233808	155872
Total Imports Volume	Trend	100	538	218	963	642
Demand	MT	749925	861209	843219	1381231	932853
Demand	Trend	100	115	112	184	124
Market share in Imports						
Dumped Imports of Iran	%	0.00%	0.44%	5.81%	20.00%	20.00%
Un-dumped Imports of Iran	%				9.00%	9.00%
Other Countries	%	100.00%	99.56%	94.19%	71.00%	71.00%
Market share in Demand	%					
Un-dumped Imports of Iran	%				1.46%	1.46%
Dumped Imports of Iran	%	0.00%	0.07%	0.36%	3.46%	3.46%
Other Countries	%	3.24%	15.08%	5.90%	12.02%	11.86%
Total Domestic Sales	%	96.76%	84.85%	93.74%	83.07%	83.29%

48. It is noted from the above table that dumped imports of the subject goods from Iran have increased in absolute terms in POI as compared to the year i.e., 2012-13 and 2013-14. It is also important to note that the imports from Iran were nil in the base year and therefore, this substantial increase imports during the injury period have caused injury to Domestic Industry.

49. Market share from Iran in relation to the overall imports has also gone up significantly from a mere 0.44% in the year 2012-13 to 20% during the POI. Similarly, the market share of Iran in the total demand has also increased from 0.07% to 3.46% during the same period. Thus, it is seen that the volumes of dumped imports from Iran have increased significantly in absolute terms as well as in relation to the overall demand in the country.

Price Effect of Dumped Imports on the Domestic Industry

50. With regard to the effect of the dumped imports on prices, the Designated 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 products 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. The impact on the prices of the domestic industry on account of the dumped imports from Iran has been examined with

reference to the price undercutting, price underselling, price suppression and price depression, if any. For the purpose of this analysis the cost of production, Net Sales Realization (NSR) and the Non-Injurious Price (NIP) of the Domestic industry have been compared with the landed cost of imports from Iran.

Price Undercutting

51. In order to determine whether the imports are undercutting the prices of the domestic industry in the market, the Authority has compared landed price of imports with net sales realization of the domestic industry.

Iran		2011-12	2012-13	2013-14	POI	POI (Annualized)
Landed price of Dumped Imports	Unit	0	10825	16321	17372	17372
Net Sales Realization	Rs./MT	***	***	***	***	***
Net Sales Realization- Trend	Trend	100	116	120	135	135
Price Undercutting	Rs./MT	***	***	***	***	***
Price Undercutting (%)	%	***	***	***	***	***
Price Undercutting (%)	Range %	0	75-85	20-30	30-40	30-40

Price undercutting of cooperative exporters

52. The Authority notes that the landed values of the subject goods were much below the selling price of the domestic industry showing significant price undercutting by the imports from Iran during the investigation period. The Authority finds merit in the argument of the Domestic Industry that it could not increase its selling price due to price pressure of low priced imports from Iran which have also increased substantially in quantitative terms in the POI.

POI		Kaveh	Ardakan
Landed Price	Rs/MT	***	***
Selling Price	Rs/MT	***	***
Price Undercutting	Rs/MT	***	***
Price Undercutting	%	***	***
Price Undercutting (%)	Range	15-25	15-25

Price Underselling

53. The Authority has also examined price underselling suffered by the domestic industry on account of dumped imports from Iran, as follows:

Particulars	Unit	Iran
NIP	Rs/MT	***
Landed price of Imports	Rs/MT	***
Price Underselling	Rs/MT	***
Price Underselling	%	***
Price Underselling	Range	40-50

Price underselling of cooperative exporters

54. It is noted from the above table that the domestic industry has suffered significant price underselling on account of imports of the subject goods from the subject countries.

