

**To be published in Part - I Section - I of the Gazette of India Extraordinary**

**F. No. 6/38/2024 - DGTR  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Directorate General of Trade Remedies  
4<sup>th</sup> Floor, Jeevan Tara Building,  
5, Parliament Street, New Delhi – 110001**

**Dated: 27.09.2025**

**FINAL FINDINGS**  
**Case No. – AD(OD):36/2024**

**Subject: Anti-dumping investigation concerning imports of “Calcium Carbonate Filler Masterbatch ” originating in or exported from Vietnam.**

**A. BACKGROUND OF THE CASE**

F. No. 6/38/2024-DGTR. — Having regard to the Customs Tariff Act 1975 as amended from time to time (hereinafter referred to as the ‘Act’) and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 thereof, as amended from time to time (hereinafter referred as the “AD Rules”);

1. Whereas, the Compounds and Masterbatch Manufacturers Association of India (hereinafter referred to as “CMMAI”) and Masterbatch Manufacturers Association (hereinafter referred to as “MMA”) (hereinafter collectively referred to as the “petitioner” or “applicant”) on behalf of the domestic producers in India filed an application, before the Designated Authority (hereinafter also referred to as the “Authority”) in accordance with the Customs Tariff Act, 1975 and the Anti-Dumping Rules for initiation of an antidumping investigation on imports of Calcium Carbonate Filler Masterbatch (hereinafter also referred to as the “product under consideration” or the “subject goods” or “PUC”) originating in or exported from Vietnam (hereinafter also referred to as the “subject country”).
2. The domestic industry in the present case is fragmented and consists of large number of domestic producers located across India, hence the application for anti-dumping investigation was filed by two associations CMMAI and MMA on behalf of its members entities. All the relevant information in the prescribed format as required under Trade Notice No. 09/2021 dated 29th July 2021 as amended vide Trade Notice No. 11/2021 dated 18th November 2021 (collectively, “Trade Notice 9/2021”) was provided.
3. The following twelve (12) applicant domestic producers (hereinafter referred to as the “domestic

industry”) of subject goods filed the required information in Annexure-I to Trade Notice 9/2021 for fragmented industries:

- i. Kandui Industries Private Limited
  - ii. Sonali Polyplast Private Limited
  - iii. Blend Colors Private Limited
  - iv. Bajaj Masterbatches Private Limited
  - v. Bajaj Superpack India Limited
  - vi. Bajaj Plast Private Limited
  - vii. Bajaj Polyblends Private Limited
  - viii. Siddh Chemiplast Private Limited
  - ix. Shri Ambica Polyfill
  - x. Soltex Petro Products Limited
  - xi. Alok Industries
  - xii. Alok Masterbatches Private Limited
4. Further, the following twenty-one (21) domestic producers supported the application and provided the required data in the prescribed format:
- i. Sonali Polymers Pvt. Ltd.
  - ii. Masterplast India Pvt. Ltd.
  - iii. Sri Maniram Synthetics Pvt. Ltd.
  - iv. S.P. Polymer
  - v. 365 Plastium Pvt. Ltd.
  - vi. N.P. Agro (India) Industries Pvt. Ltd.
  - vii. Satya Polyalloys LLP
  - viii. Adex Ployblend Pvt. Ltd.
  - ix. Rama Vyapaar Pvt. Ltd.
  - x. Bhagyashree Colors Pvt. Ltd.
  - xi. Swastik Plastoalloys
  - xii. Manan Polymers Pvt. Ltd.
  - xiii. Aditya Polyspin Pvt. Ltd.
  - xiv. J K Paras Ploycoats Ltd.
  - xv. Speciality Masterbatches LLP
  - xvi. Sachdeva Polycolor Pvt. Ltd.
  - xvii. Everplus Plastics Pvt. Ltd.
  - xviii. Manhar Polymers Pvt. Ltd.
  - xix. Dolphin Polyfill
  - xx. JJ Plastalloy
  - xxi. Prabhu Polycolor
5. And whereas, in view of the duly substantiated application filed by the petitioner, the Authority issued a public notice vide Notification F. No. 6/38/2024-DGTR, dated 30<sup>th</sup> September 2024, published in the Gazette of India, initiating anti-dumping investigation into imports of the product

under consideration from subject country in accordance with Rule 5 of the Anti-Dumping Rules to determine the existence, degree and effect of any alleged dumping of the subject goods and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the alleged injury to the domestic industry.

## **B. PROCEDURE**

6. The procedure described below has been followed with regard to the present investigation:
  - i. The Authority notified the Embassy of the subject country in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance with Rule 5 of the Anti-Dumping Rules.
  - ii. The Authority issued a public notice dated 30<sup>th</sup> September 2024, published in the Gazette of India, Extraordinary, initiating anti-dumping investigation concerning imports of subject goods from the subject country.
  - iii. The Authority sent a copy of the initiation notification to the Governments of the subject country, through their Embassy in India, known producers and exporters from the subject country, known importers / users as well as other interested parties, as per the addresses made available by the petitioner and requested them to make their views known in writing within the prescribed time limit.
  - iv. The Authority also provided a copy of the non-confidential version of the application to the known producers/exporters and to the Government of the subject country, through their Embassy 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.
  - v. The embassy of the subject country in India was suggested to advise the exporters/producers to submit their responses to the questionnaire within the prescribed time limit. A copy of the letter and questionnaire sent to the known producers/exporters was also sent to them along with the names and addresses of the known producers/exporters from the subject country.
  - vi. The Authority sent exporter's questionnaire to the following known producers/ exporters in subject countries in accordance with Rule 6(4) of the Rules.

<b>S.No.</b>	<b>Producer/Exporter</b>
1.	PMJ JOINT STOCK COMPANY
2.	CPI VIET NAM PLASTIC LIMITED
3.	UB MASTERBATCH JOINT STOCK COMPANY
4.	MEGA PLAST JOINT STOCK COMPANY
5.	ADC PLASTIC JSC
6.	HP CHEMICALS JOINT STOCK COMPANY
7.	POLYFILL JOINT STOCK COMPANY
8.	PHU LAM TRADE COMPANY LIMITED
9.	EUROPEAN PLASTICS JOINT STOCK COMPANY

10.	SUN PLASTIKS COMPANY LIMITED
11.	HUU NGHI PLASTIC COMPOUNDSJSC
12.	THANH XUAN STONE MINERALS JSC
13.	FIVE CONTINENTS PLASTICS JSC
14.	VSV GROUP CORPORATION
15.	VINARES VIETNAM JOINT STOCK COMPANY
16.	FILLPLAS COMPANY LIMITED
17.	BAO LAI MARBLE ONE MERMER CO LTD
18.	PLASTEX JOINT STOCK COMPANY
19.	MASKA GLOBAL COMPANY LIMITED
20.	VINA PLASTIC COMPANY LIMITED
21.	SUNSHINE PLASTIC COMPANY LIMITED
22.	CAPOT VIETNAM COMPANY LIMITED
23.	PHA LE PLASTIC MANUFACTURING AND TECHNOLOGY
24.	VIET TRUNG PLASTIC CHEMICAL JOINT STOCK COMPANY
25.	PLASTIC HA NOI TRADING JOINT STOCK
26.	FILTER MASTER BATCH JOINT STOCK COMPANY
27.	BEENPLAST COMPANY LIMITED
28.	VIETNAM COLOR TRADING AND MANUFACTURING BEEN A AND T COMPANY LIMITED
29.	GLOBAL MINERALS JSC
30.	ANBIO JOINT STOCK COMPANY
31.	TLD VIETNAM JOINT STOCK COMPANY
32.	AN THANH BICSOL JOINT STOCK COMPANY
33.	MINH KHANG CHEMICAL TRADING JOINT STOCK COMPANY
34.	US MASTERBATCH JOINT STOCK COMPANY
35.	HOANG GIA MINERAL GROUP JSC
36.	DAI A INDUSTRAY JOINT STOCK COMPANY
37.	VIETNAM HANOTECH JOINT STOCK C
38.	AN TIEN INDUSTRIES JOINT STOCK COMPANY
39.	VITAPLUS JOINT STOCK COMPANY
40.	RAINFOREST EXPORT GOODS WHOLESALERS L L C
41.	ASIA PLASTICS INDUSTRY JOINT STOCK COMPANY
42.	VIETNAM INDUSTRIAL MINERAL INTERNATIONAL
43.	US MASTERBATCH JOINT STOCK COMPANY-HUNG YEN US MASTERBATCH JSC
44.	CONG TY TNHH MINH HIEN LS DAPLAST JOINT STOCK COMPANY
45.	GCC MINERALS JOINT STOCK COMPANY
46.	NO MMA PLASTIC COMPANY LIMITED

47.	DUC PHONG MATERIALS CO LTD
48.	FILLER MASTERBATCH JOINT STOCK COMPANY
49.	POLY PLOY JSC SONG MINH IMPORT EXPORT COMPANY

vii. In response to the initiation notification, the following producers/exporters from the subject country registered themselves as interested parties in the investigation:

S. No.	Producer/Exporter
1.	NGHE AN EUROPEAN PLASTIC ONE MEMBER LIMITED LIABILITY COMPANY
2.	YEN BAI EUROPEAN PLASTIC JOINT STOCK COMPANY
3.	EUROPEAN PLASTIC JOINT STOCK COMPANY
4.	POLYFILL JOINT STOCK COMPANY
5.	AN TIEN INDUSTRIES JOINT STOCK COMPANY
6.	A DONG PLASTIC JOINT STOCK COMPANY
7.	VITAPLAS JOINT STOCK COMPANY
8.	VIETNAM INDUSTRIAL MINERALS INTERNATIONAL JOINT STOCK COMPANY
9.	GCC MINERALS JSC
10.	VIET TRUNG PLASTIC CHEMICAL JSC
11.	US MASTERBATCH JOINT STOCK COMPANY
12.	US MB JSC HUNG YEN BRANCH
13.	FILLER MASTERBATCH JOINT STOCK COMPANY

viii. The Authority sent Importer's / User's Questionnaire to the following known importers of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules.

S. No.	Name of Importer
1	ASIAN TRADELINKS PRIVATE LIMITED
2	DVM PROTECH
3	PARIKH PACKAGING PRIVATE LIMITED
4	PREMIER POLYMERS
5	SPINPACK INDUSTRIES CO
6	NEELAMEGAM GANAPATHI RAM
7	PADMA POLYMERS
8	EUPHORIA PACKAGING LLP
9	RAWPLAST IMPEX
10	JUMBO BAG LIMITED
11	GSV POLYMERS PVT LTD
12	DOLLAR SENSE
13	SOUTHERN BIO-TECH POLY INDUSTRY
14	MITHILA PLYWOOD PRIVATE LIMITED
15	INDO CHEMICALS PVT LTD

16	PARASHNATH POLYPACK PVT LTD
17	PRAGATI POLYPLAST INDIA PRIVATE LIMITED
18	NIRMAL PLASTIC INDUSTRIES
19	GOTHI IMPEX
20	PRIME AGENCIES
21	VIRGO POLYMERS I LTD
22	A M TRADERS
23	ATULYA FABRICS LLP
24	PUJA SALES
25	TOPSACK PACKAGING PRIVATE LIMITED
26	RAJSHREE POLYPACK LIMITED
27	VISHWAA PACKWEL PRIVATE LIMITED
28	SRI LAKOSHA POLYMER PRIVATE LIMITED
29	RGK POLYCHEM INDIA PRIVATE LIMITED
30	SHREE ADITYA POLYMERS
31	SHIV INTERNATIONAL LTD
32	AERO PLAST LTD
33	J VASANTH EXPORTS
34	SERVO PACKAGING LTD
35	GAGAN POLYMERS
36	TEXBOND NONWOVENS
37	PIYUSH POLYTEX INDUSTRIES PVT LTD
38	DELTA IRRIGATION INDIA LLP
39	BULK LIQUID SOLUTIONS PVT LTD
40	NIRMAL FIBRES PRIVATE LIMITED
41	TIRUMALAI AGENCY
42	ALLWIN PIPES
43	BROCADE INDIA POLYTEX LIMITED
44	H AND H POLYMERS
45	AARCH NONWOVEN
46	GIRIVARYA NON WOVEN FABRICS PVT LTD
47	VIRAT IMPEX
48	SAI KANDAN AGENCY
49	PRATAP SYNTHETICS LIMITED
50	KRISHNA LAMICOAT PRIVATE LIMITED
51	ULTRA NONWOVEN
52	A-ONE TEX TECH PRIVATE LIMITED
53	RAJSHREE FABRICS
54	MATRIX IMPEX

55	PRIMO INDUSTRIES
56	SHRI MAA POLYFABS LIMITED
57	PRAKRIT IMPEX PRIVATE LIMITED
58	BIG BAGS INTERNATIONAL PVT LTD
59	PEEKAY AGENCIES PVT LTD
60	PROTON POLYMER
61	A P POLYPLAST PVT LTD
62	SIGNODE INDIA LIMITED
63	AGARWAL TECHNOPLAST PVT LTD
64	NAAD NONWOVEN PRIVATE LIMITED
65	BHOOMI PLASTIC
66	ELECTRO POLYCHEM LIMITED
67	MILI EXPORTS
68	SURYA LAXMI INDUSTRIES
69	VARNA BAGS
70	CAPSTONE POLYWEAVE PRIVATE LIMITED
71	JEMINI IMPEX SOLUTIONS
72	SUVARNA EXPORTERS
73	HARIOM POLYPACKS LIMITED
74	DNS POLYFAB PVT LTD
75	LINGAM POLYMERS
76	GIRDHAR ROLL WRAP PVT LTD
77	RAJGURU INDUSTRIES
78	SKP ENTERPRISES
79	COVAI POLYMER TRADERS
80	PREET FLEX
81	AMCO ENTERPRISES
82	BLOW PACKAGING I PVT LTD
83	AVI ADDITIVES PRIVATE LIMITED
84	D B POLYMERS
85	POLSTAR
86	SKILL DYE CHEM P LTD
87	VIDVAR COMPANY
88	MANSAROVAR AGRO SACKS PVT LTD
89	VARDHAMAN POLYPACKS
90	SAMRUDDHI INDUSTRIES LTD
91	SUNIL FIBRES PVT LTD
92	R L COMMERCIAL PRIVATE LIMETED
93	FLEXIBLE BAGS

94	TOTAL PACKAGING SERVICES
95	MARIS ASSOCIATES PVT LTD
96	SERVO PLASTICS PVT LTD
97	MITTAL TECHNOPACK PVT LTD
98	NEXXA COMPOUNDS PRIVATE LIMITED
99	BUILDMET FIBRES PRIVATE LIMITED
100	POLIVEX OVERSEAS
101	SAI SURFACTANTS PVT LTD
102	BHAGIRATHI PACKAGING PVT LTD
103	SIMANDHAR IMPEX
104	RACHANA POLYMERS PRIVATE LIMITED
105	BULKPACK EXPORTS LIMITED
106	DURA PLASTSOLUTIONS LLP
107	FINE TECH INDUSTRIES
108	SYNTHETIC PACKERS PVT LTD
109	COLORPLAS POLYADDITIVES LLP
110	GAUTAM SINGHAL
111	PLASMIX PVT LTD
112	M D P TRADEING
113	HOOGHLY EXTRUSIONS LIMITED
114	DEEPEE CHEM INDUSTRIES
115	PEKON ELECTRONICS LIMITED
116	GIRIRAJ POLYPACK
117	SARAF FINCOM PRIVATE LIMITED
118	KT PYROCHEM
119	RDB RASAYANS LIMITED
120	DHWANI POLYPRINTS PVT LTD
121	MANHAR POLYMERS PRIVATE LIMITED
122	CHANDRA POLYMER PRIVATE LIMITED
123	SAVITRIDEVI POLYFABRICS INDIA PVT LTD
124	POLYZEN TRADING CO
125	NS FABRICS
126	KULODAY PLASTOMERS PVT LTD
127	PEARL POLYFILM MANUFACTURERS
128	PARIVARTAN MERCANTILES PRIVATE LIMITED
129	AMORA PROPERTIES PRIVATE LIMITED
130	PARADISE ENTERPRISES
131	BARODA RAPIDS
132	SHREE ANGIRA ENTERPRISES



133	PIONEER ENTERPRISES I PVT LTD
134	VIVA PETROCHEMICAL LLP
135	RAJENDRA CHEMICALS
136	SHRI DAKSHINESHWARI MAA POLYFABS LIMITED
137	SRIJA POLYMERS
138	MVS ACMEI TECHNOLOGIES PRIVATE LIMITED
139	SDR POLYMERS PRIVATE LIMITED
140	RATHI ENTERPRISES
141	SHIVAM AGRI PIPES
142	BINA PLASTICS
143	BOHRA SALES SERVICES LIMITED
144	SUPER PACKWELL PRIVATE LIMITED
145	JUPAX VANIYA PRIVATE LIMITED
146	RUCHAK CHEMICALS
147	MEGAPLAST INDIA PRIVATE LIMITED
148	SRI SHYAM ADDITIVES PRIVATE LIMITED
149	MOHAN KUMAR AGARWAL
150	POLYSPIN EXPORTS LIMITED
151	GOVIND AGARWAL HUF
152	RUSHABH PLASTIC
153	NATIONAL PLASTO CONTAINERS PRIVATE LIMITED
154	RAJESH COLOUR COMPANY
155	BHAGYASHREE COLOURS PVT LTD
156	SUN ENTERPRISE
157	ORACLE POLYPLAST
158	KAVERI GLOBAL
159	N K IMPORTS
160	PARK SHELDRAKE
161	PYARE LAL FOAMS PVT LTD
162	SRIVARI INDUSTRIES
163	INDAUTO FILTERS
164	AJAY LOGISTICS PVT LTD
165	KAVERI IMPEX
166	NAGINDAS HIRALAL BHAYANI
167	JAKHOTIA POLYCHEM PVT LTD
168	VGR FOODTECH AGRO PRIVATE LIMITED
169	MARUTI ENTERPRISE
170	EVEREST POLYFILLERS PRIVATE LIMITED

171	ALPINE FIBC PRIVATE LIMITED
172	VAIBHAV MINERALS CHEMICALS
173	MAHASHAKTI POLYCOAT
174	SHREE KRISHNA SALES AGENCY
175	NAV - DIV INDUSTRIES
176	PLASTENE INDIA LIMITED
177	RANASARIA POLY PACK PVT LTD
178	KONKAN SPECIALITY POLYPRODUCTS PRIVATE LIMITED
179	THANIGAI INTERNATIONAL
180	ALPS POLYTEX
181	SINGLA PLASTIC UDYOG
182	ZEEL PACKAGING
183	OMYA INDIA PRIVATE LIMITED
184	PRAGATI PAPER ENTERPRISES
185	SHREEJI POLYMIX INDUSTRIES
186	VIBGYOR POLYADDITIVES PVT LTD
187	KIK PLASTICS PRIVATE LIMITED
188	ORIANA GLOBAL TRADE LLP
189	NEOTEX POLYMER PACKAGING PRIVATE LIMITED
190	K K POLYCOLOR ASIA LIMITED
191	MADHU PLASTICS PRIVATE LIMITED
192	BALAJI POLY UDYOG
193	CRESCENT ORGANICS PVT LTD
194	SARAF FABTRADE PRIVATE LIMITED
195	FORMOSA SYNTHETICS PVT LTD
196	BANGLORE POLYCOTTERS PRIVATE LIMITED
197	MEHUL COLOURS MASTERBATCHES PVT LTD
198	KASHYAP UNITEX CORPORATION
199	SURAJ LOGISTIX PRIVATE LIMITED
200	SURAJ JAISWAL
201	H J INDUSTRIES INDIA PRIVATE LIMITED
202	K C SONS
203	MASTER EXTRUSIONS
204	PINNACLE POLYMERS
205	JHUNSONS CHEMICALS
206	SEYYON HI-TECH POLY FABS PRIVATE LIMITED
207	ABIS EXPORTS INDIA PRIVATE LIMITED
208	SAI INDUSTRIES PVT LTD

209	AYUSHMAN MERCHANT PRIVATE LIMITED
210	TRIMURTI POLYCHEM PRIVATE LIMITED
211	ADISHA MOULDS
212	OSWAL INDUSTRIES
213	SIDWIN FABRIC PRIVATE LIMITED
214	DARSHAN PLASTIC
215	GLOBECHEM IMPORTS
216	SUVJAY INDUSTRIES INDIA LLP
217	STANDARD PACKAGING
218	ESQUIRE MULTIPLAST PRIVATE LIMITED
219	BHIM POLYFAB INDUSTRIES
220	BHUYAN ASSOCIATES PVT LTD
221	ANJANI INTERWEAVE
222	FASTRAX POLYPLAST PRIVATE LIMITED
223	SHYAM CHEMICAL AND MINERALS
224	MERIT POLYMERS
225	ISHOM PACKAGING PRIVATE LIMITED
226	MANIKA MOULDS PVT LTD
227	CHURIWAL TECHNOPACK PVT LTD
228	SUPRABHA PROTECTIVE PRODUCTS PVT LTD
229	KNK OVERSEAS
230	POLYSQUARE LLP
231	MICO PLAST INDUSTRIES PRIVATE LIMITED
232	VIJAY POLYMERS
233	TIRUPATHI HYDROCARBON PRIVATE LIMITED
234	MALLINATH TEXTILE MILLS
235	DAMAN POLYFABS
236	TIBRIWAL PLASTICS PVT LTD
237	BARODA PACKAGING
238	PRIYADARSHINI POLYSACKS LTD
239	VISHAL SYNTHETICS
240	PATCO POLYPACK PRIVATE LIMITED
241	RISHI FIBC SOLUTIONS PVT LTD
242	MICO POLY PACK
243	SUN MASTERBATCH PVT LTD
244	BHAVANI PLASTICS
245	K B UDYOG
246	SUN TEX MILLS
247	AASTHA PLASTICON

248	ANANYA IMPEX
249	AL-SA AD ENTERPRISES
250	VIJAYNEHA POLYMERS PVT LIMITED
251	NAV KAR PACKAGING
252	KANDOI FABRICS PRIVATE LIMITED
253	SHANKAR PACKAGINGS LIMITED
254	SNG MICRONS PRIVATE LIMITED
255	SHREE SALASAR TRADING COMPANY
256	VIBRANT POLYMERS LLP
257	SEALION WORLD TRADE PVT LTD
258	SRI RAM POLYMERS
259	AMIT OIL PRODUCTS PRIVATE LIMITED
260	S G POLYMERS
261	V M POLYTEX LIMITED
262	CONSOLIDATED SHIPPING LINE INDIA PVT LTD
263	CREATIVE POLY PACKS P LTD
264	VEN PACK
265	VR FIBC JAMBO BAG INDUSTRIES
266	SAKTHI POLY CHEM
267	DEEP POLYMERS LIMITED
268	MEHRASONS COATINGS PVT LTD
269	LINCON POLYMERS PVT LTD
270	BAJAJ POLYBLENDS PRIVATE LIMITED
271	PADMAJA POLY PACKS PRIVATE LIMITED

- ix. In response to the initiation of notification, the following importers/users registered themselves as interested parties:

S. No.	Importer
1.	Rishabh Colours Pvt. Ltd.
2.	Blaze Decorative Pvt. Ltd.
3.	RGK Polychem India Pvt. Ltd
4.	A One Trading Co.
5.	Rushabh Plastic
6.	Fine Tech Industries
7.	Konkan Speciality Poly Products Pvt. Ltd.
8.	Asian Tradelinks Pvt. Ltd.