Particulars	Unit	Kaveh	Ardakan
NIP	Rs/MT	***	***
Landed price of Imports	Rs/MT	***	***
Price Underselling	Rs/MT	***	***
Price Underselling	%	***	***
Price Underselling	Range	25-35	25-35

Price Suppression and Depression

55. In order to determine whether the imports are suppressing or depressing the domestic prices and whether the effect of such imports is to suppress prices to a significant degree or prevent price increases which otherwise would have occurred to a significant degree, the Authority considered the changes in the costs and prices over the injury period. Table below shows the factual position:

Particulars	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)
Landed Value of Dumped Imports from Iran	Rs./MT	0	10825	16321	17372	17372
Index	Indexed		100	151	160	160
Cost of Sales	Rs./MT	***	***	***	***	***
Trend	Indexed	100	109	117	115	115

Selling Price	Rs./MT	***	***	***	***	***
Trend	Indexed	100	116	120	135	135

56. Since there were no imports from Iran in the year 2011-2012, it would be more appropriate to make comparisons with the year 2012-13. It is also noted from the table above that both the cost of sales as well as prices have increased in the POI as compared to the base year. However, it is also noted that during the entire injury investigation period the landed value has consistently remained significantly below the cost of production and selling price of the subject goods preventing the Domestic Industry from increasing its selling price. Accordingly, it is apparent that the dumped imports of subject goods from Iran have suppressed the domestic industry's prices.

I. Economic Parameters of the Domestic Industry

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

58. The various injury parameters relating to the domestic industry are discussed herein below:

- i. **Market share:** The effect of the dumped imports on the domestic sales and the market share of the domestic industry has been examined as below:

	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)

Domestic Industry Sale	MT	486011	476297	558505	952692	635128
Domestic Industry Sale	Indexed	100	98	115	196	131
Sales of Other Domestic Producers	MT	239646	254459	231892	194731	141853
Sales of Other Domestic Producers	Indexed	100	106	97	81	59
Total Domestic Sales	MT	725657	730756	790397	1147423	776981
Total Domestic Sales	Indexed	100	101	109	158	107
Dumped Imports from Iran	MT	0	574	3067	47568	31712
Imports from Other Countries	MT	24268	129878	49755	166005	110670
Total Imports	MT	24268	130452	52822	233808	155872
Total Demand	MT	749925	861209	843219	1381231	932853
Trend	Indexed	100	115	112	184	124
Market share of Domestic Sales in demand	%	96.76%	84.85%	93.74%	83.07%	83.29%
Market share of Dumped Imports from Iran in Demand	%	0.00%	0.07%	0.36%	3.44%	3.40%
Market share of Other Countries in Demand	%	3.24%	15.08%	5.90%	12.02%	11.86%
Market share of Un-dumped Imports from Iran in Demand	%				1.46%	1.45%

As mentioned earlier, imports of the subject goods from Iran have increased in absolute terms throughout the injury investigation period. The imports have gone up from 0 MT in the base year of 2011-12 to 47568 MT (31712 MT annualized) during the POI, which shows a substantial increase in imports volume from Iran. It may also be noted that market share of domestic sales has decreased in the POI as compared to the all previous year whereas during the same period market share of imports from Iran increased substantially.

- ii. **Profitability:** It is noted that the Domestic Industry was in the process of recovering after the levy of anti-dumping duties against Saudi Arabia, UAE and Pakistan. However, low priced dumped imports from Iran have severely affected the profitability of the Domestic Industry. It is also seen that while the selling price saw an upward trend, however, it remained below the cost of production of the Domestic Industry resulting into continued losses to the Domestic Industry due to the overall pressure on their prices.

Particulars	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)
Cost of sales	Rs./MT	***	***	***	***	***
Trend	Indexed	100	107	119	115	115
Selling price	Rs./MT	***	***	***	***	***
Trend	Indexed	100	102	108	135	135
Profit/Loss	Rs./MT	***	***	***	***	***
Trend	Indexed	100	70	96	8	8
Profit/Loss	Rs. Lacs	***	***	***	***	***

Particulars	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)
Trend	Indexed	100	68	110	16	11
PBIT	Rs. Lacs	***	***	***	***	***
Trend	Indexed	100	43	132	-109	-67

iii. **Return on Investment:** The return on investment has seen similar trend as that of profitability as can be seen from the table below:

Particulars	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)
ROI	%	***	***	***	***	***
Trend	Indexed	-100	-75	-109	-10	-7

It is seen that the ROI continued to be negative during the entire injury investigation period even after the anti-dumping duty in place on inputs from other sources.

iv. **Production and Capacity Utilization:** It can be seen that the production of the Domestic Industry has increased which is largely due to the increase in production capacity which has increased by more than 29% keeping in view the increasing demand in the country. The capacity utilization of the Domestic Industry has remained in the same band. It is, however, noted that there are significant idle capacities lying with the Domestic Industry to cater to the increasing demand and, therefore, the Domestic Industry has suffered on account of significant idle capacities.

Particulars	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)
Capacity	MT	1047910	1080400	1080400	2031960	1354640
Capacity	Indexed	100	103	103	194	129
Total Production	MT	819328	858335	895189	1578509	1052339
Total Production	Indexed	100	105	109	193	128
Production - PUC	MT	527005	584789	620376	1118436	745624
Production - PUC	Indexed	100	111	118	212	141
Capacity Utilization	%	78%	79%	83%	78%	78%
Capacity Utilization	Indexed	100	102	106	99	99
Sales volume						
Domestic	MT	486011	476297	558505	952692	635128

Particulars	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)
Domestic	Indexed	100	98	115	196	131
Exports	MT	16269	19994	34510	45661	30441
Exports	Indexed	100	123	212	281	187
Total Sales	MT	502380	496390	593129	998550	665700
Total Sales	Indexed	100	99	118	199	133

v. **Sales Volumes:** It is noted that the sales volume from the Table above that the sales of Domestic Industry has also gone up throughout the injury investigation period. The sales have gone up which reflects the increasing market size. However, the Authority notes that even though the Domestic Industry has been able to increase its sales volume, it has nevertheless suffered on the price front leading to losses.

vi. **Inventories:** The data relating to inventory of the subject goods is shown in the following table:

Particulars	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)
Inventory	MT	***	***	***	***	***
Trend	Indexed	100	109	60	77	77

It is noted from the above table that the inventory of the Domestic Industry increased in the POI as compared to the year 2013-14, the period from which imports from Iran has started coming in India in huge quantities. This increase in inventory in the POI has hampered the financial performance of the Domestic Industry.

vii. **Employment and Wages:** The position with regard to employment and wages is as follows:

	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)
Employees	No.	1771	1757	1812	1828	1828
Trend	Indexed	100	99	102	103	103
Wages/employee	Rs	***	***	***	***	***
Trend	Indexed	100	196	218	363	242

viii. **Productivity:** It can be seen from the table below that productivity in terms of production per employee has increased in the POI as compared to the base year. Despite

increase in productivity, the performance of the Domestic Industry continued to be negative in POI. Accordingly, productivity is not a factor that can be attributed to injury.

	Unit	2011-12	2012-13	2013-14	POI	POI (Annualized)
Production (MT)	MT	527005	584789	620376	1118436	745624
Employees	No.	1771	1757	1812	1828	1828
Production/employee	MT/No.	298	333	342	612	408
Trend	Indexed	100	112	115	206	137

ix. **Magnitude of Dumping:** Magnitude of dumping is an indicator of the extent to which the dumped imports can cause injury to the domestic industry shows that the dumping margin determined against Iran is above *de minimis* and significant. The Authority has determined, that the dumping margin of the exporters range from (0) USD/MT to *** USD/MT, which is significantly high.

x. **Ability to raise Capital Investment:** The future investment in the sector is marred by the presence of dumped imports from Iran. The negative profitability, return on investment along with reduced cash flow indicates that the ability of the domestic industry to raise capital investments for the sector is seriously affected due to the dumped imports from the subject country.