- x. A copy of the initiation notification and a non-confidential version of the application was sent to the known associations.

- xi. In response to the initiation of notification, none of the known associations have registered themselves as interested parties.
- xii. Exporters, foreign producers and other interested parties who have not responded to or not supplied relevant information to this investigation, have been treated as non-cooperating interested parties.
- xiii. The Authority issued an Economic Interest Questionnaire to all the known producers and exporters, importers, and the applicant. The economic interest questionnaire was also shared with the administrative line ministry.
- xiv. The period of investigation (“period of investigation” or “POI”) for the purpose of the present investigation is 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 (12 months). The injury period covered the period of investigation and the three preceding financial years 2020-21, 2021- 22, 2022-23.
- xv. The Authority made available the non-confidential version of the submissions made by the various interested parties. A list of all the 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.
- xvi. The Directorate General of Systems (DG Systems) was requested to provide transaction-wise details of the imports of the subject goods for the injury investigation period and the period of investigation. The same was received by the Authority and considered for the subject investigation. For the purpose of the present final findings, the Authority has relied upon the DG System import data.
- xvii. The Authority held a meeting with all the interested parties to discuss the product under consideration and the PCN methodology on 21<sup>st</sup> November 2024. After receiving input from all the interested parties, the Authority vide notification dated 4<sup>th</sup> December 2024 clarified the scope of the PUC and also notified PCN.
- xviii. A list of all the interested parties was uploaded on the DGTR website along with the request to all of the interested parties to email the non-confidential version of their submissions to all the other interested parties.
- xix. In accordance with Paragraph 7 of the Trade Notice No. 09/2021, the Authority limited the detailed examination of applicant domestic producers for determining injury margin. Using statistically valid techniques, the Authority selected the following entities as part of the sample:
  - 1. Soltex Petro Products Ltd.
  - 2. Alok Masterbatches Pvt. Ltd.
  - 3. Alok Industries
  - 4. Kandui Industries Pvt. Ltd.
  - 5. Sonali Polyplast Private Limited
- xx. The submissions made by the interested parties during the course of this investigation, to the extent supported with evidence and considered relevant to the present investigation, have been appropriately considered by the Authority, in this final finding.
- xxi. The Authority sought further information to the extent deemed necessary. The on-site verification of the data provided by the domestic industry was conducted to the extent considered necessary

for the purpose of the present investigation. The Authority has considered the verified data of the domestic industry in its analysis in the present case.

- xxii. The Authority sought further information from the other interested parties to the extent deemed necessary. The verification of the data provided by the other interested parties was conducted to the extent considered necessary for the purpose of the present investigation.
- xxiii. The non-injurious price (NIP) has been determined based on the actual data/information furnished by the domestic industry. NIP based on the optimum cost of production and cost to make & sell the subject goods in India based on the information furnished by the domestic industry and in accordance with the 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.
- xxiv. In accordance with Rule 6(6) of the Rules, the Authority provided an opportunity to the interested parties to present their views orally in a public hearing held on 6<sup>th</sup> May 2025. Further, a second oral hearing was held on 14<sup>th</sup> July 2025 due to change in the Designated Authority. The parties, which presented their views in both the oral hearing, were requested to file written submissions of the views expressed orally, followed by rejoinder submissions, if any. The interested parties were further directed to share the non-confidential version of the written submissions submitted by them with the other interested parties
- xxv. The Authority circulated the disclosure statement containing all essential facts under consideration for making the final recommendations to the Central Government to all interested parties on 15th September 2025. The parties were requested to file the comments on disclosure statement if any by 22nd September 2025
- xxvi. The Authority has examined all the post-disclosure comments made by the interested parties in these final findings to the extent deemed relevant. Any submission which was merely a reproduction of the previous submission, and which had been adequately examined by the Authority has not been repeated for the sake of brevity.
- xxvii. 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 a confidential basis were directed to provide sufficient non-confidential version of the information filed on a confidential basis.
- xxviii. Wherever an interested party has refused access to or has otherwise not provided necessary information during 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.
- xxix. The Authority has considered all the arguments raised and information provided by all the interested parties at this stage, to the extent the same are supported with evidence and considered relevant to the present investigation.

- xxx. “\*\*\*” in this final finding represents information furnished by an interested party on a confidential basis and so considered by the Authority under the Rules.
- xxxi. The exchange rate adopted by the Authority for the subject investigation is 1 US\$ = Rs 83.69.

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

7. At the stage of initiation, the product under consideration was defined as under:
- “3. The product under consideration in the present investigation is "Calcium Carbonate Filler Master batch" which is also known as "Filler Masterbatch" or "Calcium Carbonate Compound.”*
- 4. Calcium Carbonate Filler Masterbatch is a mix of calcium carbonate (a mineral), base plastic materials like polypropylene or polyethylene, and other additives. The said mixture is extruded at a certain temperature to produce the Calcium Carbonate Filler Masterbatch in compound granules form. The PUC majorly constitutes calcium carbonate, with the rest being plastics and other additives.*
- 5. Calcium Carbonate Filler Masterbatch is a special material used in the plastic industry for enhancement of properties of plastic items. Its main job is to be a cost effective and ecofriendly filler imparting specific physical and chemical properties.*
- 6. Many industries use Calcium Carbonate Filler Masterbatch, such as packaging, construction, automotive and consumer goods. When added to plastics, Calcium Carbonate Filler Masterbatch can make them stronger, less likely to break, better at keeping their shape, and less likely to shrink.*
- 7. Calcium Carbonate Filler Masterbatch can also change how plastic feels on the surface, how it handles heat, and how easy it is to work with. It is often used to make plastic films, sheets, pipes, shaped items, and other plastic goods.*
- 8. The product under consideration is classifiable under tariff item 3824 99 00 of the first schedule to the Customs Tariff Act, 1975. Major imports are cleared under tariff item 3824 99 00. The customs classification is indicative only and is not binding on the scope of the product under consideration in the present petition.*
- 9. The applicants have not proposed the Product Control Numbers (PCNs) in the present investigation. The interested parties, however, can provide their comments/suggestions on the proposed PUC/PCNs for the purpose of this investigation within 30 days from the date of initiation of this investigation.*

#### **C.1. Submissions by other interested parties**

8. The other interested parties have made the following submissions with respect to the scope of product under consideration and PCN methodology:
- i. The product under consideration can be manufactured using three different raw materials:
    - a. Calcium Carbonate (CaCO<sub>3</sub>)
    - b. Calcium Oxide (CaO) mixed with Calcium Carbonate (CaCO<sub>3</sub>)
    - c. Calcium Carbonate (CaCO<sub>3</sub>) mixed with Barium Sulphate (BaSO<sub>4</sub>).

- ii. Filler Masterbatch produced through these three base materials have different characteristics, cost of production and price. Parties requested clarification that Filler Masterbatch produced with Calcium Oxide (CaO) and Calcium Carbonate + Barium Sulphate (BaSO<sub>4</sub>) are beyond the scope of present investigation.
- iii. The interested parties further submitted that the initial definition of the PUC was limited to masterbatches made from inorganic calcium carbonate, polypropylene or polyethylene as the polymer base, and additives, with a calcium carbonate content restricted to 70–85%. These parties submitted that CaO (calcium oxide) and BaSO<sub>4</sub> (barium sulphate) were not mentioned in the initial application as part of the PUC.
- iv. These parties stated that, after initiation and through later notifications, the scope was clarified and expanded by the Authority to include masterbatches containing more than 50% calcium carbonate and allowed the presence of calcium oxide or barium sulphate in the formulation.
- v. Objection was raised to the alleged expanded scope of the PUC, arguing that only the originally defined calcium carbonate-based masterbatches, i.e., 70-85% CaCO<sub>3</sub> and no CaO or BaSO<sub>4</sub>, should be included. Parties submitted that the inclusion of products with lower CaCO<sub>3</sub> content (between 51% and 69%) or with significant CaO or BaSO<sub>4</sub> constitutes an inappropriate broadening of the investigation's scope.
- vi. Some of the interested parties who are the importers/users of PUC has sought exclusion of the following grades of PUC alleging that the domestic industry does not produce this in India:
  - a. Grades produced using HDPE Polymers
  - b. Specialty LLDPE Compound Filler (Grade SRB FORMULA 1) with calcium carbonate content of 55-65%
  - c. Grade PE 1009, PE-BB02, Supermax.
- vii. The interested parties argued that Grade SRB FORMULA 1 is used in high-performance industrial applications requiring high tensile strength, impact resistance, and durability, which cannot be substituted with domestic grades.
- viii. Some of the interested parties proposed using the ratio of calcium carbonate content as the primary parameter for PCN methodology. It was submitted that calcium carbonate is the primary material in Calcium Carbonate Filler Masterbatch, which can vary from approximately 60-90% of the composition. It was submitted that there is a clear inverse relationship between calcium carbonate content and price - the higher the calcium carbonate content, the lower the price of the product.
- ix. The interested parties initially proposed a PCN structure of 10% range based on four categories:

<b>Calcium Carbonate content (%) (CaCO<sub>3</sub>)</b>	<b>Below 70%</b>
	<b>above 70% and upto 80%</b>
	<b>above 80% and upto 90%</b>
	<b>over 90%</b>

- x. While another producer exporters and the importer/users have proposed a 3% range to be adopted for the PCN based on calcium carbonate content as below –

<b>Calcium Carbonate content (%) (CaCO<sub>3</sub>)</b>	<b>Up to 75%</b>
	<b>75-78%</b>



	79-82%
	83-86%
	87% & above

- xi. Interested parties emphasized that the PUC has inherent features which make PCN essential for proper comparisons. Some interested parties identified following three parameters for establishing PCN:
- base plastic materials
  - Calcium Carbonate ( $\text{CaCO}_3$ ) powder content
  - difference in application.
- xii. It was submitted that Calcium Carbonate Filler Masterbatch is produced using thermoplastic polymers such as polypropylene (PP) or polyethylene (PE), and these two bases have significantly different cost and price.
- xiii. It was also submitted that different applications require different base materials and  $\text{CaCO}_3$  content. Therefore, PCN should be created on the basis of five major applications of PUC
- blowing film
  - PP Fiber/PP Yarn/PP Woven bag
  - non-woven
  - injection
  - tarpaulin
- xiv. The interested parties highlighted differences in production technology between Vietnamese and Indian manufacturers, with Vietnamese producers using more advanced equipment including triple screw extruders with higher productivity compared to single/twin screw extruders used by Indian manufacturers. It was further argued that domestically produced PUC cannot be compared to PUC imported from Vietnam due to fundamental differences. Therefore, it was contended that technological differences render the two categories of products incomparable in terms of quality and performance.
- xv. The interested parties provided a comparison showing that triple/double screw extrusion technology results in uniform calcium carbonate particle distribution, consistent mechanical properties, particle sizes as low as 8-10 microns, and requires low polymer proportion. Further, single-screw extrusion technology results in inconsistent particle distribution, weaker mechanical properties, particle sizes above 15 microns, and requires higher polymer proportion.
- xvi. The interested parties contended that domestically produced PUC cannot substitute Vietnamese PUC in high-performance applications, such as non-woven textiles, agriculture films, and industrial packaging, due to Vietnamese PUC's technical characteristics.
- xvii. Some of the interested parties submitted that Vietnamese PUC contains 90-100% whiteness, which is absent in domestically produced PUC. Further, consumers of domestically produced PUC are required to use additional white filler masterbatch costing approximately Rs 150-225/kg to reach the same amount of whiteness as Vietnamese PUC.
- xviii. Parties submitted that both the amount and origin of  $\text{CaCO}_3$  matter, since Indian, Vietnamese, and Malaysian  $\text{CaCO}_3$  are priced at ₹6–9/kg, ₹9–15/kg, and ₹11–18/kg, respectively, resulting in a

cost of production difference of up to ₹3–4 per kg, which can be more than 5% of the final product price.

- xix. It was further submitted that the quality of domestically produced PUC is often inconsistent, as evidenced by multiple reports of frequent rejections or need for replacements during production. These parties submitted that quality issues lead to manufacturing process disruptions, delays and increased costs for end users.
- xx. In the post-hearing submissions, some of the interested parties revised their PCN proposal based on further market and cost-related information obtained during the investigation. These interested parties clarified that while CaCO<sub>3</sub> is the primary filler, polymer and additive components account for a significant share of the cost structure, being substantially more expensive than CaCO<sub>3</sub>. These interested parties claimed that PUC with 75% CaCO<sub>3</sub> and 25% polymer/additives will have considerably higher cost of production than the PUC with 85% CaCO<sub>3</sub> and only 15% of other inputs.
- xxi. The interested parties argued that polypropylene, LLDPE, and HDPE have distinct cost structures that directly impact production cost. The interested parties also disputed the domestic industry's claims that polymer choice results in only 3-5% cost variation. Some of the interested parties provided market data from one of the Indian suppliers of polymers, Reliance Industries Ltd., showing price difference between Polypropylene and Linear low-density polyethylene, with additional variations within LLDPE grades. Therefore, some interested parties proposed a comprehensive PCN structure based on type of base polymer.
- xxii. The parties submitted that different base polymers used in manufacturing directly affect dumping margins, injury calculations, and price undercutting because polymer input prices change monthly. Since polymers represent 60-85% of total production costs, these price swings create 6-14% variations in overall product costs. These parties requested that PCN be defined by base polymer type and that the Authority conduct month-by-month price analysis instead of using annual averages.
- xxiii. It was also submitted that products have identifiable and distinct applications based on the base material used. The interested parties contended that CaCO<sub>3</sub> powder content is important in determining cost and price since higher CaCO<sub>3</sub> content reduces the need for resin plus additives content, which are much more expensive than CaCO<sub>3</sub> powder.
- xxiv. The interested parties submitted that there exists a price difference of up to 35-45% between different grades, with PUC containing 85% CaCO<sub>3</sub> compared to PUC with 75% CaCO<sub>3</sub> content.
- xxv. Some of the interested parties cited the established practice that a new PCN is warranted when cost and/or price difference between products exceeds a threshold of 5%. Submissions were made claiming cost differences between filler masterbatch of various concentrations, with 84% CaCO<sub>3</sub> share products having 8% cost difference compared to 80% CaCO<sub>3</sub> share products. The 8% difference, being more than the established 5% threshold, demonstrates the inadequacy of the PCN methodology.

- xxvi. It was submitted that a broader PCN range of 10% fails to reflect these critical cost and price differences. These interested parties submitted a revised six-tier PCN structure based on CaCO<sub>3</sub> content:
- a. below 70%
  - b. above 70% and up to 75%
  - c. above 75% and up to 80%
  - d. above 80% and up to 85%
  - e. above 85% and up to 90%
  - f. above 90%
- xxvii. The interested parties requested the Authority to adopt this refined structure for accurate price comparison, dumping margin calculation, and injury assessment.

**C.2. Submissions made by the domestic industry**

9. The domestic industry has made the following submissions with regard to the product under consideration:
- i. The domestic industry submitted that the domestically produced PUC and imported PUC constitute like articles within the meaning of Article 2.6 of the Anti-dumping Agreement and Rule 2(d) of the Anti-Dumping Rules. The products have similar physical characteristics, end-use applications, and consumers use them interchangeably, making them commercially and technically substitutable.
  - ii. The domestic industry contended that any alleged difference in production machinery between single screw and double screw extrusion does not affect final product characteristics or commercial substitutability. The double screw extrusion technology involves two intermeshing screws rotating within a barrel, while single screw technology achieves the same end result of producing a homogeneous mixture of calcium carbonate and polymer matrix.
  - iii. The domestic industry submitted that the assertion regarding use of only single screw extrusion technology is factually incorrect. Most domestic industry units utilize double screw extrusion technology in manufacturing processes. Several domestic producers employ Farrel Continuous Mixer technology, which is technologically superior to the double screw technology used by exporters. Purchase invoices of Farrel Continuous Mixer machines and double screw extrusion machines were provided as evidence.
  - iv. The domestic industry argued that any minor difference in machines or manufacturing process is immaterial for determining like-article. Differences in manufacturing processes do not preclude products from being considered like articles if they are commercially and technically substitutable. The domestic industry's products are functionally equivalent and commercially interchangeable with imported PUC.
  - v. The domestic industry submitted that claims regarding quality differences lack evidentiary support. Importers made bare assertions without technical documentation, test certificates, or laboratory reports to substantiate quality issues. Quality differences do not constitute valid

grounds for product exclusion when products remain functionally substitutable and commercially interchangeable in the market.

- vi. The domestic industry submitted that it manufactures and supplies a comprehensive range of products that fully encompasses grades for which exclusion is sought by interested parties. Claims regarding inability to produce certain grades are unfounded and contradicted by documentary evidence.
- vii. Regarding HDPE-based grades, the domestic industry regularly manufactures and supplies PUC using HDPE as base polymer. Commercial invoices along with Certificate of Analysis and Product Data Sheets were provided demonstrating consistent supply to various customers using different base polymers including HDPE.
- viii. For Specialty LLDPE Compound Filler (Grade SRB Formula 1), the domestic industry submitted that claims regarding inability to produce grades with calcium carbonate content between 55-65% are factually incorrect. The domestic industry produces and sells PUC with varying calcium carbonate content as required by customers. Commercial invoices demonstrated production and sale of PUC with several compositions of calcium carbonate and polymer contents.
- ix. Regarding Tarpaulin-end use grades, the domestic industry produces and commercially supplies PUC specifically designed for Tarpaulin applications. Commercial invoices demonstrated consistent supply to Tarpaulin end use application customers. The domestic industry's products meet all technical requirements for Tarpaulin applications including required size and strength parameters, weather resistance properties, and processing characteristics.
- x. The domestic industry submitted that CaO based masterbatches, commercially known as Desiccant Masterbatch or Desiccant Additive, differ from Calcium Carbonate Filler Masterbatch in chemical composition and end-use application. CaO masterbatch contains calcium oxide as primary active ingredient, while PUC has Calcium Carbonate ( $\text{CaCO}_3$ ) as primary ingredient.
- xi. The functional properties and applications are distinct. CaO masterbatch acts as desiccant or moisture-removing agent, whereas Calcium Carbonate Filler Masterbatch functions as inert filler material to reduce cost of plastic making. CaO masterbatch serves specific applications in polymer processing industry by removing moisture from reclaimed polymers and hygroscopic polymers during manufacturing process.
- xii. The domestic industry submitted that it has not considered CaO based masterbatches as part of PUC due to different applications and chemical composition. However, exporters requested exclusion of filler masterbatches containing mixture of CaO and  $\text{CaCO}_3$ . The domestic industry understands there are no imports of such filler masterbatches from Vietnam into India.
- xiii. The domestic industry argued that the sole intention of requesting such exclusion appears to be circumventing duties once imposed on  $\text{CaCO}_3$  filler masterbatches. There is substantial risk of circumvention through addition of small quantities of CaO by exporters in PUC while claiming the product is outside PUC scope. Such an exclusion would defeat the purpose of the application as it is difficult for customs authorities to verify CaO and  $\text{CaCO}_3$  contents at ports.
- xiv. The domestic industry submitted that  $\text{BaSO}_4$  based masterbatches are not part of product scope as they serve as cheaper variant to white masterbatches. They are termed transparent filler

masterbatches made from BaSO<sub>4</sub> or Na<sub>2</sub>SO<sub>4</sub>. These are products catering to different market segments compared to PUC.