xi. **Factors affecting domestic prices:** The examination indicates that there is a healthy demand for the subject goods in India. The low priced dumped import prices from Iran are directly affecting the prices of the domestic industry in the domestic market. It is also noted that the landed value of subject goods from Iran are significantly below the selling price and non-injurious price of the domestic industry causing significant price undercutting and underselling in the Indian market. The imports of the product under consideration from countries other than Iran and countries already attracting anti-dumping duties are not injuring the domestic industry or are at non-dumped prices as the prices offered by these countries are significantly higher. Demand for the product is showing an increasing trend and, therefore, could not have been a factor responsible for price depression and suppression faced by the domestic industry. It is thus evident that the dumped goods from Iran are responsible for the depressed and suppressed prices of the domestic industry.

xii. **Growth:** There was positive growth of the domestic industry in terms of sales and production in the POI as compared to the base year. However, profits, cash profit as well as ROI remained negative in the POI as compared to the base year despite significant increase in demand. The domestic industry has contended that with increase in capacity, the domestic industry had expected growth in profits, comfortable cash flow and increase in return on investments. However, the domestic industry was not able to achieve the same due to the presence of the dumped imports from Iran.

J. Conclusion on Material Injury

59. After examining the volume and price effects of imports of subject goods from subject country and its impact on the domestic industry, the Authority concludes that the dumped imports of the subject goods from Iran increased significantly throughout the injury investigation period in absolute terms as also in relation to production and demand of the subject goods in India. With regard to price effect on account of imports of subject goods from Iran, it is noted that imports of the subject goods from Iran is significantly undercutting the prices of domestic industry. The domestic industry has also suffered price suppression on account of imports of product under consideration from Iran as sales price of subject goods has not increased in comparison to increase in cost of production of subject goods during the injury period. Comparison of the landed values with the non-injurious prices of the Domestic Industry also reveals significant price underselling. With regard to consequent impact of the dumped imports on the domestic industry, it is concluded that even though the performance of the domestic industry has marginally improved in respect of production, capacity utilization and domestic sales, the performance remained negative in respect of profit, return on investment, inventories. Thus, the Authority concludes that the domestic industry has suffered material injury due to dumped imports from Iran during the period of investigation.

K. Other Known Factors & Causal Link

60. Having examined the existence of material injury, volume and price effects of dumped imports on the prices of the domestic industry, in terms of its price undercutting, underselling and price suppression, and depression effects, other indicative parameters listed under the Indian Rules and Agreement on Anti-dumping have been examined by the Authority to see whether any other factor, other than the dumped imports could have contributed to injury to the domestic industry.

(a) Volume and prices of imports from third countries

61. Imports of the product under consideration from countries other than Iran are at higher prices. It is evidenced from the table below that the import prices from other countries including countries already attracting anti-dumping measures were much higher than import price from Iran. It is also noted that the imports from Egypt are more than the 3%. However, it was found that the same are coming at relatively high and un-dumped prices.

Particulars		2011-12	2012-13	2013-14	POI	POI (Annualized)
Import Volume	Unit					
Dumped Imports from Iran	MT	0	574	3067	47568	31712
Un-dumped Imports from Iran	MT	0	0	0	20234	13489
China	MT	4507	8434	557	14700	9800
Pakistan	MT		4922	1249	13312	8875
Saudi Arabia	MT	7281	80246	39403	90773	60515
UAE	MT	8139	32425	8375	25426	16951
Egypt	MT	2536	0	22	13221	8814
Other Countries	MT	1805	3851	149	8574	5716