- xv. The domestic industry noted that during the POI, only few import transactions of barium sulphate masterbatch were recorded from Vietnam at much higher price points indicating that major constituent was barium sulphate.
- xvi. The domestic industry submitted that BaSO<sub>4</sub> may serve as whitening agent additive if added to calcium carbonate filler masterbatch, not as primary functional component. Technical composition analysis would reveal BaSO<sub>4</sub> content is much lower than main constituent which is Calcium Carbonate. Additions of BaSO<sub>4</sub> in lower quantum do not alter essential characteristics, physical properties, or end-use applications of PUC.
- xvii. The domestic industry argued that exporters' request for exclusion of mixtures of PUC with BaSO<sub>4</sub> is intended to defeat the application by circumventing duties through additions of BaSO<sub>4</sub> in lower quantum while major constituent remains CaCO<sub>3</sub>.
- xviii. The domestic industry acknowledged that calcium carbonate content influences cost and pricing of the product. PCNs should be based on calcium carbonate content ranges:
  - a. Less than 75% CaCO<sub>3</sub>
  - b. 75-85% CaCO<sub>3</sub>
  - c. More than 85% CaCO<sub>3</sub>.
- xix. The domestic industry submitted that the first category covering less than 75% CaCO<sub>3</sub> includes products with higher polymer content typically used in demanding applications. The second category of 75-85% CaCO<sub>3</sub> encompasses standard grades most commonly used in market, offering balanced properties and cost, representing largest market segment. The third category of more than 85% CaCO<sub>3</sub> includes lower polymer grades for specific applications.
- xx. The domestic industry submitted that type of base polymer used in production does not warrant separate PCN classification. Market data demonstrates that variations in base polymer type result in minimal cost differences of 3-5%, as corroborated by Vietnamese producers' submissions. Price movement analysis confirms the insignificant impact of base polymer selection on final product pricing.
- xxi. Creating PCNs based on type of base polymer would unnecessarily complicate investigation without serving meaningful purpose in price comparison, given minimal cost impact. Cost differential between different base polymers is very minimal, and price movements of different polymers demonstrate negligible variations in pricing of used polymers.
- xxii. The domestic industry submitted that creating PCNs based on end-use applications is inappropriate as it does not impact cost and pricing. Identical compositions of masterbatch can be utilized across multiple applications. Product characteristics and costs remain consistent regardless of final application. Implementation challenges include impossibility of segregating import data by application and risk of misdeclaration in reporting because applications are not mentioned in invoices or documents.
- xxiii. On the submission by the other interested party on the domestically produced PUC that it lacks the whiteness compared to the imported PUC, the domestic industry submitted that the whiteness

of the PUC is primarily derived from the  $\text{CaCO}_3$  content used in its production. Whiteness is not an independent or additional input but a direct function of the quality and grade of  $\text{CaCO}_3$  incorporated into the PUC. The domestic industry procures  $\text{CaCO}_3$  from a variety of international suppliers, including manufacturers based in Vietnam, Malaysia, and Egypt. These sources offer high-grade  $\text{CaCO}_3$  products with claimed whiteness exceeding 97%, which meets or exceeds the standards relied upon by foreign producers.

- xxiv. On the importers claim that the source of calcium carbonate impacts cost, the domestic industry submitted that while calcium carbonate is sourced from different countries, including Vietnam, Malaysia, Egypt and India, the difference in cost attributable to source does not alter the physical or functional characteristics of the final product. The primary determinant remains the percentage of  $\text{CaCO}_3$  in the product. Further, the interested parties have not pointed any law or precedent where the PCN was created based on origin of raw material used to manufacture PUC.
- xxv. The domestic industry submitted that the Authority should not entertain belated submissions filed after the hearing on PUC/ PCN. Almost 9.5 months have elapsed from initiation date, representing approximately 80% of total time allowed under AD Rules to conclude anti-dumping investigation.
- xxvi. The domestic industry submitted that it provided all requisite evidence as directed by the Authority in past submissions and substantiated claims. No interested parties have made substantiated claims backed by positive evidence to support their requests. Any submission on PUC scope at this stage, after finalization of PUC and filing of Questionnaire Response, should not be entertained as anti-dumping investigation is time-bound exercise with set deadlines.
- xxvii. The domestic industry submitted that PUC in the present case is Calcium Carbonate ( $\text{CaCO}_3$ ) based filler masterbatches primarily used in plastic industry for reducing cost of plastic manufacturing and making products environmentally sustainable. Both features derive from major presence of Calcium Carbonate (typically more than 50% by volume) which drives cost down and makes product environment friendly.
- xxviii. The domestic industry submitted that producer/exporter's request for PCN creation based on base polymer materials contains inherent contradictions and flawed calculations. In first submissions, producers/exporters stated cost difference due to different base polymers is only 3-5%. However, they now claim this difference ranges from 3-10% without providing supporting evidence for revised position.
- xxix. Actual data of polymer prices on record demonstrates price difference between different polymers is approximately only 2%. Considering that standard calcium carbonate filler masterbatch contains 80%  $\text{CaCO}_3$  and only 20% polymer content, any change in base polymer would impact total cost of production of PUC by merely 1-2% depending upon percentage of polymer content. These minimal cost variations cannot justify creation of separate PCNs.
- xxx. Submissions of certain producer/exporter who earlier suggested 5% interval for  $\text{CaCO}_3$  which is now revised to 3%, must be rejected outright because they fail to provide evidence of cost differences.
- xxxi. The domestic industry submitted that producer/exporter's proposed granular PCN structure for  $\text{CaCO}_3$  content with 3% ranges is technically not feasible and administratively impractical. Their

submissions acknowledge tolerance range of  $\pm 2\%$  in calcium carbonate content during production. This means product targeted at 78% CaCO<sub>3</sub> content could potentially contain between 76-80% CaCO<sub>3</sub>.

- xxxii. Proposed 3% PCN ranges would create overlap between categories, making product classification impossible. For instance, products with actual CaCO<sub>3</sub> content of 78% could fall into multiple PCN categories due to  $\pm 2\%$  tolerance range, potentially being classified in both "75-78%" and "79-82%" ranges. This overlap within tolerance ranges makes proposed PCN structure unworkable from both technical and administrative perspectives.
- xxxiii. Attempt to hair-split PCN ranges into narrow 3% bands will unnecessarily complicate investigation without any technical or commercial justification. Such granular differentiation serves no practical purpose in anti-dumping investigation where objective is to create meaningful product categories that reflect significant cost and price differences.
- xxxiv. Major producers/exporter participating in investigation from Vietnam first supported creation of PCNs with 10% ranges in calcium carbonate content. This broader industry consensus on 10% ranges reflects market realities and practical considerations in product classification.
- xxxv. The domestic industry submitted that the adopted methodology of PCNs by the Authority based on less than 75%, 75–85%, and more than 85% CaCO<sub>3</sub> appropriately captures commercially and technically distinct product types and has been developed after evaluating the submissions placed on record by all the interested party.

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

10. The submissions made by the interested parties and the domestic industry with regard to the product under consideration and PCN methodology have been examined as under:
11. The Authority had granted an opportunity to all the interested parties to file their submissions on the scope of the product under consideration and PCNs. In the initiation notification, the Authority invited all the interested parties to provide comments on the product under consideration and the proposed PCNs within 30 days of initiation of the present investigation. Upon request of certain interested parties, the Authority decided to extend the timeline to file comments on the scope of the PUC/PCN till 08<sup>th</sup> November 2024.
12. The Authority subsequently held a meeting on 21<sup>st</sup> November 2024 to discuss the scope of the product under consideration and the proposed PCNs. Post the meeting, the Authority directed all the interested parties to provide their additional comments, if any, on scope of PUC and proposed PCNs by 23<sup>rd</sup> November 2024 and rejoinder submissions by 25<sup>th</sup> November 2024.
13. The Authority examined all the comments made by the domestic industry and the interested parties concerning the scope of the product under consideration and proposal on the PCN in the present investigation and notified the scope of product under consideration scope and PCNs on 04<sup>th</sup> December 2024.
14. The Authority has examined the submissions made by various interested parties regarding the scope of the PUC. The producers/exporters from Vietnam submitted that Filler Masterbatch can be manufactured using three different main raw materials: (a) Calcium Carbonate (CaCO<sub>3</sub>), (b)

Calcium Oxide (CaO) mixed with Calcium Carbonate (CaCO<sub>3</sub>), and (c) Calcium Carbonate (CaCO<sub>3</sub>) mixed with Barium Sulphate (BaSO<sub>4</sub>). These parties sought clarification that Filler Masterbatch produced using Calcium Oxide and Barium Sulphate + Calcium Carbonate are beyond the scope of PUC.

15. The Authority notes that the producers/exporters stated that Filler Masterbatch produced through these three base materials have different characteristics, cost of production and price. It was submitted that filler masterbatch with a CaO base is hygroscopic, meaning it has the ability to absorb moisture from the environment, while Filler masterbatch with a BaSO<sub>4</sub> base is a transparent filler.
16. The domestic industry disputed the request for exclusions and submitted that CaO-based masterbatches (commercially known as Desiccant Masterbatch) and BaSO<sub>4</sub>-based masterbatches (known as transparent filler masterbatches) are distinct products with different chemical compositions, functional properties, and end-use applications from the PUC, and are not covered under the scope of PUC when these constituents form the majority content (more than 50% by volume).
17. The domestic industry further submitted that a product with majority CaCO<sub>3</sub> content and small CaO/BaSO<sub>4</sub> addition as additive is covered in PUC scope. The chemical composition and functionality of such a mixture would remain fundamentally that of a calcium carbonate filler masterbatch with a primary purpose of cost reduction in the plastic material. The domestic industry argued that allowing any exclusions of such mixture would create opportunities for circumvention of anti-dumping duties through minor additions of these constituents while maintaining CaCO<sub>3</sub> as the primary component.
18. The Authority notes that no evidence has been provided by the exporters regarding actual imports of such mixture products during the POI. The import data shows no such import of Filler Masterbatch with CaO base from the subject country. With respect to BaSO<sub>4</sub> based masterbatch, there are couple of import entries from Vietnam, however, the description of such imports suggests these to be different products than CaCO<sub>3</sub> based filler masterbatch.
19. The Authority has examined the product brochures available on the websites of certain domestic Indian producers as well as Vietnamese producer/exporters of masterbatch. It is evident that the CaO based filler masterbatch is a desiccant masterbatch used for its ability to absorb moisture from the environment. On the other hand, BaSO<sub>4</sub> based filler masterbatch is a transparent filler masterbatch.
20. The Authority finds that both the products namely CaO based Filler Masterbatch and "BaSO<sub>4</sub> based Filler Masterbatch have different characteristics and end use applications as compared to calcium carbonate-based filler masterbatch. The Authority holds that CaO or BaSO<sub>4</sub> based filler masterbatches wherein the content of CaO or BaSO<sub>4</sub> are in major proportion (more than 50% by volume) are not PUC in the present case. Similarly, CaCO<sub>3</sub> based filler masterbatches wherein the major constituent is CaCO<sub>3</sub> are covered in the scope of PUC.
21. The Authority has examined the submissions by interested parties seeking exclusion of specific grades of PUC, alleging that the domestic industry does not produce these in India:



- a. Grades produced using HDPE Polymers,
  - b. Specialty LLDPE Compound Filler (Grade SRB FORMULA 1) with calcium carbonate content of 55-65%
  - c. Grade PE 1009, PE-BB02, Supermax used for industrial tarpaulins.
22. The domestic industry disputed these exclusion requests and submitted documentary evidence demonstrating that they manufacture and supply PUC using HDPE as the base polymer resin, filler masterbatches with varying calcium carbonate content, including compositions matching the range claimed for Specialty LLDPE grade (55-65%). The domestic industry also submitted evidence that it manufactures and commercially supplies PUC specifically designed for Tarpaulin applications, meeting all technical requirements including size, strength parameters, weather resistance properties, and necessary processing characteristics.
  23. The Authority notes that the interested parties supported their claim by producing a certificate wherein M/s Makers & IQ Industries Pvt. Ltd. mentions that they are purchasing Calcium Carbonate Filler Masterbatches PE 1009 from Asian Tradelinks Pvt. Ltd for the last one year, as the same is not available with most of the local manufacturers. However, the domestic industry has provided copy of invoices and certificate of analysis to demonstrate that it produces and sells PUC with base polymer as HDPE, PUC with varying calcium carbonate content, including compositions matching the range claimed for Specialty LLDPE grade and PUC specifically designed for Tarpaulin applications.
  24. The Authority holds that no such exclusions are allowed from the scope of PUC, as the domestic industry has provided sufficient evidence of manufacturing these grades.
  25. The Authority notes that certain interested parties have raised issues regarding various quality issues in PUC supplied by the domestic industry arising out of differences in production technology. The Authority also notes arguments forwarded by the interested parties regarding whiteness in the PUC supplied by the domestic industry. The Authority notes that the domestic industry has submitted invoices showing procurement of raw material from various sources like Malaysia, Egypt, etc. so there should not be any issues with respect to whiteness in the PUC supplied by the domestic industry.
  26. Further, the Authority notes that it is a well-settled principle that quality is not a criterion for defining the product scope in an anti-dumping investigation. The process of manufacture is of no consequence in a trade remedy investigation as the same goods may be produced with different production and technology processes.
  27. In view of the foregoing, the scope of the product under consideration is determined as follows:  
*“The product under consideration in the present investigation is "Calcium Carbonate Filler Masterbatch" which is also known as "Filler Masterbatch" or "Calcium Carbonate Compound" wherein Calcium Carbonate (CaCO<sub>3</sub>) is major constituent i.e., more than 50% by volume.”*
  28. Further, it is noted that the product produced by the domestic industry is like-article to the goods imported from the subject country. The products produced by the domestic industry and imported from the subject country are comparable in terms of physical & chemical properties, functions &

uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The imported goods and the goods produced by the domestic industry are used interchangeably. In view of the same, the product manufactured by the domestic industry is considered as like article to the product imported into India.

29. The Authority has examined the submissions regarding PCN methodology. The producers/exporters from Vietnam submitted that PCN must be created on the basis of calcium carbonate content contained in the PUC. Similar arguments were made by the importers/users in India.
30. Different submissions were made regarding the range of  $\text{CaCO}_3$  content for creating the PCNs. Some interested parties proposed a 10% range with four categories: below 70%, above 70% and up to 80%, above 80% and up to 90%, and over 90%. On the contrary, some other interested parties proposed a 3% range for calcium carbonate content.
31. The domestic industry acknowledged that calcium carbonate content influences the cost and pricing of the product and submitted that PCNs may be based on three ranges:
  - a. Less than 75%  $\text{CaCO}_3$
  - b. 75-85%  $\text{CaCO}_3$
  - c. More than 85%  $\text{CaCO}_3$ .
32. The domestic industry submitted that the proposed 3% interval PCN structure is technically unfeasible and administratively impractical, given the production tolerance range of  $\pm 2\%$  in calcium carbonate content. This tolerance range would create overlapping categories, making product classification ambiguous and potentially placing products with a particular calcium carbonate content in multiple PCN categories.
33. The Authority notes that there is a tolerance range of  $\pm 2\%$  in calcium carbonate content, which is also acknowledged by the producer/exporters in their own submissions. This means a product targeted at 78%  $\text{CaCO}_3$  content could potentially contain between 76-80%  $\text{CaCO}_3$ . Therefore, a 3%  $\text{CaCO}_3$  content range would create overlap between categories, making product classification unworkable from both technical and administrative perspectives.
34. The Authority further notes that the major producers/exporters participating in the investigation from Vietnam had initially supported the creation of PCNs with 10% ranges in calcium carbonate content. Additionally, based on the catalogue and invoices submitted by Vietnamese producers as well as domestic industry, the Authority observes that mostly the standard range of  $\text{CaCO}_3$  is 78% to 82% ( $\pm 2\%$ ). One of the exporters has also submitted that it generally deals in 75-88%  $\text{CaCO}_3$  content PUC.
35. One of the producer/exporters from Vietnam submitted that PCNs should be created on the type of base polymer used as it influences the cost of production of PUC. The same suggestions were also made by other interested parties.
36. The domestic industry submitted that there are inconsistent cost difference claims (varying from 3-5% to 3-10%) without supporting evidence by the interested parties. The actual data of polymer prices on record demonstrates that the price difference between different polymers is approximately only 2%.

37. The Authority notes that the average price of different polymers over the POI, as submitted by the domestic industry based on international pricing sources, has been moving in tandem with the global movement of prices of polymers with a maximum difference of price approximately of 2%. The price list of polymers of Reliance Industries submitted by the other interested parties pertain to high grade polymers which may not necessarily be used in manufacturing the PUC which is primarily used as a low-cost filler in plastic products. Additionally, the price list of Reliance Industries is from one producer in India which may not reflect the international prices.
38. Further, there are only three major constituents of PUC,  $\text{CaCO}_3$ , polymer and additives. The creation of PCNs on the content of  $\text{CaCO}_3$  would appropriately factor the cost of polymer in the total cost of production of the PUC. Therefore, the Authority holds that PCNs based on polymer type or content is not warranted in the present investigation.
39. Some of the interested parties submitted that PCNs should be created on the basis of end use application of PUC. It was submitted that the decision on  $\text{CaCO}_3$  powder content and the type of base plastic material to be used depends on the application. Further, PUC based on PP and PE route with different  $\text{CaCO}_3$  powder content have identifiable and distinct applications.
40. The domestic industry submitted that the creation of PCNs based on end-use applications is inappropriate as it:
  - a. does not impact cost and pricing;
  - b. allows identical masterbatch compositions to be used across multiple applications;
  - c. maintains consistent product characteristics and costs regardless of final application;
  - d. presents implementation challenges due to impossibility of segregating import data by application; and
  - e. carries risk of misdeclaration in reporting since applications are not mentioned in invoices/documents.
41. The Authority notes that there is no evidence placed on record by the interested parties to substantiate the claim for PCN based on application. The Authority understands that the content of calcium carbonate and polymer will eventually be based on the application of the product. Since PCN is already being created based on calcium carbonate content, there is no need to create any additional PCN based on application.
42. The Authority determines that PCN creation based on different polymer base or application is not warranted, as the cost differences owing to these are very well factored by creating PCNs based on the  $\text{CaCO}_3$  content.
43. With respect to the claim that the source of calcium carbonate impacts cost, difference in cost attributable to source does not alter the physical or functional characteristics of the final product. The primary determinant remains the percentage of  $\text{CaCO}_3$  in the product.
44. The Authority has noted that calcium carbonate content influences the cost and pricing of the product. Therefore, it is necessary to create PCN based on the content of the  $\text{CaCO}_3$ . Considering the facts presented, the Authority holds that it is appropriate to retain the same PCNs in the present investigation as was decided *vide* Notification dated 04<sup>th</sup> December 2024 which was on the basis of calcium carbonate content with the following three categories:

Criteria	PCN
Less than 75% CaCO <sub>3</sub>	A
75-85% CaCO <sub>3</sub>	B
More than 85% CaCO <sub>3</sub>	C

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

##### **D.1 Submissions made by the other interested parties:**

45. The other interested parties have made the following submissions with regard to the scope of domestic industry and standing:
- i. The domestic industry does not satisfy the standing requirements under Rule 2(b) and Rule 5 of the Anti-Dumping Rules.
  - ii. It has been the consistent practice of the Authority in past investigations to independently assess standing by seeking information from non-participating domestic producers and concerned line ministries. This process ensures correct information regarding standing and helps in proper evaluation of injury to the domestic industry.
  - iii. No such process has been followed in the present investigation, creating material risk of significantly distorted data being considered by the Authority.
  - iv. The WTO Appellate Body in EC-Fasteners (China) held that the Authority has obligation to ensure that the way it defines domestic industry does not introduce material risk of skewing economic data and consequently distorting analysis of the state of the industry.
  - v. The major proportion test is not purely mathematical whereby more than 50% would automatically constitute major proportion of total domestic production. The Appellate Body emphasized that major proportion should be understood as relatively high proportion that substantially reflects total domestic production and has both quantitative and qualitative connotations. A test that would be purely quantitative would not necessarily ensure that domestic industry defined on that basis substantially reflects total domestic production.
  - vi. The application fails to satisfy the qualitative aspect of the major proportion test as existing established players in the market have been deliberately excluded by the applicant while defining domestic industry.
  - vii. The Authority is required to properly assess eligibility of the applicant, taking into account independent assessment of production by other domestic producers.
  - viii. The burden of establishing standing lies upon the applicant. The WTO Appellate Body in US-Hot-Rolled Steel stated that the Authority is under obligation to make determination based upon examination of the industry as a whole. Where investigating authorities undertake examination of one part of domestic industry, they should examine in like manner all other parts that make up the industry, as well as examine the industry as a whole. Different parts of industry may exhibit different economic performance during any given period.
  - ix. The WTO Panel in China-Anti-Dumping and Countervailing Duty Measures on Broiler Products from United States noted that investigating Authority is not allowed to ignore situation of other domestic producers in injury determination. An investigating Authority will assess situation of

other domestic producers in evaluation of whether impact of subject imports have explanatory force for changes in various economic factors.

- x. The respondents submitted that 50% test is required to be established before initiation as standing is pre-initiation determination. Rule 5(3) clearly requires the Authority to determine whether domestic producers expressly supporting the application account for at least 25% of total Indian production. There cannot be prima facie satisfaction of the Authority with regard to standing. The Authority has to affirmatively and definitively determine that applicant satisfies requirements of standing.
- xi. Standing is pre-initiation determination and inability of Authority to adequately establish standing owing to absence of relevant information is non-curable defect. The application proforma requires the applicant to identify status of producers as supporter, opposer or neutral. However, the applicant has chosen not to provide complete information in response to the question.
- xii. The applicants have grossly understated production in India. The applicants claimed that twelve applicant domestic producers along with twenty-one expressly supporting companies constitute more than 55% of total domestic production of PUC in India. However, twelve applicants and twenty-one supporters are not representative of overall domestic industry.
- xiii. The interested parties first identified 202 producers based on market intelligence and publicly available information. The interested parties then submitted a list of 472 producers who were alleged to be domestic producers of the PUC in India. The interested parties additionally submitted a list of 244 domestic producers with plant details and 233 additional producers where specific information related to the entities was unavailable.
- xiv. Further, the other interested parties submitted that if each producer produces average production similar to supporters, total production would be significantly higher. Even on conservative basis assuming non-participating producers produce around 10,000 MT, total Indian production would be significantly higher than what applicants estimated. Share of applicant in total Indian production would be in single digit, clearly not satisfying requirement of standing. The interested parties placed reliance on the Plast India of 2021-22 which quantified market of filler masterbatch as 1023 KT in 2021-22 with growth of 7%. The interested parties then quantified estimates made by Plast India and extrapolated figures as tabulated below to claim that the production in India should be more than 1000 KT, whereas applicants quantified production of only 716 KT:

Year	UOM	Demand as per Plast India	Imports as per applicant	Production of filler masterbatch in India
2021-22	KT	1,023	63	960
2022-23	KT	1,095	100	995
2023-24	KT	1,171	163	1,008

- xv. The interested parties claimed that different production thresholds have been considered in the application. The application claimed that members constitute more than 90% of total Indian production when asserting representativeness of association. However, when determining whether applicant companies constitute major proportion, the term domestic production is used.

The basis for this distinction remains unclear, leading to contradictions within application and initiation itself.

- xvi. The requirement under rules is total production of like article in India. Therefore, standing of applicant is required to be determined with reference to Indian production and not on basis of production for domestic market. The association was required to provide complete list of producers and their production of PUC irrespective of whether they exported the product or qualify as domestic industry under Rule 2(b).
- xvii. The respondents submitted that applicants have not provided complete list of producers in India. The associations cannot take plea that they are unaware of total number of producers in India. When associations do not have list of all producers in India, it is unclear how statement that domestic producers constituting more than 90% of total Indian production are part of association can be made.
- xviii. The application has been filed by the association based on only selected few producers while significant portion of domestic production is carried out by other producers which have neither been referred to by applicant nor accounted for in injury analysis. The applicants have not even provided complete list of producers in India.
- xix. There are more than 400 producers of product in India. In applicants' own admission, 90% producers are members of association, therefore around 10% producers are not members. It has been presumed by applicant that other domestic producers do not oppose investigation.
- xx. No objection by other domestic producers post initiation does not mean pre-initiation determination requirements were met under Rule 5(3). Neither application nor initiation notification deals with status of other domestic producers.
- xxi. Reference was made to WTO AB's decision in EC-Fasteners (China) where Appellate Body observed that proper interpretation of term major proportion under Article 4.1 requires that domestic industry defined on this basis encompass producers whose collective output represents relatively high proportion that substantially reflects total domestic production. In special case of fragmented industry with numerous producers, practical constraints on authority's ability to obtain information may mean what constitutes major proportion may be lower than ordinarily permissible in less fragmented industry.
- xxii. However, even in such cases, authority bears same obligation to ensure that process of defining domestic industry does not give rise to material risk of distortion. Domestic industry defined on basis of proportion that is low or defined through process that involves active exclusion of certain domestic producers, is likely to be more susceptible to finding of inconsistency under Article 4.1 of Anti-Dumping Agreement.
- xxiii. The petitioners claim that their 86 members, including 12 applicant domestic producers and 21 supporting companies, represent 90% of total domestic production. However, only 12 members have actively participated in investigation. If listed 86 members indeed represent almost all credible and active manufacturers of like product in India, it is concerning that only small fraction have provided data for filing application.

- xxiv. The absence of participation from remaining members raises questions about actual support for application. This lack of engagement suggests that mere listing of members does not necessarily reflect level of active or meaningful support for imposition of anti-dumping duties.
- xxv. It was highlighted that WTO Appellate Body's observations regarding qualities required by domestic industry in fragmented industry state that in special case of fragmented industry with numerous producers, practical constraints on authority's ability to obtain information may mean what constitutes major proportion may be lower than ordinarily permissible in less fragmented industry. However, investigating authority would need to make greater effort to ensure that selected domestic producers are representative of total domestic production.
- xxvi. Article 4.1 of Anti-Dumping Agreement imposes requirement that domestic industry should be representative of domestic producers of PUC both quantitatively and qualitatively. Further, in case of fragmented industry, Authority is obligated to ensure that domestic producers constituting domestic industry do not just mathematically constitute major proportion of domestic production, but that such producers are also representative of state of fragmented industry as whole.
- xxvii. The importers submitted that eligibility of each applicant company to constitute domestic industry should be verified by Authority to ensure that all applicant and supporter companies are bona fide commercial producers of PUC. Market intelligence suggests that numerous applicant companies and supporters are primarily not engaged in production of PUC but are primarily engaged in production of other products such as colour masterbatches which have higher profitability.
- xxviii. Production quantities from trading as well as non-PUC production should be excluded for the purpose of determining whether petitioners represent domestic industry. Authority is requested to verify production quantity of PUC for each applicant company, ensuring that quantities from trading or non-PUC production are excluded.

## **D.2 Submissions made by the domestic industry**

- 46. The submissions of the petitioner with regard to the scope of domestic industry and standing are as follows:
  - i. The application for initiation of anti-dumping investigation was filed by two associations namely, CMAAI and MMA on behalf of their members who are domestic producers of PUC in India.
  - ii. Based on the information available with the CMAAI and MMA, their members companies/entities constitute more than 90% of the total Indian production of PUC in India. CMAAI and MMA are only two association representing the domestic producer of PUC in India. There may be certain other unknown small and micro producers of PUC in the country the details of which are not available with the CMAAI and MMA.
  - iii. The petitioner has provided the list of members of CMAAI and MMA along with their production volumes of the PUC for the injury period including the POI. Additionally, it also provides the status of each such producer (i.e., whether supporter, opposer or neutral). The consolidated details of Statement of Indian Production including the estimated production of unknown non-member companies/entities of CMAAI and MMA in the country was provided with the petition.

- iv. Following twelve applicant domestic producers filed the required information in Annexure-I to Trade Notice 9/2021 comprising more than 35% of the total domestic production of PUC in India during the POI.

S. No.	Particulars	Share in Total Indian Production
1.	Soltex Petro Products Ltd.	***%
2.	Alok Masterbatches Pvt. Ltd.	***%
3.	Kandui Industries Pvt. Ltd.	***%
4.	Sonali Polyplast Private Limited	***%
5.	Bajaj Polyblends Pvt. Ltd.	***%
6.	Bajaj Plast Pvt. Ltd.	***%
7.	Alok Industries	***%
8.	Bajaj Masterbatches Private Limited	***%
9.	Siddh Chemiplast Pvt. Ltd.	***%
10.	Bajaj Superpack India Ltd.	***%
11.	Blend Colors Private Limited	***%
12.	Shri Ambica Polyfill	***%

- v. Additionally, following twenty-one entities expressly supported the application.

S. No.	Particulars	Share in Total Indian Production
1.	Sonali Polymers Pvt. Ltd.	***%
2.	Masterplast India Pvt. Ltd.	***%
3.	Sri Maniram Synthetics Pvt. Ltd.	***%
4.	S.P. Polymer	***%
5.	365 Plastium Pvt. Ltd.	***%
6.	N.P. Agro (India) Industries Pvt. Ltd.	***%
7.	Satya Polyalloys LLP	***%
8.	Adex Ployblend Pvt. Ltd.	***%



9.	Rama Vyapaar Pvt. Ltd.	***%
10.	Bhagyashree Colors Pvt. Ltd.	***%
11.	Swastik Plastoalloys	***%
12.	Manan Polymers Pvt. Ltd.	***%
13.	Aditya Polyspin Pvt. Ltd.	***%
14.	J K Paras Ploycoats Ltd.	***%
15.	Speciality Masterbatches LLP	***%
16.	Sachdeva Polycolor Pvt. Ltd.	***%
17.	Everplus Plastics Pvt. Ltd.	***%
18.	Manhar Polymers Pvt. Ltd.	***%
19.	Dolphin Polyfill	***%
20.	JJ Plastalloy	***%
21.	Prabhu Polycolor	***%

- vi. The twelve applicant domestic producers along with the twenty-one expressly supporting companies constitute more than 55% of the total domestic production of PUC in India.
- vii. The threshold test for initiation under Article 5.4 of AD Agreement and Rule 5(3) of AD Rules requires domestic producers expressly supporting the application to represent twenty-five percent of the total production of the like article by the domestic industry.
- viii. In case there are any opposing domestic producers, the proportion of such opposers must be less than 50% of the producers who have either expressed their support or opposition to the application.
- ix. Both these tests are satisfied as the 25% test is satisfied by the applicant domestic producers and none of the member companies/entities of CMAAI and MMA, nor any other domestic producer of PUC have opposed the petition.
- x. The definition of domestic industry under Article 4.1 of the AD Agreement and Rule 2(b) of the AD Rules requires that either all domestic producers of the like article, or at least those whose collective output constitutes a major proportion of the total domestic production, be considered. The twelve applicant domestic producers along with the twenty-one expressly supporting companies constitute more than 55% of the total domestic production of PUC in India, demonstrating that the major proportion test under Rule 2(b) is satisfied.
- xi. Regarding the list of additional producers submitted by counsel representing Konkan Speciality Poly Products Pvt. Ltd. & Asian Tradelinks Pvt Ltd, the domestic industry scrutinized this list

and found several deficiencies. The list includes entities who are importers or traders of the PUC, entities who are already members of CMMAI or MMA, duplicated entries with same business entities listed under varied names, entities engaged in resale or white-labelling of PUC sourced from other suppliers including foreign exporters, and reliance on online platforms such as IndiaMART and Justdial which do not constitute reliable source or verifiable evidence of production.

- xii. After detailed scrutiny involving removal of duplicate names, removal of names appearing as importers in registered interested party list, removal of names appearing in member list of CMMAI and MMA and removal of names appearing as importers in secondary source import data, it was only a few entities that were left as potential domestic producers of PUC which the petitioners did not identify.
- xiii. CMMAI contacted these entities through email to ascertain their actual status as producers of PUC and their position concerning imposition of anti-dumping duties. Only one entity responded, confirming it had total installed capacity of \*\*\*MT for producing PUC during POI, produced \*\*\*MT of PUC and imported \*\*\*MT of PUC during POI, thereby making this entity ineligible to be part of domestic industry.
- xiv. The burden to provide substantive evidence regarding existence and actual production activities of additional domestic producers lies with the party who raised the allegation. Merely providing lists of names without credible proof of manufacturing operations, capacities, production volumes, or market activities is insufficient to contest the standing of domestic industry. The evidence relied upon by importers contains several material deficiencies including duplicated names, inclusion of importers and traders, and reliance on inappropriate sources.
- xv. Arguments made by opposing parties are mere allegations and conjectures not backed by positive evidence. Article 6.6 of ADA and corresponding Rule 8 of AD Rules require authorities to satisfy themselves as to accuracy of information supplied by interested parties. The WTO jurisprudence suggests that positive evidence should be affirmative, objective, verifiable, and credible. The other interested parties have failed to provide any positive evidence in their submissions.
- xvi. The principle that burden of proof lies on the party alleging the issue is well-established in law according to civil law maxims. In absence of any positive evidence, other interested parties have made allegations against domestic industry and attempted to shift burden of proof on domestic industry to address their statements.
- xvii. The domestic industry has provided verified production data supported by documentary evidence, including membership in industry associations. The petitioner has given a comprehensive list of 86 members of CMMAI and MMA. None of these members have expressly opposed the imposition of anti-dumping duty on subject imports. The associations represent almost all credible and active manufacturers of the like product in India.
- xviii. The reference to Plast India report from 2021-22 provides market estimates which include various types of filler masterbatches and not specifically PUC, i.e., Calcium Carbonate based filler masterbatches as defined in present investigation. The report estimates total filler masterbatch market at 1023 KT, which includes both calcium carbonate-based and non-calcium carbonate-

based filler masterbatches such as talc based, sodium sulphate based, and barium sulphate-based filler masterbatches. Based on market intelligence and information available with CMMAI and MMA and its members, approximately 25-30% of filler masterbatches are non-calcium carbonate based, which are not covered under scope of product under consideration.

- xix. When non-calcium carbonate-based filler masterbatches are excluded from total market estimate of 1023 KT, the remaining market for calcium carbonate-based filler masterbatches aligns reasonably well with data submitted by domestic industry. The calculated estimate of production levels of PUC from data provided by opposing counsel is around same level as provided by domestic industry. The table below depicts the calculation submitted by the domestic industry:

Year	UOM	Demand as per Plast India	Imports as per applicant	Production of filler masterbatch in India	Production levels of other filler masterbatch (NPUC) (25% of total production)	Production levels of CaCo3 based Masterbatch (PUC) (75% of total production)
2021-22	KT	1,023	63	960	240	720
2022-23	KT	1,095	100	995	249	746
2023-24	KT	1,171	163	1,008	252	<b>756</b>
Total Indian production of PUC claimed by the Petitioner (KT)						<b>716</b>

- xx. Article 5.2(i) of the ADA mandates that applications shall identify the domestic industry through "a list of all known domestic producers of the like product." The use of the term "known" creates a clear limitation on the scope of the data requirement. The domestic industry is not required to undertake exhaustive investigations to locate every potential producer that may exist in the market
- xxi. It is not required under AD Rules or AD Agreement to identify or obtain support from all unknown producers especially in fragmented industry. As held in China – Autos decision, applicant is only required to provide information available to it on best-efforts basis. What is relevant is whether producers expressing support constitute required proportion of overall production.
- xxii. The assertion that some applicant producers also manufacture colour masterbatches is not relevant to standing analysis under Rule 5(3) of AD Rules. The production and injury data provided by applicants pertain specifically to PUC and is segregated from data relating to any other product. The Authority is conducting injury and causation analysis based on verified data relating solely to PUC.
- xxiii. Regarding demand estimation, the domestic industry in compliance with Trade Notice No. 09/2021 has filed required Annexures including details of its own production, that of known producers, and estimated production for unknown producers. The claim that actual demand is way

more than 8,54,318 MT has not been supported by verifiable data. AD Rules do not prescribe rigid or exhaustive methodology for demand estimation and Authority is empowered to rely on reasonable, objective, and verifiable estimates.

- xxiv. There is no mandatory requirement under AD Rules for Authority to obtain data from line ministries. Rule 2(b) and Rule 5(3) require Authority to make determination based on information available on record, including from applicants and known producers. Authority is not expected to obtain data from external sources unless information submitted is found insufficient or unreliable.
- xxv. The examples cited to show that Authority has previously sought data from government bodies are case-specific. Authority has discretion to decide on case-by-case basis whether additional data from line ministries is necessary. In present case, applicant has identified all known producers, submitted supporting evidence, and provided estimates for unknown production as permitted under Trade Notice 09/2021 for fragmented industries.

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

- 47. The application was filed by the Compounds and Masterbatch Manufacturers Association of India (hereinafter referred to as “CMMAI”) and the Masterbatch Manufacturers Association (hereinafter referred to as “MMA”) on behalf of the domestic producers in India.
- 48. The Authority notes that the PUC industry in India is fragmented and consists of an excessively large number of domestic producers located across India, hence the application for anti-dumping investigation was filed by two associations CMMAI and MMA on behalf of its members entities. All the relevant information in the prescribed format as required under Trade Notice No. 09/2021 dated 29th July 2021 as amended vide Trade Notice No. 11/2021 dated 18th November 2021 was filed by the following twelve (12) applicant domestic producers:
  - i. Kandui Industries Private Limited
  - ii. Sonali Polyplast Private Limited
  - iii. Blend Colors Private Limited
  - iv. Bajaj Masterbatches Private Limited
  - v. Bajaj Superpack India Limited
  - vi. Bajaj Plast Private Limited
  - vii. Bajaj Polyblends Private Limited
  - viii. Siddh Chemiplast Private Limited
  - ix. Shri Ambica Polyfill
  - x. Soltex Petro Products Limited
  - xi. Alok Industries
  - xii. Alok Masterbatches Private Limited
- 49. Further, the following twenty-one (21) domestic producers supported the application and provided the required data in the prescribed format:
  - i. Sonali Polymers Pvt. Ltd.
  - ii. Masterplast India Pvt. Ltd.
  - iii. Sri Maniram Synthetics Pvt. Ltd.