Total Imports	MT	24268	130452	52822	233808	155872
Share in Import Volume from	MT					
Dumped Imports from Iran		0%	0%	6%	20%	20%
Un-dumped Imports from Iran		0%	0%	0%	9%	9%
China	%	19%	6%	1%	6%	6%
Pakistan	%	0%	4%	2%	6%	6%
Saudi Arabia	%	30%	62%	75%	39%	39%
UAE	%	34%	25%	16%	11%	11%
Egypt	%	10%	0%	0%	6%	6%
Other Countries	%	7%	3%	0%	4%	4%
Import Price (CIF Value per MT)	%					
Dumped Imports from Iran		0	9717	14650	15513	15513
Un-dumped Imports from Iran					17217	17217
China	Rs/MT	15705	18115	13611	19957	19957
Pakistan	Rs/MT	0	12536	14140	16446	16446
Saudi Arabia	Rs/MT	11287	11752	14092	16283	16283
UAE	Rs/MT	13579	12802	15630	17955	17955
Egypt	Rs/MT	13954	0	21583	19020	19020
Other Countries	Rs/MT	23437	21644	51173	22555	22555

(b) Contraction of demand and changes in the pattern of consumption.

62. There has been a constant rise in demand of the product concerned throughout the injury period. Therefore, decline in demand is not as a possible reason of injury to the Domestic Industry.

(c) Developments in technology:

63. Technology for production of the product concerned has not undergone any change. Thus, development in technology is also not a factor causing injury to the domestic injury.

(d) Trade restrictive practices of and competition between the foreign and domestic producers

64. There is no trade restrictive practice, which could have contributed to the injury to the Domestic Industry as the raw materials as well as the subject goods are freely importable in the country.

(e) Export performance of the domestic industry

65. The exports of the domestic industry constitute an insignificant share in their total sales. In any case, the injury analysis has been done by the Authority taking into consideration their domestic operations only. Therefore, performance in the export market has not affected the present injury analysis.

(f) Productivity of the Domestic Industry

66. It is noted that the productivity of the domestic industry in terms of production per

employee as well as production per day has increased over the period.

67. It is thus noted that listed known other factors do not show that the domestic industry could have suffered injury due to these other factors. None of the interested parties has also provided any evidence to suggest that the material injury caused to the Domestic Industry is attributable to other known factors. On the other hand, the following parameters show that injury to the domestic industry has been caused by dumped imports:

- a. The imports of subject goods from Iran were significantly undercutting the prices of the domestic industry in the market. Resultantly, the domestic industry was not able to increase its prices commensurate with the increasing costs. In fact, the Domestic Industry could not increase its prices in the POI to recover its cost. The price depression and price suppression suffered by the domestic industry is primarily on account of the dumped imports of the product from Iran.
- b. The pressure on the domestic prices of the domestic industry led to continued losses and negative return on investment during the POI. The disability to increase price coupled with the increasing costs has materially injured the financial performance of the Domestic Industry.

68. It is therefore, provisionally concluded that the domestic industry suffered material injury due to dumped imports from subject countries.

L. Magnitude of Injury Margin

Injury Margin

69. The non-injurious price of the Domestic Industry determined has been compared with the landed value of the exports from Iran for determination of injury margin during POI. The injury margin determined are as under:-

Iran	Unit	M/s Ardakan Float Glass Co., Iran and M/s Symbol White International L.L.C, Oman	M/s Kaveh Float Glass Company, Iran and M/s Bismaak GMBH, Germany	Non-Co-operative producers/exporters
NIP	Rs./MT	***	***	***
Landed Price	Rs./MT	***	***	***
Price underselling	Rs./MT	***	***	***
Price underselling	%	***	***	***
Price underselling	Range	25-35	25-35	30-40

M. **Indian Industry's Interest & Other Issues:**

70. The Authority recognizes that the imposition of anti-dumping duties might affect the price levels of the product in India. However, fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures. On the contrary, imposition of anti-dumping measures would remove the unfair advantages gained by dumping practices, prevent the decline of the domestic industry and help maintain availability of wider choice to the consumers of the subject goods. The purpose of anti-dumping duties, in general, is to eliminate injury caused to the Domestic Industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. Imposition of anti-dumping duties, therefore, would not affect the availability of the product to the consumers. The Authority notes that the imposition of the anti-dumping measures would not restrict imports from Iran in any manner and, therefore, would not affect the availability of the product to the consumers. The consumers could still maintain multiple sources of supply.