- iv. S.P. Polymer
- v. 365 Plastium Pvt. Ltd.
- vi. N.P. Agro (India) Industries Pvt. Ltd.
- vii. Satya Polyalloys LLP
- viii. Adex Ployblend Pvt. Ltd.
- ix. Rama Vyapaar Pvt. Ltd.
- x. Bhagyashree Colors Pvt. Ltd.
- xi. Swastik Plastoalloys
- xii. Manan Polymers Pvt. Ltd.
- xiii. Aditya Polyspin Pvt. Ltd.
- xiv. J K Paras Ploycoats Ltd.
- xv. Speciality Masterbatches LLP
- xvi. Sachdeva Polycolor Pvt. Ltd.
- xvii. Everplus Plastics Pvt. Ltd.
- xviii. Manhar Polymers Pvt. Ltd.
- xix. Dolphin Polyfill
- xx. JJ Plastalloy
- xxi. Prabhu Polycolor

50. The issues raised by the other interested parties and the domestic industry with respect to the domestic industry's standing have been examined below:
51. The Authority has examined the submissions made by various interested parties regarding the scope of domestic industry and standing requirements. The other interested parties contended that the domestic industry does not satisfy the standing requirements under Rule 2(b) and Rule 5 of the Anti-Dumping Rules.
52. The Authority notes that Rule 5(3) of the Anti-Dumping Rules requires that domestic producers expressly supporting the application account for more than 25% of total production of the like article by the domestic industry. Additionally, where domestic producers expressly oppose the application, such opposition should not account for more than 50% of total production by domestic producers who have expressed either support or opposition to the application. The relevant extract is reproduced below:

*"... (3) The designated authority shall not initiate an investigation pursuant to an application made under sub-rule (1) unless – it determines, on the basis of an examination of the degree of support for, or opposition to the application expressed by domestic producers of the like product, that the application has been made by or on behalf of the domestic industry: Provided that no investigation shall be initiated if domestic producers expressly supporting the application account for less than twenty-five per cent of the total production of the like article by the domestic industry, and ... Explanation. - For the purpose of this rule the application shall be deemed to have been made by or on behalf of the domestic industry, if it is supported by those domestic producers whose collective output constitute more than fifty per cent of the total production of the like article produced by that portion of the domestic industry expressing either support for or opposition, as*

*the case may be, to the application...*”

53. Rule 2(b) of the Anti-Dumping Rules defines domestic industry as domestic producers as a whole of the like article or those domestic producers whose collective output constitutes a major proportion of the total domestic production of that article. The Authority observes that the determination of standing involves both quantitative and qualitative assessment of the domestic industry. The relevant extract is reproduced below:

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

54. The domestic industry submitted that twelve applicant domestic producers comprise more than 35% of the total production of PUC in India during the POI. Additionally, twenty-one entities expressly supported the application. The twelve applicant domestic producers along with the twenty-one expressly supporting companies constitute more than 55% of the total production of PUC in India.
55. The other interested parties challenged this assertion by submitting that there are 250-500 producers of PUC in India and that the applicants have grossly understated production in India. These parties submitted multiple lists containing names of alleged domestic producers ranging from 202 to 477 entities.
56. The Authority has carefully examined the submissions made by all the interested parties. It is noted that although the interested parties provided list of alleged domestic producers none of the interested parties has provided any verifiable data of domestic producer(s) with their production of PUC and the total Indian production by such alleged producers. Also, the details of whether those alleged producers are eligible to be considered within the total domestic production under Rule 2(b) (i.e., not being importers of PUC or related to foreign exporters of dumped article) have not been provided by any interested party. It is a well settled and statutory rule that the Authority has to satisfy itself as about the accuracy of the information supplied by the interested parties upon which to base its findings. The domestic industry has given a list of all its members companies with their production and the test of standing is based on verified data of domestic industry.
57. The Authority has also examined the submissions regarding burden of proof for establishing standing. The other interested parties argued that the burden of establishing standing lies upon the applicant and that the Authority is required to independently assess standing by seeking information from non-participating domestic producers and concerned line ministries.
58. The domestic industry submitted that after providing the details of all known producers including the details of members companies of both associations, the burden to provide substantive evidence regarding existence and actual production activities of alleged additional domestic producers lies with the party who raised the allegation. The domestic industry argued that merely providing lists

of names without credible proof of manufacturing operations, capacities, production volumes or nature of operations is not accurate to contest the standing of domestic industry.

59. The Authority notes that Article 6.6 of the Anti-Dumping Agreement and corresponding Rule 8 of the Anti-Dumping Rules require authorities to satisfy themselves as to accuracy of information supplied by interested parties. The principle that positive evidence should be affirmative, objective, verifiable, and credible is well-established in WTO jurisprudence.
60. The Authority notes that the list of alleged domestic producers provided by other interested parties is from general web searches like India Mart which may include companies who are merely selling the PUC after import or mere distributors. It is also not proven whether those companies are manufacturing the PUC domestically or getting it made from foreign sources in their names (white labelling). Further it is not clear whether the companies are eligible on account of substantial imports from dumped sources apart from domestic manufacturing. In fact, the Authority notes that the list provided by the interested party contains name of the importer/user participating in the investigation.
61. Despite the glaring deficiencies in the list provided by other interested parties, the Authority notes that domestic industry has taken efforts to identify from the list: entities who are importers or traders of PUC, entities who are already members of CMAAI or MMA, duplicated entries with same business entities listed under varied names and entities engaged in resale or white-labelling of PUC sourced from other suppliers.
62. Further, the Authority had published the notice of initiation in the official gazette of India inviting all interested parties to provide the data relevant to the investigation which includes any domestic producer of PUC. None of the alleged domestic producers have come forward and given the relevant data to the Authority for the purposes of investigation. Further, the domestic industry also provided proof of emails sent to alleged producers and claimed that only one company responded to the mail by declaring the total capacity as \*\*\*MT annually with \*\*\*MT of annual production and \*\*\*MT of imports of PUC. Hence, the Authority relies upon the verified information of the domestic industry for the standing test.
63. The other interested parties also referenced the Plast India report which quantified the market of filler masterbatch as 1,023 KT in 2021-22. These parties argued that production in India should be more than 1,000 KT, whereas applicants quantified production of 716 KT.
64. The Authority notes that the Plast India report estimates total filler masterbatch market at 1,023 KT for the year 2021-22, which includes all forms filler masterbatches sold in India i.e. it includes both calcium carbonate-based and non-calcium carbonate based filler masterbatches such as talc based, sodium sulphate based, and barium sulphate based filler masterbatches.
65. The domestic industry further submitted that approximately 20-25% of filler masterbatches are non-calcium carbonate based, which are not covered under the scope of PUC in the present investigation.
66. The Authority notes that when estimates of non-calcium carbonate-based filler masterbatches are excluded from the total market estimate of 1,023 KT provided in the Plast India report, the remaining market for calcium carbonate-based filler masterbatches aligns reasonably well with

the data submitted by the domestic industry. Therefore, the Plast India report in fact support the claims of the domestic industry.

67. Further, the Authority finds that the petitioner CMAAI and MMA are the only two associations in India having members producing the PUC. The Petitioner has provided the details of all the known producers of PUC in India along with verified production data supported by documentary evidence. None of these producers have expressly opposed the imposition of anti-dumping duty on subject imports. The associations represent the active manufacturers of the like product in India.
68. The other interested parties submitted that eligibility of each applicant company to constitute domestic industry should be verified by the Authority to ensure that all applicant and supporter companies are bona fide commercial producers of PUC. These parties argued that numerous applicant companies are primarily engaged in production of other products such as colour masterbatches.
69. The domestic industry responded that the assertion regarding manufacture of colour masterbatches is not relevant to standing analysis under Rule 5(3) of the Anti-Dumping Rules. The production and injury data provided by applicants pertain specifically to PUC and is segregated from data relating to any other product.
70. The Authority notes that the fact that some producers may also manufacture other products along with PUC does not disqualify them from being considered as domestic producers of PUC for the purpose of standing determination.
71. The other interested parties argued that standing is a pre-initiation determination and that no objection by other domestic producers post-initiation does not mean pre-initiation determination requirements were met.
72. The Authority notes that Rule 5(3) requires determination at the stage of initiation regarding whether domestic producers expressly supporting the application account for less than 25% of total production. The Authority observes that the domestic industry has demonstrated that the 25% test is satisfied by the applicant domestic producers and that none of the member companies of CMAAI and MMA, nor any other domestic producer of PUC, have opposed the petition.
73. The Authority finds that while it has discretion to seek additional information from external sources, such exercise is case-specific and depends on whether the information submitted is found insufficient or unreliable. In the present case, the applicant has identified all known producers and submitted supporting evidence as permitted under Trade Notice 09/2021 for fragmented industries.
74. The Authority holds that the domestic industry has satisfied both the 25% test under Rule 5(3) and the major proportion test under Rule 2(b) of the Anti-Dumping Rules. The twelve applicant domestic producers along with twenty-one expressly supporting companies constitute more than 55% of the total domestic production of PUC in India, which satisfies the standing requirements.

## **E. CONFIDENTIALITY**

### **E.1 Submissions by other interested parties**



75. The following submissions have been made by the other interested parties with regard to confidentiality:
- i. The interested parties submitted that the applicants have failed to adhere to the confidentiality requirements under Trade Notice 10/2018. The requirements are applicable not only at the time of filing the application but also for any subsequent submissions made during the investigation.
  - ii. Trade Notice 10/2018 mandates that where applicants consist of more than two companies, they must provide actual information relating to production quantity, capacity utilization percentage, sales quantity, sales value, number of employees, productivity per day, inventory, research and development expense, PBIT, interest/finance cost, depreciation, and NIP (in range of +/- 10%). Only information other than these can be submitted in indexed form. The applicants have illegally kept the mandated information confidential in the application. The sampled data submitted by the applicant also suffers from similar violations of Trade Notice 10/2018. The applicants have provided this information in trend format, which violates the guidelines for disclosure of information as prescribed in the trade notice.
  - iii. The respondents cite the decisions of the Hon'ble Supreme Court and Delhi High Court in Forech case, stating that requirements of Trade Notices are sacrosanct and must be followed strictly. Any sympathetic, accommodative or lenient view would lead to chaos and mockery of the requirement to adhere to timelines, which is an overriding feature of the Anti-Dumping Duty regime.
  - iv. Further, Trade Notice 2/2000 provides the mandatory procedure for claiming confidentiality in anti-dumping investigations. All interested parties must state details of information to be treated as confidential with adequate justification and simultaneously provide a non-confidential version that is sufficiently clear and detailed. The requirements include description of confidential information, written request for confidentiality with justification, a non-confidential version, and if non-confidential information is not susceptible of summary, a statement of reasons why summarisation is not possible.
  - v. The applicants have violated all these requirements. Information such as market reports issued by third parties have been kept confidential without providing any justification. The entire annexures of sampled data have been kept confidential without providing any meaningful summary.
  - vi. The sampled companies failed to comply with minimum procedural requirements under Trade Notice 9/2021. Once selected as sampled domestic industry, paragraph 8(b) mandates submission of complete information in Formats VI-1 to VI-5 as per Trade Notice 5/2021. The sampled petitioners submitted only limited documentation including Proforma IV-A and a one-page PCN-wise non-injurious price statement, which is insufficient and non-compliant with mandatory formats.
  - vii. No detailed breakdown of raw material consumption, cost of production, trial balances, PCN-wise expenses, working capital, or plant-level capacity utilization has been provided. The Proforma IV-A filed for 5 individual companies has been claimed confidential with everything marked as starred, rendering the information inaccessible for meaningful review.

## **E.2 Submissions by the domestic industry**

76. The following submissions have been made by domestic industry with regard to the Confidentiality:
- i. The domestic industry submitted that the Authority must assess confidentiality based on various factors including nature of information and whether such information is by law, custom, usage or practice treated as confidential in the relevant field.
  - ii. If disclosure is not treated as confidential in the field to which information relates, then claim to confidentiality is ill founded. However, where confidentiality is accepted by law, custom, usage or practice, the Authority will be satisfied about confidentiality.
  - iii. The domestic industry denied failure to comply with Trade Notice 09/2021 which recognizes challenges in gathering complete information from all producers in fragmented industries and provides simplified procedures for initial filings. The petitioners filed all required information under Annexure-I for twelve applicant producers supported by requisite production and injury data across the injury period.
  - iv. The domestic industry denied that only Proforma IV-A and single-page NIP statement was provided, stating that complete confidential data including PCN-wise cost and price data and cost sheets were submitted to the Authority. Non-confidential versions were submitted to extent possible without disclosing information that could harm commercial interests of sampled producers operating in highly competitive market.
  - v. The domestic industry denied failure to adhere to Trade Notice 10/2018, stating that as per paragraph 3.2, producers are required to provide reasonable non-confidential summary or explanation where summary is not possible. In all instances where data was marked confidential, either summary in indexed form was submitted or explanation was provided why disclosure would severely prejudice companies.
  - vi. Non-confidential versions were submitted with data marked with justifiable confidentiality indicators in accordance with Trade Notice 10/2018. Summary trends in domestic sales, profit margins, interest costs and depreciation were provided in indexed form, fully complying with confidentiality treatment requirements.
  - vii. The domestic industry submitted that allegations of excessive confidentiality are without basis as the Authority has consistently accepted confidential filings where companies can show risk of significant commercial harm. The market for the PUC is competitive and disclosure of costs and pricing would materially harm sampled producers. Confidentiality claims are made in accordance with Trade Notice 10/2018 and Rule 7 of AD Rules.
  - viii. The domestic industry argued that there is no legal obligation to disclose actual numbers in public version when such disclosure would lead to commercial harm. The Authority has not raised any deficiency with respect to confidentiality and there is no procedural violation.
  - ix. The domestic industry submitted that the Authority is competent body to assess completeness, confidentiality and procedural compliance. All mandatory information has been placed on record and the Authority retains discretion to verify and evaluate all data on record and direct disclosure of further information if required.

- x. The domestic industry also noted that Trade Notice 2/2000 was superseded by Trade Notice 1/2013 dated 09.12.2013, making any reference to older Trade Notice 2/2000 not applicable. The domestic industry complied with Trade Notice 10/2018 and where data could not be summarized due to commercial harm or proprietary concerns, reasons were provided.
- xi. The domestic industry filed its comments on excessive confidentiality claiming that the interested parties have filed questionnaire responses with excessive confidentiality claims in violation of Rule 7 of AD Rules and Trade Notice 10/2018. Further, no other interested parties filed responses to comments on confidentiality filed by the domestic industry.
- xii. The domestic industry identified specific parties that have claimed excess confidentiality including Blaze Decorative Pvt. Ltd., RGK Polychem India Pvt. Ltd., Konkan Speciality Poly Products Pvt Ltd, A One Trading Co., Vietnam Industrial Minerals International Joint Stock Company, Nghe An European Plastic One Member Limited Liability Company, Yen Bai European Plastic Joint Stock Company, European Plastic Joint Stock Company, and Polyfill Joint Stock Company.
- xiii. The domestic industry further cited Article 6.5 of the Anti-Dumping Agreement which provides that information which is by nature confidential shall be treated as such by authorities upon good cause shown. Such information shall not be disclosed without specific permission of the party submitting it.
- xiv. Rule 7 of the AD Rules states that the Authority may require parties providing information on confidential basis to furnish non-confidential summary thereof. If information is not susceptible of summary, parties may submit statement of reasons why summarization is not possible. The Authority may disregard information if confidentiality is not warranted or if the supplier is unwilling to provide the information.
- xv. Trade Notice 10/2018 was issued to clarify the manner in which information should be disclosed while filing non-confidential versions of applications and questionnaire responses by interested parties.

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

- 77. The submissions made by the other interested parties and the domestic industry with regard to confidentiality have been examined as under:
- 78. 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 AD Rules. With regard to confidentiality of information, Rule 7 of AD Rules provides as follows:  
*“(1) Notwithstanding anything contained in sub-rules (2), (3) and (7) of rule 6, subrule (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”*

79. The Authority has undertaken a thorough examination of the confidentiality claims submitted by both the domestic industry and other interested parties. Upon review, the Authority finds that these claims were, in general, appropriately substantiated and in conformity with the applicable legal provisions. Accordingly, on being satisfied, the Authority has accepted the confidentiality claims, wherever warranted and such information has been considered confidential and not disclosed to the other interested parties. Wherever possible, parties providing information on a confidential basis were directed to provide sufficient non-confidential version of the information filed on a confidential basis.

## **F. MISCELLANEOUS ISSUES**

### **F.1. Submissions by other interested parties**

80. The other interested parties have made the following submissions: -
- i. The application is filed by two associations without proper authorizations and certifications in line with legal requirements. Rule 5(3) specifically provides that designated authority shall not initiate investigation unless pre-conditions are met. Since initiation notification was issued without ascertaining proper authorizations, the proceedings become bad in law. This is not a harmless error but a fatal error resulting in proceedings being without jurisdiction.
  - ii. Article 23.13 of Articles of Association of Compounds and Masterbatch Manufacturers Association of India requires certification under seal of the company for appointing attorneys. The certification is without seal and has no sanctity of law and will be considered as without certification. The legal representatives are only authorized to receive and make submissions, appear on behalf of applicants and hold discussions, but have no power to institute proceedings or file applications.
  - iii. The Authority's decision to rely on sampled domestic industry is not in consonance with principles of natural justice. With respect to sampling, the Manual provides under paragraph 8.8.4 provides that in case there are large number of responses, it is impractical to verify and examine each response individually, therefore it is advisable with view to having more accurate verification to resort to sampling as per methodology described. The Manual specifically states that it should be notified to all stakeholders within 80 days from date of initiation that Authority is resorting to sampling and sampling methodology must be specified therein.
  - iv. The Authority's decision to conduct sampling has not been disclosed to interested parties at any stage of investigation. The notice of initiation made no reference to use of sampling in respect of

domestic industry, nor did Authority issue any communication inviting comments on proposed basis or methodology for such sampling. The importers only learnt of sampling via communication by domestic industry. This is serious procedural lapse as interested parties have right to be informed and comment on representativeness and selection criteria before any sampling is adopted under Rule 17 of AD Rules.

- v. The decision to resort to sampling among applicant producers without prior disclosure or consultation violates principles of natural justice. The right to be heard is compromised because interested parties were neither informed of intention to conduct sampling nor given opportunity to provide input on sampling methodology. In previous investigations, Authority has invited interested parties' comments on sampling. The absence of such opportunity severely prejudices interested parties' ability to represent their interests in present investigation.
- vi. There appears to be no formal notification, public record, or written communication from Authority indicating when and how five companies were selected as part of sample for detailed examination. The procedure for selection of sampled domestic producers is governed by Para 7 of Trade Notice 9/2021 which provides that Authority shall select sample set of producers based on statistically valid sampling techniques. In interest of transparency and procedural fairness, Authority should issue formal notification or communication indicating basis and process for selection of sampled domestic producers.
- vii. No formal communication has been issued by Authority regarding criteria or rationale for selection of sampled domestic producers. Neither initiation notification nor any public submission indicates methodology used for finalizing five sampled producers. The selection appears to be driven by petitioners' own discretion rather than statistically valid or objective methodology. In absence of any explanation or documented justification, it appears selection of sampled companies has been driven not by statistically valid or objective methodology but rather by petitioners' own discretion.
- viii. Upon review of available records, it is evident that five companies eventually selected show declining performance trends during POI. The original petition was filed on behalf of twelve domestic producers including companies such as Blend Colors Pvt. Ltd., Bajaj Masterbatches Pvt. Ltd., Bajaj Superpack India Ltd., Bajaj Plast Pvt. Ltd., Bajaj Polyblends Pvt. Ltd., Siddh Chemiplast Pvt. Ltd., and Shri Ambica Polyfill, in addition to five ultimately selected.
- ix. Several of excluded companies, based on available data, demonstrate positive or stable financial and operational performance during POI. This includes indicators such as improved sales realization, reduced cost of production, stable capacity utilization, or increased domestic sales volumes. The selective omission of such companies from sample has effect of presenting imbalanced and distorted picture of domestic industry.
- x. The cherry-picking of companies that demonstrate adverse performance while ignoring those with neutral or positive trends compromises objectivity of investigation and may result in erroneous conclusions regarding existence and extent of injury. Authority should critically examine basis and process adopted for selection of five sampled companies and clarify whether sampling methodology complies with requirement under Rules to adopt statistically valid and unbiased techniques.

- xi. In interest of transparency, issuance of formal order or public communication outlining sampling methodology adopted, criteria applied, and reasons for exclusion of other producers who were part of original applicant group is requested.
- xii. DGTR normally allows 22% return on gross fixed assets which is highly inflated and not in accordance with law. DGTR adopts lesser duty rule and works out non-injurious price of domestic industry based on cost of production. The non-injurious price determined is highly inflated and not based on real situation. Providing 22% return on capital employed is incorrect because debt portion of capital employed attracts about 10-12% interest rate and this results in providing more than 22% return on net worth portion of capital employed.
- xiii. The basis of 22% ROCE designed in year 1979 when all parameters like interest rate and corporate tax were different cannot be termed as reasonable after 45 years in year 2025. In 1979 rate of interest was around 18% and corporate tax was 50%-60%. By applying current rates of corporate tax and interest rate on actual basis, ROCE will work out as under for different debt equity ratios. The CESTAT in Bridge Stone Tyre Manufacturing held that adoption of 22% return on capital employed has colored injury determinations and gives inflated picture of price underselling.
- xiv. The practice followed by EU for determination of reasonable return is that profit margin to be used when calculating target price must be limited to profit margin which Community industry could reasonably count on under normal conditions of competition in absence of dumped imports. The adoption of 22% profit margin based on hypothetical considerations is illogical and cannot be termed as reasonable.

## **F.2. Submissions by the domestic industry**

81. The domestic industry has made the following submissions:

- i. The assertions regarding alleged deficiencies in certifications, undertakings or authorizations filed by domestic industry are incorrect and without legal foundation. The initiation of present investigation has been carried out by Authority after duly verifying compliance with mandatory procedural requirements. All requisite certifications and authorizations required under law were properly submitted along with application for initiation.
- ii. The allegation that alleged inadequacies in authorizations cast doubt over accuracy of data submitted by domestic industry is misplaced and unfounded. The accuracy of data provided in anti-dumping investigation is independently verified by Authority. Each applicant domestic producer has submitted duly certified information concerning production, sales, capacity, utilization, profitability and other relevant injury parameters.
- iii. The selection of sampled domestic producers in present investigation has been undertaken in accordance with Paragraph 7 of Trade Notice 09/2021 which permits Authority to limit detailed examination of applicant domestic producers to limited number of domestic producers for determining injury margin.
- iv. Trade Notice does not prescribe issuance of separate public notification for sampling of domestic producers but only requires that selection be based on statistically valid sampling methods.

- v. The five producers selected for detailed examination are among largest producers of PUC in India making them representative for costing and sales verification. These companies together represent significant share of total domestic applicants. The five producers selected for detailed examination are geographically and operationally diverse thereby ensuring sample is reflective of broader domestic industry.
- vi. Trade Notice 09/2021 is applicable to filing of petitions in fragmented industries and was issued to streamline process of demonstrating standing at stage of initiation. Paragraph 7 refers to possibility of limiting detailed examination for injury determination but it is clarified in paragraph 7(c) that there is no change in procedure governing investigation itself.
- vii. The selection of five domestic producers was based on statistical sampling techniques adopted by Authority. There is no legal requirement under AD Rules or under AD Agreement to issue separate notification for selection of sample domestic industry. For transparency, domestic industry has filed submission dated 21 April 2025 providing their updated information in prescribed formats.
- viii. The selection of sampled producers has been undertaken in line with established practices of Authority in past investigations. Authority has in numerous cases selected representative group of domestic producers without issuance of separate sampling notification. The emphasis has always been on completeness, verifiability and representativeness of data rather than form of announcement.
- ix. The allegation that selection of sampled companies was based on adverse performance trends or discretionary choice of petitioners is factually incorrect and legally untenable. Authority retains full discretion to select representative sample of domestic producers for detailed verification of cost and prices. Domestic industry has played no role in selection of five sampled producers in present investigation.
- x. The selection of sampled companies was done by Authority independently by applying statistical techniques. Domestic industry was informed of selected companies and was required to furnish requisite detailed information for these companies in accordance with formats prescribed under Trade Notice 09/2021. The question of selective omission by applicants does not arise since sampling process was undertaken by Authority and not by applicants.
- xi. The importers have relied on Paragraph 8.8.4 of Manual which pertains to sampling of producers/exporters from subject countries under Rule 17 of AD Rules. This provision is not applicable in context of present investigation where sampling relates to domestic producers in fragmented industry. When Authority limits its detailed analysis to selected domestic producers in fragmented industry, applicable provisions are those under Trade Notice 09/2021.
- xii. The claim that principles of natural justice were violated is not supported by procedure followed. Authority has relied upon verified information submitted by large number of applicant producers and has exercised its discretion as permitted under Trade Notices to limit detailed examination to representative sample. Law does not impose any requirement on Authority to consult interested parties before selecting domestic producers in fragmented industries for sampling.

- xiii. The domestic industry submitted that determination of reasonable return on capital employed is governed by Annexure III of AD Rules which provides for reasonable return (pre-tax) on average capital employed for recovery of interest, corporate tax and profit.
- xiv. The Authority has consistently adopted 22% pre-tax ROCE in numerous past investigations after detailed examination and consideration of relevant economic factors. This practice is well-established, transparent and recognized in India.
- xv. The interested parties' contention that applying 22% ROCE on entire capital employed comprising both debt and equity results in inflated profit margin is based on hypothetical calculations that do not reflect actual economic conditions and financial structures of domestic industry. The Authority has historically adopted uniform rate of return to maintain consistency, fairness and predictability in anti-dumping framework.
- xvi. The interested parties' reliance on CESTAT rulings in Bridgestone Tyre Manufacturing and Hyosung Corporation cases is misplaced. The Authority's adoption of 22% ROCE has withstood judicial scrutiny in numerous other cases. CESTAT has not conclusively determined or mandated that lower ROCE must be applied uniformly across industries but indicated that determination of reasonable return should be done on case-by-case basis. In Bridgestone case, CESTAT's observations were based on specific facts and market conditions related to tyre industry and are not universally applicable.
- xvii. The suggestion that Authority should adopt actual profitability earned by domestic industry during period when there was no dumping as benchmark for reasonable return is problematic. Profit margins earned by industry in any given period are impacted by multiple factors including market competition, macroeconomic conditions and technological factors. Profits realized in particular past period may not necessarily reflect profitability reasonably achievable under fair trading conditions.
- xviii. The interested parties' reference to practice followed by European Union in determining reasonable return cannot be mechanically transposed onto Indian regulatory framework without thorough consideration of local conditions, legal standards and industrial practices. Economic context, regulatory frameworks and procedural standards differ significantly between European Union and India. Application of 22% rate by Authority is specifically designed to ensure that domestic industry is neither unfairly disadvantaged nor excessively protected.
- xix. Vietnam Industrial Minerals International Joint Stock Company has disclosed existence of trader in its export transactions to India stating that third party acts as service provider for entrusted export, performing customs procedures and receiving payments on behalf of VMI. Despite VMI's claim that ownership remains with them, these third parties form integral part of export channel and value chain.
- xx. In anti-dumping investigations, all entities forming part of export value chain must participate and provide complete information including manufacturer/producer and any agent, trader or intermediary involved in export transaction. Reference was made to Para 12.18 of the Manual which states that if the producer exporter is exporting through its unrelated intermediaries, it



would still be necessary for each of these intermediaries to cooperate during the investigations and submit the information called for by the Designated Authority.

- xxi. When exports are made under entrustment arrangements wherein intermediary is involved in physical movement of goods or financial transactions/documents, complete export price build-up for dumping margin calculation can only be determined when information is provided by all entities in chain.
- xxii. From registered interested party list in present investigation, third-party involved in export mentioned by VMI has not participated in investigation. The absence of said party from investigation creates gap in information required for proper determination of export price to unrelated customer in India. Without participation of such entity, Authority will not be in position to ascertain details of commissions, service charges or any other expenses incurred by intermediary and profitability of such entity which ultimately may affect export price determination.

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

- 82. The Authority has examined the submissions made by other interested parties regarding the authorization and certification requirements for filing the application. The other interested parties contended that the application is filed by two associations without proper authorizations and certifications in line with legal requirements, making the proceedings bad in law.
- 83. The other interested parties specifically argued that Article 23.13 of Articles of Association of CMMAI requires certification under seal of the company for appointing attorneys, and that the certification provided was without seal and has no sanctity of law.
- 84. The Authority notes that it has verified the information submitted by the domestic industry and found it to be in compliance with the procedural requirements under the Anti-Dumping Rules. Wherever warranted, the Authority has called for the relevant information from the domestic industry. The initiation notification was issued only after the Authority satisfied itself regarding the completeness of the application and compliance with mandatory requirements.
- 85. The other interested parties argued that alleged inadequacies in authorizations cast doubt over accuracy of data submitted by domestic industry.
- 86. The Authority finds that the accuracy of data provided in anti-dumping investigation is independently verified by the Authority. Each applicant domestic producer has submitted duly certified information concerning production, sales, capacity, utilization, profitability and other relevant injury parameters. The verification process ensures reliability of data used for injury and causation analysis.
- 87. The Authority has examined the submissions regarding the sampling methodology adopted for the domestic industry. The other interested parties argued that the Authority's decision to rely on sampled domestic industry is not in consonance with principles of natural justice and that the decision to conduct sampling has not been disclosed to interested parties at any stage of investigation.
- 88. The Authority notes that the other interested parties have relied on Paragraph 8.8.4 of Manual

which pertains to sampling of producers/exporters from subject countries under Rule 17 of the Anti-Dumping Rules. This provision is not applicable in the context of present investigation where sampling relates to domestic producers in fragmented industry. When Authority limits its detailed analysis to selected domestic producers in fragmented industry, applicable provisions are those under Trade Notice 09/2021.

89. The Authority finds that Trade Notice 09/2021 was issued to streamline process of demonstrating standing at stage of initiation and permits the Authority to limit detailed examination for injury determination. Paragraph 7 of Trade Notice 09/2021 specifically allows such sampling without requiring separate notification. The Authority has exercised its discretion as permitted under Trade Notices to limit detailed examination to representative sample.
90. The Authority observes that there is no legal requirement under the Anti-Dumping Rules or under the Anti-Dumping Agreement to issue separate notification for selection of sample domestic industry. The Authority has followed established practices in past investigations where representative groups of domestic producers have been selected without issuance of separate sampling notification.
91. The Authority finds that the procedure followed does not violate principles of natural justice. The Authority has relied upon verified information submitted by large number of applicant producers and has exercised its discretion as permitted under Trade Notices to limit detailed examination to representative sample. Law does not impose any requirement on Authority to consult interested parties before selecting domestic producers in fragmented industries for sampling.
92. The Authority notes that interested parties have been provided adequate opportunities to present their views and submissions throughout the investigation process.
93. The other interested parties further submitted that five companies eventually selected show declining performance trends during POI while several excluded companies demonstrate positive or stable financial and operational performance. These parties argued that this constitutes cherry-picking of companies that demonstrate adverse performance while ignoring those with neutral or positive trends.
94. The Authority notes that the selection of sampled companies was done independently by applying statistical techniques. The five producers selected for detailed examination are among largest producers of PUC in India making them representative for costing and sales verification. These companies together represent significant share of total domestic applicants and are geographically and operationally diverse thereby ensuring sample is reflective of broader domestic industry.
95. The Authority finds that the question of selective omission by applicants does not arise since sampling process was undertaken by Authority and not by applicants. The domestic industry was informed of selected companies and was required to furnish requisite detailed information for these companies in accordance with formats prescribed under Trade Notice 09/2021.
96. The Authority has examined the submissions regarding the reasonable return on capital employed (ROCE). The other interested parties argued that DGTR normally allows 22% return on gross fixed assets which is highly inflated and not in accordance with law. These parties submitted that the basis of 22% ROCE designed in year 1979 cannot be termed as reasonable after 45 years in

year 2025.

97. The other interested parties further argued that providing 22% return on capital employed is incorrect because debt portion of capital employed attracts about 10-12% interest rate and this results in providing more than 22% return on net worth portion of capital employed. These parties referenced CESTAT decisions and European Union practices to support their arguments.
98. The Authority notes that the determination of reasonable return is governed by Annexure III of the Anti-Dumping Rules. The Authority has consistently applied 22% pre-tax ROCE in numerous investigations as this practice is well-established, transparent and recognized. The uniform rate of return maintains consistency, fairness and predictability in the anti-dumping framework.
99. The Authority finds that the interested parties' reliance on CESTAT rulings is misplaced as CESTAT has not conclusively determined or mandated that lower ROCE must be applied uniformly across industries but indicated that determination of reasonable return should be done on case-by-case basis.
100. The Authority observes that the reference to practice followed by European Union cannot be mechanically transposed onto Indian regulatory framework without thorough consideration of local conditions, legal standards and industrial practices. Economic context, regulatory frameworks and procedural standards differ significantly between European Union and India.
101. The domestic industry submitted that Vietnam Industrial Minerals International Joint Stock Company has disclosed existence of trader in its export transactions to India and that these third parties form integral part of export channel and value chain. The domestic industry argued that all entities forming part of export value chain must participate and provide complete information.
102. The domestic industry further submitted that from registered interested party list, the third-party involved in export mentioned by VMI has not participated in investigation, creating gap in information required for proper determination of export price to unrelated customer in India.
103. The Authority notes that in anti-dumping investigations, complete information regarding export price build-up is essential for accurate dumping margin calculation. When exports are made under entrustment arrangements wherein intermediary is involved in physical movement of goods or financial transactions, complete export price build-up can only be determined when information is provided by all entities in chain.
104. The Authority has examined this issue in calculation of dumping margin.

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

### **G.1. Submissions by other interested parties:**

105. The other interested parties have made the following submissions with regard to the normal value, export price and dumping margin:
  - i. The producers/exporters submitted that the dumping margin calculated by domestic industry appears to be overstated and may not be representative of actual prevailing commercial realities or transactional values in export markets.
  - ii. The producers/exporters claimed that they have submitted detailed and verified data to Authority, including questionnaire responses, desk verification data, and follow-up clarifications. The data

provided includes information on sales transactions, cost elements, price structures, and market behaviour.

- iii. The producers/exporters requested that dumping margin should be determined strictly on basis of verified and actual data submitted by cooperating foreign producers and exporters.
- iv. Reliance on constructed normal values or notional assumptions made by domestic industry, particularly where exporters have cooperated and submitted robust data, would result in inaccurate and inflated assessment of dumping. The producers/exporters urged Authority to apply principles of fair comparison as required under Rule 6(8) and Rule 10 of Anti-Dumping Rules.

## **G.2 Submissions by the domestic industry**

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

- i. The domestic industry submitted that Authority is required to evaluate all domestic sales made by Vietnamese producers/exporters to related parties to determine whether such transactions were made at arm's length and in ordinary course of trade.
- ii. If prices are found not to be at arm's length, such sales must be disregarded for purposes of determining normal value in accordance with legal provisions and past precedent. The domestic industry cited Article 2.1 of Anti-Dumping Agreement which states that product is considered dumped if export price is less than comparable price, in ordinary course of trade, for like product when destined for consumption in exporting country.
- iii. The domestic industry submitted that in non-confidential version of questionnaire response filed by entities of EuroPlast group, it has been stated under channel of distribution section that PUC was sold to related entities in domestic market. However, in response to question which asked for supporting documents regarding domestic sales to related parties, response provided was that there were no such domestic sales. This internal inconsistency indicates that there is ambiguity regarding nature of domestic sales. The domestic industry submitted that where channel of distribution confirms related party transactions but supporting documents are denied, this raises possibility that exporter has not provided complete information to Authority. In such circumstances, Authority must undertake verification of all domestic sales transactions, with focus on any transactions made with related parties.
- iv. The domestic industry requested Authority to undertake examination and verification of sales made by EuroPlast group as well as for other producers in domestic market of exporting country. If related party transactions exist, they must be tested for arm's length nature. The determination of normal value must be based only on transactions made in ordinary course of trade, and all non-arm's length transactions must be excluded.
- v. The domestic industry submitted that Vietnam Industrial Minerals International Joint Stock Company (VMI) has disclosed existence of trader in its export transactions to India. The domestic industry submitted that VMI operates through third party for export transactions. This third party performs customs procedures and receives payments on behalf of VMI. Despite VMI's claim that ownership remains with them, these third parties form part of export channel and value chain.

- vi. In anti-dumping investigations, all entities forming part of export value chain must participate and provide complete information. The domestic industry states that it would be necessary for each of these intermediaries to cooperate during investigations and submit information called for by Authority. The domestic industry submitted that from registered interested party list in present investigation, it appears that third-party involved in export mentioned by VMI has not participated in investigation. The absence of said party from investigation creates gap in information required for proper determination of export price to unrelated customer in India. The domestic industry submitted that in absence of complete information from all entities in export chain, including third-party exporters, VMI's response should be considered incomplete and deficient for purpose of individual margin determination.

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

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

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

108. The Authority has examined the submissions made by various interested parties regarding the determination of normal value, export price and dumping margin. The Authority notes that under Section 9A(1)(c) of the Customs Tariff Act, 1975, normal value means the comparable price, in the ordinary course of trade, for the like article when meant for consumption in the exporting country as determined in accordance with the rules.

109. The Authority notes that the following exporters of the subject goods have filed exporter's questionnaire responses:

- i) European Plastic Joint Stock Company
- ii) Polyfill Joint Stock Company
- iii) Nghe An European Plastic One Member Limited Liability Company
- iv) Yen Bai European Plastic Joint Stock Company
- v) A Dong Plastic Joint Stock Company
- vi) Vitaplas Joint Stock Company

- vii) Vietnam Industrial Minerals International Joint Stock Company
- viii) An Tien Industries Joint Stock Company
- ix) GCC Minerals JSC
- x) Viet Trung Plastic Chemical JSC
- xi) Filler Masterbatch Joint Stock Company
- xii) US Masterbatch Joint Stock Company
- xiii) US MB JSC Hung Yen Branch

110. The producers/exporters requested that dumping margin should be determined strictly on the basis of verified and actual data submitted by cooperating foreign producers and exporters. These parties argued that reliance on constructed normal values or notional assumptions would result in inaccurate and inflated assessment of dumping.
111. The Authority finds that wherever the level of cooperation by Vietnamese producers/exporters has been satisfactory, the Authority has considered the information provided by cooperating producers/exporters for determination of individual dumping margins.
112. With regards to the contention that normal value should not be based on cost of production of the applicant since the same may be inflated, the Authority notes that the normal value for all cooperative producers is based on their own responses. For non-cooperative producers, the Authority has relied on facts available. In this regard, the Anti-Dumping Agreement is clear that *“if an interested party does not cooperate and thus relevant information is being withheld from the authorities, this situation could lead to a result which is less favourable to the party than if the party did cooperate”*. Therefore, the Authority is justified in relying on facts available in this regard.

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

#### **Normal Value for Vietnam**

**Normal Value for European Plastic Joint Stock Company (“EuroPlast”), Yen Bai European Plastic Joint Stock Company (“Yenbai”), Nghe An European Plastic One Member Limited Liability Company (“Nghe”) and Polyfill joint stock company (“Polyfill”) (collectively referred to as “Europlast Group”)**

#### **Determination of Normal Value - Europlast Group**

113. European Plastic Joint Stock Company (“EuroPlast”), Yen Bai European Plastic Joint Stock Company (“Yenbai”), Nghe An European Plastic One Member Limited Liability Company (“Nghe”) and Polyfill joint stock company (“Polyfill”) are the related producers of the PUC in Vietnam within the Europlast Group. Europlast, Yenbai, Nghe and Polyfill have exported PUC to India during the POI. All the entities have also made sales of PUC in the domestic market of Vietnam. Therefore, the Authority has proceeded to determine the normal value for each entity based on their domestic sales of the PUC during the POI.

#### **European Plastic Joint Stock Company (“EuroPlast”)**

114. EuroPlast has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
115. It is seen that out of total sales of PUC in the domestic market, EuroPlast has sold [\*\*\*] MT of PUC to unrelated parties and [\*\*\*] MT of PUC to related parties in the domestic market. Out of the sales made to related party, EuroPlast has sold [\*\*\*] MT of PUC to one of its related parties, namely, Nghe, who has resold the same in the domestic market to unrelated customers. EuroPlast has sold [\*\*\*] MT PUC to related user namely Abbey Vietnam Joint Stock Company (“**Abbey**”) in the domestic market.
116. Accordingly, the Authority has determined the normal value based on selling price of EuroPlast to independent customers and resale price of related parties of EuroPlast to the independent customer. For sales to Abbey, the Authority examined whether the sales were on arm’s length basis. Since the price of such sales are lower than the prices to unaffiliated customers, the Authority has not considered such sales to be in the ordinary course of trade.
117. To determine the normal value, the Authority has conducted the ordinary course of trade test to determine profit-making domestic sales transactions with reference to the cost of production of the subject goods on a PCN-wise basis. Where for PCN, less than 80% of sales were made at profit, the normal value has been determined based on the selling price of profitable sales. For the PCNs, wherever more than 80% of sales were made at profit, the normal value has been determined based on the selling price of all sales of that PCN.
118. The information concerning all domestic sales and prices has been furnished on record. EuroPlast has claimed price adjustments on account of inland transportation, credit cost and any other expenses. The adjustments claimed except for other expenses have been allowed by the Authority after desk verification. The normal value at ex-factory level for EuroPlast has been calculated as mentioned in the dumping margin table below.

**Yen Bai European Plastic Joint Stock Company (“Yenbai”)**

119. YenBai has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
120. It is seen that out of total sales of PUC in the domestic market, Yenbai has sold [\*\*\*] MT of PUC to unrelated parties in the domestic market directly. Further, Yenbai has sold [\*\*\*] MT of PUC to related parties in the domestic market. Out of the above domestic sales made to related party, [\*\*\*] MT PUC sold to related user namely Abbey Vietnam Joint Stock Company (“**Abbey**”) in the domestic market.
121. Accordingly, the Authority has determined the normal value based on selling price of Yenbai to independent customers. For sales to Abbey, the Authority examined whether the sales were on arm’s length basis. Since the price of such sales are lower than the prices to unaffiliated customers, the Authority has not considered such sales to be in the ordinary course of trade.
122. To determine the normal value, the Authority has conducted the ordinary course of trade test to

determine profit-making domestic sales transactions with reference to the cost of production of the subject goods on a PCN-wise basis. Where for PCN, less than 80% of sales were made at profit, the normal value has been determined based on the selling price of profitable sales. For the PCNs, wherever more than 80% of sales were made at profit, the normal value has been determined based on the selling price of all sales of that PCN. For the PCN having a negligible volume of sales at profits, the normal value has been determined based on cost of production, plus a reasonable addition towards selling, general and administrative expenses and reasonable profits.