N. POST DISCLOSURE STATEMENT SUBMISSIONS BY THE INTERESTED PARTIES

71. Following are in brief the post Disclosure Statement submissions made by Exporters
- a. That the Designated Authority should adopt Kaveh's normal value for determining the dumping margin for Ardhakan as Kaveh's normal value amounts to best facts available with the Designated Authority.
 - b. That in the present investigation, the essential facts disclosed in disclosure statement do not demonstrate that there is any dumping and consequent injury to the domestic industry.
 - c. That the Designated Authority has not calculated the non-injurious price as per Annexure III of the AD rules. In determining the non-injurious price for domestic industry, the AD Rules provide that a reasonable rate of return should be considered. It is unjustified on the part of the Designated Authority to allow 22% rate of return as it has resulted in an unduly high non-injurious price and thus coloured the injury margins in this case. Reliance in this regard is placed on the ruling of the Hon'ble CESTAT in the case of Indian Spinners Association v. Designated Authority, 2004 (170) E.L.T. 144 (Tri. - Del.) wherein the Hon'ble CESTAT highlighted the importance of considering the historical rate of return of the domestic industry to determine the ROCE to be adopted in arriving at the non-injurious price.
 - d. That the essential facts in the disclosure statement do not demonstrate that there is a causal link between alleged dumping and injury to the domestic industry. Production, sales, productivity and domestic selling prices have all improved significantly during the injury analysis period. Further, there is no price suppression and price depression in the facts of this case.
 - e. That if the essential facts under consideration and observations change at any time, especially the normal value, export price and dumping margin determination, it is requested that another disclosure statement be issued to the Respondents under Rule 16

of the AD Rules for examination and comments. They further requested another hearing if any data or approach in the disclosure statement.

72. Following are in brief the post Disclosure Statement submissions made by the Domestic Industry:

- a. That the normal value for Iran ought to be rejected because of particular market situation being caused due to Less Than Adequate Remuneration in key raw materials like power and electricity. Domestic Industry also submitted that since the representative of the Iranian Embassy had categorically submitted that the producers of subject goods in Iran are getting cheaper raw materials, power and electricity and therefore, their cost of production is cheaper as compared to Indian cost of production. Therefore, there is no occasion for the Authority to accept their claim of normal value as prices of major raw materials and energy are not reflective of the market driven prices.
- b. That they are suffering continuous injury from dumped and injurious imports from Iran and requested the Authority to impose the anti-dumping duties as early as possible to protect the Domestic Industry from injurious imports.
- c. That the Authority should have constructed the normal value for producers from Iran after considering the international prices of key raw materials and energy prices.

Examination of the Authority

73. The Authority has examined the above arguments of the producers / exporters, and the domestic industry. It is noted that some of the submissions are repetitive in nature and have already been dealt with by the Authority in the disclosure statement earlier to the extent considered relevant and necessary. However, the submissions considered relevant are being dealt with again in the Final Findings Notification as under:

74. The Authority has constructed the normal value of Ardakan taking the best facts available with the Authority, as per the consistent practice of the DGAD. Further, normal value determined on the basis of the data/information supplied by a particular cooperating exporter cannot be *ipso facto* taken as the normal value for other producers as the costs and prices are specific to the concerned exporter. Further, it is also noted that the producer Ardakan has failed to substantiate its cost despite being given several opportunities. Authority notes that during the course of verification at their premises they could not substantiate the full facts with regards to cost, however the information with regards to the export was verified and accordingly considered in this disclosure statement. Under the circumstances, the Authority is left with no other option but to construct the normal value in accordance to the Rule 6(8). It is also clarified at the same time that that Authority has not applied adverse facts while constructing normal value for them.