123. The information concerning all domestic sales and prices has been furnished on record.
124. Yenbai has claimed price adjustments on account of credit cost and other expenses. The adjustments claimed except for other expenses have been allowed by the Authority after desk verification. The normal value at ex-factory level for Yenbai has been calculated as mentioned in the dumping margin table below.

**Nghe An European Plastic One Member Limited Liability Company (“Nghe”)**

125. Nghe has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
126. It is seen that out of total sales of PUC in the domestic market, Nghe has sold [\*\*\*] MT of PUC to unrelated parties in the domestic market directly. Further, Nghe has sold [\*\*\*] MT of PUC to its related parties in the domestic market. Out of the domestic sales made to related party in the domestic market, Nghe has sold [\*\*\*] MT of PUC to one of its related parties, namely, EuroPlast, who has resold the same in the domestic market to unrelated customers during the POI. Further, Nghe has sold [\*\*\*] MT PUC to related user namely Abbey Vietnam Joint Stock Company (“Abbey”) and [\*\*\*] MT PUC to Long An European Plastic Joint Stock Company (“Long An”) in the domestic market.
127. Accordingly, the Authority has determined the normal value based on selling price of Nghe to independent customers and resale price of related parties of Nghe to the independent customer. For sales to Abbey and Long An, the Authority examined whether the sales were on arm’s length basis. Since the price of such sales are lower than the prices to unaffiliated customers, the Authority has not considered such sales to be in the ordinary course of trade.
128. To determine the normal value, the Authority has conducted the ordinary course of trade test to determine profit-making domestic sales transactions with reference to the cost of production of the subject goods on a PCN-wise basis. Where for PCN, less than 80% of sales were made at profit, the normal value has been determined based on the selling price of profitable sales. For the PCNs, wherever more than 80% of sales were made at profit, the normal value has been determined based on the selling price of all sales of that PCN. For the PCN having a negligible volume of sales at profits, the normal value has been determined based on cost of production, plus a reasonable addition towards selling, general and administrative expenses and reasonable profits.
129. The information concerning all domestic sales and prices has been furnished on record.
130. Nghe has claimed price adjustments on account of ocean freight, inland freight, credit cost and



other expenses. The adjustments claimed except for other expenses have been allowed by the Authority after desk verification. The normal value at ex-factory level for Nghe has been calculated as mentioned in the dumping margin table below.

**Polyfill joint stock company (“Polyfill”)**

131. Polyfill has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
132. It is seen that out of total sales of PUC in the domestic market, Polyfill has sold [\*\*\*] MT of PUC to unrelated parties in the domestic market directly. Further, Polyfill has sold [\*\*\*] MT of PUC to its related parties in the domestic market. Out of the domestic sales made to related party in the domestic market, Polyfill has sold [\*\*\*] MT of PUC to two of its related parties, namely, EuroPlast and Nghe, who have resold the same in the domestic market to unrelated customers during the POI. Polyfill has sold [\*\*\*] MT PUC to related user namely Abbey and [\*\*\*] MT PUC to Long An in the domestic market.
133. Accordingly, the Authority has determined the normal value based on selling price of Polyfill to independent customers and resale price of related parties of Polyfill to the independent customer. For sales to Abbey and Long An, the Authority examined whether the sales were on arm's length basis. Since the price of such sales are lower than the prices to unaffiliated customers, the Authority has not considered such sales to be in the ordinary course of trade.
134. To determine the normal value, the Authority has conducted the ordinary course of trade test to determine profit-making domestic sales transactions with reference to the cost of production of the subject goods on a PCN-wise basis. Where for PCN, less than 80% of sales were made at profit, the normal value has been determined based on the selling price of profitable sales. For the PCNs, wherever more than 80% of sales were made at profit, the normal value has been determined based on the selling price of all sales of that PCN.
135. The information concerning all domestic sales and prices has been furnished on record.
136. Polyfill has claimed price adjustments on account of ocean freight, inland transportation, credit cost and other deductions. The adjustments claimed except for other deduction have been allowed by the Authority after desk verification. The normal value at ex-factory level for Polyfill has been calculated as mentioned in the dumping margin table below.
137. In accordance with the above, weighted average normal value for EuroPlast group which consists of European Plastic Joint Stock Company (“EuroPlast”), Yen Bai European Plastic Joint Stock Company (“Yenbai”), Nghe An European Plastic One Member Limited Liability Company (“Nghe”) and Polyfill joint stock company (“Polyfill”) has been calculated as mentioned in the dumping margin table below.

**Determination of Normal Value - A Dong Plastic Joint Stock Company**

138. A Dong Plastic Joint Stock Company (“ADC Plastic”) has exported PUC to India during the POI. ADC Plastic also made sales of PUC in the domestic market of Vietnam. Therefore, the Authority

has proceeded to determine the normal value for ADC Plastic based on its domestic sales of the PUC during the POI.

139. ADC Plastic has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
140. It is seen that ADC Plastic has made the total sales of PUC in the domestic market to unrelated parties in the domestic market. Accordingly, the Authority has determined the normal value based on selling price of ADC Plastic to independent customers.
141. To determine the normal value, the Authority has conducted the ordinary course of trade test to determine profit-making domestic sales transactions with reference to the cost of production of the subject goods on a PCN-wise basis. Where for PCN, less than 80% of sales were made at profit, the normal value has been determined based on the selling price of profitable sales. For the PCNs, wherever more than 80% of sales were made at profit, the normal value has been determined based on the selling price of all sales of that PCN.
142. The information concerning all domestic sales and prices has been furnished on record.
143. ADC Plastic has claimed price adjustments on account of inland transportation, commission, credit cost and other deductions. The adjustments claimed have been allowed by the Authority after desk verification. The normal value at ex-factory level for ADC Plastic has been calculated as mentioned in the dumping margin table below.

#### **Determination of Normal Value – An Tien Industries Joint Stock Company**

144. An Tien Industries Joint Stock Company (“An Tien”) has exported PUC to unrelated Indian customers during the POI. An Tien also made sales of PUC in the domestic market of Vietnam to related and unrelated customers. Therefore, the Authority has proceeded to determine the normal value for An Tien based on its domestic sales of the PUC during the POI.
145. An Tien has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
146. It is seen that out of total sales of PUC in the domestic market, An Tien has sold [\*\*\*] MT of PUC to unrelated parties in the domestic market. An Tien has sold [\*\*\*] MT of PUC to related parties in the domestic market.
147. For sales to related customers, the Authority examined whether the sales were on arm’s length basis. Since the price of such sales and sales to unrelated customers are in the same range, the Authority has considered such sales for the ordinary course of trade test. Accordingly, the Authority has determined the normal value based on selling price of An Tien to all customers.
148. To determine the normal value, the Authority has conducted the ordinary course of trade test to determine profit-making domestic sales transactions with reference to the cost of production of the subject goods on a PCN-wise basis. It has been noted that more than 80% of sales were made at profit, the normal value has been determined based on the selling price of all sales.
149. The information concerning all domestic sales and prices has been furnished on record.

150. An Tien has claimed price adjustments on account of inland freight, commission and credit cost. The adjustments claimed have been allowed by the Authority after desk verification. The normal value at ex-factory level for An Tien has been calculated as mentioned in the dumping margin table below.

**Determination of Normal Value – Vitaplas Joint Stock Company**

151. Vitaplas Joint Stock Company (“Vitaplas”) has exported PUC to India during the POI. Vitaplas also made sales of PUC in the domestic market of Vietnam. Therefore, the Authority has proceeded to determine the normal value for Vitaplas based on its domestic sales of the PUC during the POI.
152. Vitaplas has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
153. It is seen that Vitaplas has made the total sales of PUC in the domestic market to unrelated parties. Accordingly, the Authority has determined the normal value based on selling price of Vitaplas to independent customers.
154. To determine the normal value, the Authority has conducted the ordinary course of trade test to determine profit-making domestic sales transactions with reference to the cost of production of the subject goods on a PCN-wise basis. Where for PCN, less than 80% of sales were made at profit, the normal value has been determined based on the selling price of profitable sales. For the PCNs, wherever there are no sales in the domestic market, the normal value has been determined based on cost of production, plus a reasonable addition towards selling, general and administrative expenses and profits.
155. The information concerning all domestic sales and prices has been furnished on record.
156. Vitaplas has claimed price adjustments on account of inland transportation, credit cost and packing cost. The adjustments claimed have been allowed by the Authority after desk verification. The normal value at ex-factory level for Vitaplas has been calculated as mentioned in the dumping margin table below.

**Determination of Normal Value – Vietnam Industrial Minerals International Joint Stock Company**

157. Vietnam Industrial Minerals International Joint Stock Company (“VIM”) has exported PUC to India during the POI. VIM also made sales of PUC in the domestic market of Vietnam.
158. VIM has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. Out of the total exports to India, VIM has sold [\*\*\*] MT directly to India and has sold [\*\*\*] MT to India through unrelated trader/entrusted exporter.
159. The Authority notes that the data/information for determination of Cost of Production (COP) were found incomplete in many respects even after given sufficient opportunity to substantiate their claim like figures of Appendix-7 and Appendix-8 are not matching with each other, in most of

the Appendices and verification documents attached, English version was not provided.

160. Further, the same was not supported in English Version also, supporting documents of Appendix-1 not provided to authenticate the figures in claim, Production and sales quantity of Appendix-1, Appendix-8 and Appendix-9 are not matching with each other. Accordingly, the claim of COP of the said exporter producer has been rejected.
161. It is seen that the VIM has failed to co-operate with the Authority. Therefore, it is held not to grant an individual dumping margin to VIM.

**Determination of Normal Value – GCC Minerals JSC and Viet Trung Plastic Chemical JSC**

162. GCC Minerals JSC (“GCC”) is a producer/exporter of the PUC in Vietnam. GCC has exported PUC to India during the POI. GCC also made sales of PUC in the domestic market of Vietnam. Viet Trung Plastic Chemical JSC (“Viet Trung”) is subsidiary of GCC and engaged in export of PUC produced by GCC to India during the POI. Therefore, the Authority has proceeded to determine the normal value for GCC based on its domestic sales of the PUC during the POI.
163. GCC has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
164. However, the data/information submitted by the companies were found incomplete in many respects even after given sufficient opportunity to substantiate their claim like figures of Appendix-7 and Appendix-8 for POI is blank, data submitted for verification are not linked with each other and are punched figures, Appendix-6 -data not provided with screenshots and all figures of Appendix-6 are punched, in some Appendices and verification documents of producers, English version was not provided.
165. It is seen that GCC and Viet Trung Plastic Chemical JSC have failed to co-operate with the Authority. Therefore, it is held not to grant an individual dumping margin.

**Determination of Normal Value – Filler Masterbatch Joint Stock Company**

166. Filler Masterbatch Joint Stock Company (“FMJSC”) has exported PUC to India during the POI. FMJSC also made sales of PUC in the domestic market of Vietnam. Therefore, the Authority has proceeded to determine the normal value for FMJSC based on its domestic sales of the PUC during the POI.
167. FMJSC has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
168. However, the data/information submitted by the companies were found incomplete in many respects even after given sufficient opportunity to substantiate their claim like figures of Appendix-7 and Appendix-8 for POI is blank, data submitted for verification are not linked with each other and are punched figures, Appendix-6 -data not provided with screenshots and all figures of Appendix-6 are punched, in some Appendixes and verification documents of producers, English version was not provided.

169. It is seen that FMJSC has failed to co-operate with the Authority to the best of its ability. Therefore, it is held not to grant an individual dumping margin to FMJSC.

**Determination of Normal Value – US Masterbatch Joint Stock Company & US Masterbatch Joint Stock Company – Hung Yen Branch**

170. US Masterbatch Joint Stock Company (“USMB”) has exported PUC to India during the POI. USMB also made sales of PUC in the domestic market of Vietnam. Therefore, the Authority has proceeded to determine the normal value for USMB based on its domestic sales of the PUC during the POI.
171. USMB has sold [\*\*\*] MT of the subject goods in the domestic market during the period of investigation, whereas it has exported [\*\*\*] MT of the subject goods to India. The Authority notes that the domestic sales are in sufficient volumes when compared with exports to India.
172. US Masterbatch Joint Stock Company – Hung Yen Branch (“USHYB”) a related producer/exporter USMB, has exported PUC to India during the POI. USHYB made no sales of PUC in the domestic market of Vietnam.
173. USHYB has sold [\*\*\*] MT of the subject goods to India. In the absence of domestic sales of USHYB, the Authority proceeded to determine normal value based on cost of production, plus a reasonable addition towards selling, general and administrative expenses and profits.
174. However, the data/information submitted by the companies were found incomplete in many respects even after given sufficient opportunity to substantiate their claim like figures of Appendix-7 and Appendix-8 for POI is blank, data submitted for verification are not linked with each other and are punched figures, Appendix-6 -data not provided with screenshots and all figures of Appendix-6 are punched, in some Appendixes and verification documents of producers, English version was not provided. Further, in case of exporter producer USHYB, data/information/verification documents not provided at all. Accordingly, the claim of COP of the said exporter’s producers have been rejected.
175. It is seen that USMB and USHYB have failed to co-operate with the Authority. Therefore, it is held not to grant an individual dumping margin to USMB and USHYB.

**Any other producer/exporters**

176. The normal value for all other exporters and non-cooperative exporters have been determined based on the facts available in terms of Rule 6(8).

**Export Price for Vietnam**

**Determination of Export Price for European Plastic Joint Stock Company (“EuroPlast”), Yen Bai European Plastic Joint Stock Company (“Yenbai”), Nghe An European Plastic One Member Limited Liability Company (“Nghe”) and Polyfill joint stock company (“Polyfill”) (collectively referred to as “Europlast Group”)**

**European Plastic Joint Stock Company (EuroPlast)**

177. EuroPlast has exported [\*\*\*] MT of the subject goods to India, through the following channels  
EuroPlast → Unrelated customers in India  
EuroPlast → Polyfill Joint stock company → unrelated customer in India
178. The Authority examined the Exporters Questionnaire response and noted response has been filed for all the quantity exported to India directly or indirectly. The exports details furnished by producer have been considered for determining ex-factory export price for grant of individual dumping and injury margin. Adjustments have been made for ocean freight, insurance, inland transportation, credit cost and other deductions (Bank charges) after desk verification. The export price for EuroPlast has been calculated as mentioned in the dumping margin table below.

**Yen Bai European Plastic Joint Stock Company (YenBai)**

179. YenBai has exported [\*\*\*] MT of the subject goods to India, through the following channels  
YenBai → Polyfill joint stock company → unrelated customer in India  
YenBai → European Plastic Joint Stock Company → unrelated customer in India
180. The Authority examined the Exporters Questionnaire response and noted response has been filed for all the quantity exported to India. The exports details furnished by producer have been considered for determining ex-factory export price for grant of individual dumping and injury margin. Adjustments have been made for credit cost and other deductions after desk verification. The export price for YenBai has been calculated as mentioned in the dumping margin table below.

**Nghe An European Plastic One Member Limited Liability Company (NGHE)**

181. NGHE has exported [\*\*\*] MT of the subject goods to India, through the following channels  
NGHE → Polyfill joint stock company → unrelated customer in India  
NGHE → European Plastic Joint Stock Company → unrelated customer in India
182. The Authority examined the Exporters Questionnaire response and noted response has been filed for all the quantity exported to India. The exports details furnished by producer have been considered for determining ex-factory export price for grant of individual dumping and injury margin. Adjustments have been made for credit cost and other deductions after desk verification. The export price for NGHE has been calculated as mentioned in the dumping margin table below.

**Polyfill joint stock company (Polyfill)**

183. Polyfill has exported [\*\*\*] MT of the subject goods to India, through the following channels  
Polyfill → unrelated customer in India  
Polyfill → European Plastic Joint Stock Company → unrelated customer in India
184. The Authority examined the Exporters Questionnaire response and noted response has been filed for all the quantity exported to India directly or indirectly. The exports details furnished by producer have been considered for determining ex-factory export price for grant of individual dumping and injury margin. Adjustments have been made for ocean freight, insurance, inland transportation, port and related expenses, credit cost and other deductions after desk verification.

The export price for Polyfill has been calculated as mentioned in the dumping margin table below.

185. In accordance with the above, weighted average export price for EuroPlast group which consists of European Plastic Joint Stock Company (“EuroPlast”), Yen Bai European Plastic Joint Stock Company (“Yenbai”), Nghe An European Plastic One Member Limited Liability Company (“Nghe”) and Polyfill joint stock company (“Polyfill”) has been calculated as mentioned in the dumping margin table below.

**Determination of Export Price for A Dong Plastic Joint Stock Company (ADC Plastic)**

186. ADC Plastic has exported [\*\*\*] MT of the subject goods to India directly to unrelated customers in India.

187. The export price has been determined based on the price charged by ADC Plastic from the unrelated customers in India. Adjustments have been made for Ocean freight, insurance, Inland transportation, port and other charges after desk verification. The export price determined is mentioned in the table below.

**Determination of Export Price for An Tien Industries Joint Stock Company (An Tien)**

188. An Tien has exported [\*\*\*] MT of the subject goods directly to unrelated Indian customers.

189. The export price has been determined based on the price charged by An Tien from the unrelated customers in India. Adjustments have been made for ocean freight, marine insurance, inland transportation and credit cost. The adjustments claimed have been allowed by the Authority after desk verification. The export price determined is mentioned in the table below.

**Determination of Export Price for Vitaplas Joint Stock Company (Vitaplas)**

190. Vitaplas has exported [\*\*\*] MT of the subject goods to India, through the following channels  
Vitaplas → unrelated customer in India

191. The exports details furnished by producer have been considered for determining ex-factory export price for grant of individual dumping and injury margin. Adjustments have been made for ocean freight, insurance, inland transportation, port and related expenses and packing cost after desk verification. The export price determined is mentioned in the table below.

**Determination of Export Price for Vietnam Industrial Minerals International Joint Stock Company (VIM)**

192. VIM has exported [\*\*\*] MT of the subject goods to India, through the following channels  
VIM → unrelated customer in India

VIM → unrelated exporter/ entrusted export company → unrelated customer in India

193. In case of sales to entrusted exporter, the entrusted exporter has not participated in the investigation and has not filed the EQR. The Authority notes that the exports made through such entrusted exporter is more than 30% of the total exports made by VIM to India. The Authority could not examine and confirm whether such exporter has exported the subject goods to India at profit or loss. It is seen that the VIM has failed to co-operate with the Authority. Therefore, it is

held not to grant an individual dumping margin to VIM.

**Determination of Export Price for GCC Mineral JSC (GCC) and Viet Trung Plastic Chemical JSC**

194. GCC has exported [\*\*\*] MT of the subject goods to India, through the following channels

GCC → unrelated customer in India

GCC → Exporter → unrelated customer in India

195. The Authority notes that the data/information submitted by the companies were found incomplete in many respects even after given sufficient opportunity to substantiate their claim. In case of sales to related exporter, the Authority could not examine and confirm whether the related exporters have resold the subject goods at profit/loss as Appendix 5 was incomplete. It is seen that GCC and Viet Trung Plastic Chemical JSC have failed to co-operate with the Authority. Therefore, it is held not to grant an individual dumping margin to GCC and Viet Trung Plastic Chemical JSC.

**Determination of Export Price for Filler Masterbatch Joint Stock Company (FMJSC)**

196. FMJSC has exported [\*\*\*] MT of the subject goods to India, through the following channels

FMJSC → unrelated customer in India

197. The Authority notes that the data/information submitted by the companies were found incomplete in many respects including submissions of blank/incomplete formats, non-reporting of PCNs even after given sufficient opportunity to substantiate their claim. FMJSC has failed to co-operate with the Authority. Therefore, it is held not to grant an individual dumping margin to FMJSC.

**Determination of Export Price for US Masterbatch Joint Stock Company (USMB) and US Masterbatch Joint Stock Company – Hung Yen Branch (USHYB)**

198. USMB has exported [\*\*\*] MT of the subject goods to India, through the following channels

USMB → unrelated customer in India

199. USHYB has exported [\*\*\*] MT of the subject goods to India, through the following channels

USHYB → unrelated customer in India

200. The Authority notes that the data/information submitted by the companies were found incomplete in many respects including submissions of blank/incomplete formats even after given sufficient opportunity to substantiate their claim. It is seen that USMB and USHYB have failed to co-operate with the Authority. Therefore, it is held not to grant an individual dumping margin to USMB and USHYB.

**Any other producer/exporters**

201. The export price for all other exporters and non-cooperative exporters have been determined based on the facts available in terms of Rule 6(8).