75. Verified material on record clearly shows that prices of Domestic Industry are suppressed / depressed due to the low prices imports from Iran. Moreover, the price undercutting and price underselling is positive, clearly showing the negative impact on the Domestic Industry. Other submissions relating to injury and causal link are dealt in details at the relevant section of the final findings.

76. In relation to the submissions of the Domestic Industry that the prices of the major raw materials and energy are not truly reflective of market prices, it is noted that the Domestic Industry has not provided any evidence to substantiate their claim of particular market situation.

O. CONCLUSIONS

77. After examining the issues raised and submissions made view expressed in oral hearing, by the interested parties and facts made available before the Authority as recorded in this finding, the Authority concludes that:

- i. The product under consideration has been exported to India from Iran below its normal value, resulting in dumping.
- ii. The domestic industry has suffered material injury due to dumping of the product under consideration from the subject country.
- iii. The material injury has been caused by the dumped imports from the subject country.

P. Indian Industry's Interest & Other Issues:

78. 70. The Authority recognizes that the imposition of anti-dumping duties might affect the price levels of the product in India. However, fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures. On the contrary, imposition of anti-dumping measures would remove the unfair advantages gained by dumping practices, prevent the decline of the domestic industry and help maintain availability of wider choice to the consumers of the subject goods. The purpose of anti-dumping duties, in general, is to eliminate injury caused to the Domestic Industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. Imposition of anti-dumping duties, therefore, would not affect the availability of the product to the consumers. The Authority notes that the imposition of the anti-dumping measures would not restrict imports from Iran in any manner and, therefore, would not affect the availability of the product to the consumers. The consumers could still maintain multiple sources of supply.

Q. Recommendation

79. After examining the submissions made by the interested parties and issues raised therein; and considering the facts available on record, the Authority concludes that:

- a. The product under consideration has been exported to India from Iran below their normal values.
- b. The domestic industry has suffered material injury.
- c. Material injury has been caused by the dumped imports of subject goods from Iran.

80. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the domestic industry, exporters, importers and other interested parties to provide positive information on the aspects of dumping, injury and the causal link. Having initiated and conducted investigation into dumping, injury and the causal link thereof in terms of the AD Rules and having established positive dumping margins as well as material injury to the domestic industry caused by such dumped imports, the Authority is of the view that imposition of definitive anti-dumping duty is required to offset dumping and consequent injury. Therefore, the Authority considers it necessary to recommend imposition of definitive anti-dumping duty on imports of the subject goods from Thailand in the form and manner described hereunder.

81. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of definitive 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. Accordingly, definitive antidumping duty as per amount specified in the table below is recommended to be imposed from the date of the Notification to be issued by the Central Government, on all imports of the subject goods originating in or exported from Iran.

Duty Table

S. No	Sub-heading	Description of Goods*	Country of Origin	Country of Exports	Producer	Exporter	Amount	Unit of measurement	Currency
1	7003, 7004, 7005, 7009, 7013, 7015, 7016, 7018, 7019, 7020	Clear Float Glass of of nominal thickness ranging from 4mm to 12mm (both inclusive), the nminal thickness as per BIS 14900:2000	Iran	Iran	M/s Kaveh Float Glass Co., Iran	M/s. Bismaak GmbH , Germany	NIL	MT	US\$
2	Do	Do	Iran	Iran	M/s. Ardakan Float Glass Co. , Iran	M/s. Symbol White International L.L.C., Oman	52.32	MT	US\$
3	Do	Do	Iran	Iran	Any Other than S. No. 1 &2	Any Other than S. No. 1 &2	55.59	MT	US\$
4	Do	Do	Iran	Any	Any	Any	55.59	MT	US\$

82. Landed value of imports for the purpose of this Notification shall be the assessable value as determined by the Customs under the Customs Act, 1962 (52 of 1962) and includes all duties of customs except duties under sections 3, 3A, 8B, 9 and 9A of the said Act.
83. An appeal against the order of the Central Government arising out of this finding shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act.

(InderJit Singh)
Additional Secretary & Designated Authority