**Dumping margin for related producers and Exporters**



202. It is noted that in the subject investigations many cooperating producers and exporters are related to each other and form a group of related companies. It has been a consistent practice of the Authority to consider related exporting producers and exporters as one single entity for the determination of a dumping margin and thus to establish one single dumping margin for them. This is in particular because calculating individual dumping margins might encourage circumvention of antidumping measures, thus rendering them ineffective, by enabling related exporting producers to channel their exports to India through the company with the lowest individual dumping margin.
203. In accordance with the above, the relating producers and exporters were regarded as one single entity and attributed one single dumping margin which was calculated on the basis of the weighted average of the dumping margins of the cooperating related producers and exporters. Injury margin has also been determined in a similar way.

### **DUMPING MARGIN TABLE**

S. No.	Producer	Normal value	Export price	Dumping margin		
		USD/MT	USD/MT	USD/MT	%	Range
1	European Plastic Joint Stock Company (“EuroPlast”),	***	***	***	***	10-20%
2	Yen Bai European Plastic Joint Stock Company (“Yenbai”)	***	***	***	***	10-20%
3	Nghe An European Plastic One Member Limited Liability Company (“Nghe”)	***	***	***	***	10-20%
4	Polyfill joint stock company (“Polyfill”) (collectively referred to as “Europlast Group”)	***	***	***	***	10-20%
5	ADC Plastic.,JSC	***	***	***	***	10-20%
6	An Tien Industries Joint Stock Company	***	***	***	***	Negative
7	Vitaplas Joint Stock Company (Vitaplas)	***	***	***	***	10-20%
8	Others	***	***	***	***	30-40%

204. The dumping margin is more than de-minimis for the producers/exporters from Vietnam.

## **H. EXAMINATION OF INJURY AND CAUSAL LINK**

### **H.1. Submissions made by the other interested parties**

205. The following submissions have been made by the other interested parties on the issue of injury and causal link:

- i. The interested parties submitted that domestic demand for PUC increased by 35% from 6,30,693 MT to 8,54,318 MT between base year and POI. The Petitioners and other Indian Producers increased their domestic sales by 16% and 18% respectively, indicating that imports expanded primarily to meet rising demand rather than displace domestic producers.
- ii. No material injury has been caused as there is absence of volume effect. The increased subject imports are result of healthy year-on-year surge in demand and changing customer preferences.
- iii. Import volume from Vietnam increased from 48,155 MT in base year to 1,63,377 MT in POI, while total domestic demand/consumption increased from 6,30,693 MT to 8,54,318 MT.
- iv. Total production by domestic industry increased from 2,15,181 MT to 2,50,685 MT, and domestic sales by domestic industry increased from 1,90,683 MT to 2,21,794 MT. The rate of increase in domestic demand significantly exceeded the rate of increase in sales by domestic producers.
- v. The interested parties submitted that subject import prices and domestic selling prices moved in tandem throughout the injury period based on the cost of sales of the PUC. In 2021-22, cost of sales of PUC increased by 22 indexed points, and accordingly both subject import prices and domestic selling prices increased. Between 2021-22 and 2022-23, cost of sales increased, and both subject import prices and domestic selling prices increased, with subject import prices increasing at higher rate than domestic selling prices.
- vi. Global prices of PUC follow the same trend, with domestic industry's export prices moving in tandem with prices of subject imports due to being closely linked to global prices. The domestic industry was unprofitable even in base year when subject imports held only 7.6% market share, indicating injury is not caused by subject imports. Losses persisted throughout injury period regardless of fluctuations in volume of subject imports.
- vii. The landed price of imports and price of domestic industry moved parallelly, with domestic industry price moving from 100 base year point to 108 points in POI while landed price moved from 100 to 107 in same period. However, there was increase in cost by 12%, and alleged fall in profits must be linked to increase in cost rather than imports.
- viii. The other interested parties submitted data showing positive trends in domestic industry's economic parameters.
  - a. Installed capacity increased from 4,15,302 MT to 4,82,020 MT (+16.08% growth).
  - b. Capacity utilization increased from 61% to 64% (+4.92% growth).
  - c. Production quantity increased from 2,15,181 MT to 2,50,685 MT (+16.49% growth).
  - d. Domestic sales increased from 1,90,683 MT to 2,21,794 MT (+16.30% growth).
  - e. Number of employees increased from 1,001 to 1,224 (+22.23% growth).

- f. Salaries and wages increased by +38.00%.
- g. Productivity per day increased by +16.44%.
- ix. Despite increase in capacity, producers were able to improve capacity utilization. Domestic sales volume increased by 16.30% in POI compared to base year, while export sales volume increased by 1.12% in same period. All economic parameters including production, wages, number of employees, productivity per day, capital employed showed positive trend in POI compared to base year.
- x. The interested parties submitted that the cost of sales and net sales realization per unit increased by 12% and 8% respectively between 2020-21 and POI. The losses suffered by domestic industry expanded disproportionately to difference in increase of cost of sales vis-à-vis net sales realization. This substantial deterioration in profitability cannot be attributed to issues related to reduced market access or pricing pressures by subject imports.
  - a. PBT (Profit before Tax) declined from -100 to -265 (-165.00%).
  - b. Interest Cost increased from 100 to 154 (+54.00%).
  - c. PBIT (Profit before Interest & Tax) declined from -100 to -421 (-321.00%).
  - d. PBDIT (Profit before Depreciation, Interest & Tax) declined from 100 to -431 (-531.00%).
  - e. Cash Profit declined from -100 to -576 (-476.00%).
- xi. The domestic industry's severe increase in losses is especially suspect against increase in both gross sales values and average selling price per unit. In absence of any similarly severe increase in cost of sales, this increase in domestic industry's losses indicates presence of internal inefficiencies in domestic industry's operations.
- xii. The interested parties also highlighted significant disparity in performance between Bajaj Plast Pvt Ltd and other applicants. While domestic industry as whole showed declining profitability parameters, Bajaj Plast Pvt Ltd showed exceptional performance:
  - a. PBT increased from -100 to 762
  - b. PBIT increased from -100 to 68210
  - c. Cash profit increased from -100 to 762
  - d. ROI increased from -100 to 657101.
- xiii. This drastic difference in performance between Bajaj Plast and other applicants indicates that getting into details of Bajaj Plast's performance would throw light on cause of losses of other producers. Such examination is relevant since domestic industry claimed losses in entire injury period but Bajaj Plast made profits in same period. Many producers appear to be suffering because of legacy issues and incompetencies.
- xiv. The interested parties submitted that there is inverse relation between volume and price of imports and alleged injury to domestic industry. When import price from Vietnam moved from Rs24,315/MT in base year to Rs26,114/MT in POI, losses to applicants increased.
- xv. When imports increased from 48,155MT in base year to 100,122 MT in 2022-23, profits dropped from -100 to -410 points in terms of PBIT. However, when imports increased from 100,122MT in 2022-23 to 163,377MT in POI, PBIT moved to -421 only from -410, showing less fall in profits when there was higher rate of increase in imports.

- xvi. The largest decline in PBIT (239%) occurred between base year and 2021-22, during which subject imports grew by 30%. In following year, domestic industry's losses slowed down, even though actual increase in imports from 2021-22 to 2022-23 was higher than prior year. When largest import increase occurred before POI, domestic industry's losses were largely unaffected. There is clear absence of synchronized movement between domestic industry's losses and subject imports.
- xvii. The importers identify several factors causing injury to domestic industry other than subject imports. The domestic industry was unprofitable even in base year when subject imports held only 7.6% market share. The domestic industry's profitability declined mainly due to rising depreciation and interest expenses attributed to capacity expansions. The domestic industry has seen significant increases in depreciation, interest costs, cost of sales, and net fixed assets.
- xviii. There is significant difference in technology between domestic industry and Vietnamese producers. Domestic industry relies on single screw extrusion technology, unlike subject exporters who use advanced twin/triple screw extrusion. This led to use of higher polymer content, more electricity and lubrication, and costlier raw materials like Malaysian  $\text{CaCO}_3$ . Domestic producers are unable to utilize cheaper Vietnamese  $\text{CaCO}_3$  due to its hardness.
- xix. Subject imports face structural barriers in penetrating market due to long-term credit-based supply relationships between domestic producers and end users, leading to commercial disincentives for switching suppliers. Domestic producers incur significant inland freight costs to transport imported  $\text{CaCO}_3$  to their production sites, especially those located far from ports, which materially increases domestic production costs and erodes competitiveness.
- xx. Some of the interested party objected that claims regarding threat of material injury are belated since no such discussions were part of petition and initiation is not specific about conducting threat of material injury examination. The petition has mere claim about threat of material injury but no information based on relevant parameters.
- xxi. At time of initiation, Authority did not have information to justify investigation into threat of material injury. Having initiated investigation to investigate material injury allegedly suffered by domestic industry, applicants should not be allowed to change their goal post to threat of material injury.
- xxii. One of the participating producers claimed that it did not increase its capacity in injury period and company is enjoying strong market in Vietnam and other countries. Capacity available with company when compared to demand in India is not significant. Exports from such party are not threat to Indian domestic industry.
- xxiii. Some of the interested parties submitted that present investigation is initiated to analyze material injury to applicant industry and not for threat of material injury, therefore Authority should restrict its examination for material injury only and not for threat of material injury. The initiation notification does not contain examination of threat parameters unlike other recent investigations where Authority records and examines threat parameters in initiation notification.

## **H.2. Submissions made by the domestic industry**

206. The following submissions have been made by the domestic industry on the issue of injury and causal link:

- i. The domestic industry submitted that imports from Vietnam increased from 48,155 MT in 2020-21 to 163,377 MT in POI, representing a growth of 239%. The share of subject country imports in Indian demand increased from 8% in 2020-21 to 19% during POI. The share of these imports in relation to Indian production rose from 8% to 23% over the same period. While domestic demand increased from 630,693 MT in 2020-21 to 854,318 MT during POI, the growth in production by domestic industry was lower than growth in demand, indicating domestic industry was unable to meet increasing demand and was displaced by imports.
- ii. The domestic industry demonstrated that the increase in imports is significant both in absolute terms and in terms of market penetration. The rising share of imports in total demand suggests these imports are capturing growing portion of Indian market, limiting ability of domestic industry to supply to Indian consumers. The growth in market demand has largely been captured by imports, indicating volume injury being faced by domestic industry.
- iii. The domestic industry presented data showing price undercutting throughout injury period. Net selling price was USD \*\*\*/MT in 2020-21 declining to USD \*\*\*/MT in POI, while landed price decreased from USD 323/MT to USD 312/MT. Price undercutting ranged from 15% to 25% throughout the period. The landed price of subject imports from Vietnam consistently undercut domestic selling prices throughout injury period.
- iv. The domestic industry submitted that it has been forced to sell PUC in domestic market below cost of sales, incurring losses in all years. Cost of sales was Rs \*\*\*/MT in 2020-21 increasing to Rs \*\*\*/MT in POI, while selling price was Rs \*\*\*/MT in 2020-21 and Rs \*\*\*/MT in POI.
- v. Landed prices remained consistently below domestic selling prices, demonstrating severe price suppression and depression. The domestic industry was unable to increase prices despite rising costs due to pressure from low-priced imports.
- vi. The domestic industry increased production capacity from 415,302 MT in 2020-21 to 482,020 MT in POI to meet rising demand. However, actual production and sales declined in POI compared to previous year due to rise in low-priced dumped imports. Production decreased from 259,084 MT in 2021-22 to 250,685 MT in POI. Capacity utilization fell from 66% in 2021-22 and 2022-23 to 64% in POI despite growing demand.
- vii. The market share of applicant domestic industry declined from 30% in base year to 26% during POI. Market share of other Indian producers also dropped by 8% over same period. The market share of imports from subject country increased from 8% in base year to 19% in POI. Imports from other countries constitute merely 1% of total imports, indicating increase in market share is mainly from subject country alone.
- viii. The domestic industry demonstrated severe deterioration in profitability.
  - a. Profit/loss declined from Rs \*\*\* lacs in 2020-21 to Rs \*\*\* lacs in POI.
  - b. Cash profit declined from Rs \*\*\* lacs to Rs \*\*\* lacs.
  - c. Return on Capital Employed remained negative throughout, declining from \*\*\*\*% to \*\*\*\*%.

- d. The domestic industry incurred losses from base year 2020-21 and losses increased over injury period due to aggressive dumping.
- ix. Average inventory increased consistently from 5,008 MT in 2020-21 to 7,502 MT in POI, representing 50% increase from base year. Opening inventory increased from 5,064 MT to 6,340 MT and closing inventory from 4,953 MT to 8,664 MT. The accumulation of unsold stock led to financial strain and reduced capacity utilization.
- x. All volume parameters of domestic industry show negative growth in POI. All price parameters show negative growth over injury period and POI. Market share shows negative growth while average inventory increased, showing adverse impact of dumped imports.
- xi. While domestic industry expanded capacities, it is unable to utilize present capacities and is incurring losses due to aggravated dumping. The domestic industry is reluctant to make fresh investments unless existing capacities are fully utilized.
- xii. The domestic industry cited Article 3.7 of the AD Agreement and Para (vii) of Annexure II to the AD Rules, which provide that determination of threat of material injury shall be based on facts and not merely on allegation, conjecture or remote possibility.
- xiii. The domestic industry submitted that dumped imports increased from 100 index points in FY 2020-21, which jumped to 131 index points in FY 2021-22, further jumped to 208 index points in FY 2022-23 to eventually 339 index points in the POI. Subject imports show substantial leap from base year to POI. Such significant rate of increase indicates likelihood of substantially increased importation in future.
- xiv. The domestic industry provided data on production capacities of major Vietnamese producers. Vietnam's domestic demand is lower than production levels, creating surplus production primarily intended for export markets. These excess capacities create strong likelihood that Vietnamese producers will export substantial quantities to India.
- xv. The domestic industry submitted it has been forced to sell below cost, incurring losses in all years. Landed prices significantly suppress Indian prices for PUC. Indian domestic prices fell in POI compared to previous year due to imports at undercutting prices.
- xvi. Domestic industry inventory increased from 5,008 MT in 2020-21 to 7,502 MT in POI, representing 50% increase. This accumulation of unsold stock led to financial strain, reduced capacity utilization, and threatens existence of domestic industry.
- xvii. The domestic industry submitted that material injury along with threat of material injury exists and demonstrates causal link between dumped imports and injury. Examination of price undercutting and price depression clearly shows impact of dumped imports on domestic market prices. Pricing pressure caused by dumped imports significantly affected profitability and financial performance beyond effects of normal market competition.
- xviii. Imports from subject country constitute 99% of total imports into India while imports from other countries constitute mere 1% of total imports. Therefore, imports from other countries cannot be cause of injury to domestic industry.
- xix. Demand for subject goods increased over injury period from 630,693 MT to 854,318 MT. Therefore, decline in demand is not cause of injury to domestic industry.

- xx. Customers interact with domestic industry based on price of imported product. Domestic industry is forced to match price with dumped imports. If customer finds better price offered by exporters, they purchase from that source. Domestic industry submitted consolidated data reflecting performance of twelve applicant producers together, which accounts for normal competitive interactions within domestic market.
- xxi. No injury has been caused to domestic industry on account of change in technology. The domestic industry's technology has been sufficient to meet market demand consistently prior to surge in dumped imports.
- xxii. Exports undertaken are insignificant compared to domestic sales. Export performance has not been considered when determining effect of dumped imports and extent of injury. Therefore, injury cannot be attributed to export performance.
- xxiii. Injury claimed pertains to PUC only and does not include profitability of any other products. Financial data provided clearly segregates and excludes data pertaining to products other than PUC. Therefore, injury cannot be attributed to performance of other products.
- xxiv. Even with growth in demand, share of imports from subject country increased significantly in absolute and relative terms. Market share of domestic producers declined while that of subject imports increased. Quality and technology differences alleged by importers are not substantiated and have not been demonstrated to create market segmentation.
- xxv. While indexed trends may appear similar in direction, they diverge in magnitude. Import prices from Vietnam declined more steeply in POI, resulting in undercutting of domestic prices. While domestic sales prices were unable to recover cost increases, import prices continued to remain lower, leading to price suppression and undercutting.
- xxvi. Internal competition among domestic producers is normal aspect of any market. No evidence has been submitted to substantiate claim that such competition is unfair or beyond what is typical. Fragmented nature of Indian market has historically existed and has not previously resulted in extent of financial losses observed during POI. Substantial increase in imports at dumped prices coincides with severe deterioration in financial performance.
- xxvii. Domestic industry's technology has been sufficient to meet market demand prior to surge in dumped imports. Domestic industry procures  $\text{CaCO}_3$  from multiple sources including Egypt, Vietnam and India based on quality standards required by downstream market. Any price disadvantage due to raw material choices is marginal and cannot explain significant losses observed in injury period.

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

207. Rule 11 of the AD Rules read with Annexure II to the AD Rules, 1995 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 articles...”*

208. Further, 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 Rules.

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

210. As regards the various arguments of other interested parties based on the statements and data provided by the domestic industry, the Authority has relied upon the verified data of the domestic industry for the purpose of the present investigation.

### **H.3.1. Volume effect of the dumped imports**

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

211. For the purpose of injury analysis, the Authority has relied on the transaction wise import data procured from DG Systems. For determination of demand/apparent consumption of the product in India, the Authority has considered the sum of the domestic sales of the applicants, other producers and imports from subject countries and imports from other countries. The demand/apparent consumption so calculated is as under:

SN	Particulars	Unit	2020-21	2021-22	2022-23	POI
1	Imports from Vietnam	MT	48,182	62,228	94,458	1,66,547
2	<i>Trend</i>	Indexed	100	129	196	346
3	Imports from other countries	MT	207	27	969	5251
4	<i>Trend</i>	Indexed	100	13	468	2537
5	Domestic Sales (Applicant)	MT	1,90,683	2,40,084	2,32,183	2,21,794
6	<i>Trend</i>	Indexed	100	126	122	116
7	Domestic Sales (Other producers including supporters)	MT	3,91,758	4,19,307	4,37,761	4,64,831
8	<i>Trend</i>	Indexed	100	107	112	119
9	Indian Demand	MT	6,30,830	7,21,645	7,65,372	8,58,423
10	<i>Trend</i>	Indexed	100	114	121	136



212. It is seen that the demand of the PUC has increased significantly during injury period.

**b) Import volume from the subject country relative to production and consumption in India**

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

SN	Particulars	Unit	2020-21	2021-22	2022-23	POI
1	Imports from Vietnam	MT	48,182	62,228	94,458	1,66,547
2	Imports from other countries	MT	207	27	969	5251
3	Indian Demand	MT	6,30,830	7,21,645	7,65,372	8,58,423
4	Indian Production	MT	6,06,939	6,78,391	6,96,823	7,15,516
5	Subject countries import in relation to -					
A	Indian Demand	%	8%	9%	12%	19%
B	Indian Production	%	8%	9%	14%	23%

214. It is seen that imports of subject goods from Vietnam have increased in absolute terms throughout the injury period while there are negligible imports from other countries. The imports from Vietnam in terms of Indian demand and Indian production have also consistently increased during the injury period.

**H.3.2. Price effect of the dumped imports**

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

**a) Price undercutting**

216. Price undercutting has been determined by comparing the net sales realization of the domestic industry with the landed price of the imports for the POI. The table below shows the same-

Particular	UOM	POI
Net Selling Realisation	USD/MT	***
Landed Price	USD/MT	***
Price Undercutting	USD/MT	***
Price Undercutting	%	15-25%

217. The Authority notes that the price undercutting is not only positive but also significant.

**b) Price suppression/depression**

218. In order to determine whether the effect of imports is to depress prices to a significant degree or prevent price increases which otherwise would have occurred, the Authority has compared the cost of sales & net sales realisation of the domestic industry with the landed price of subject goods.

219. The table below shows the cost of sales, selling price and the landed price of imports of PUC-

Particulars	Unit	2020-21	2021-22	2022-23	POI
Cost of Sales	Rs/MT	***	***	***	***
<i>Trend</i>	Indexed	100	117	119	112
Net sales realization	Rs/MT	***	***	***	***
<i>Trend</i>	Indexed	100	115	115	108
Landed Price	Rs/MT	***	***	***	***
<i>Trend</i>	Indexed	100	125	125	111

220. It can be seen from the above table that the domestic industry has been selling PUC in the domestic market below its cost of sales thereby incurring losses. The landed prices have been below the domestic selling prices, and sales price is below the cost of sales which exhibiting that domestic industry has suffered price suppression/depression.

**H.3.3 Economic parameters of the domestic industry**

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

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

222. Capacity, production, sales and capacity utilization of the domestic industry over the injury period were as below:

Particulars	Unit	2020-21	2021-22	2022-23	POI
-------------	------	---------	---------	---------	-----

Capacity	MT	4,15,302	4,54,638	4,64,538	4,82,020
<i>Trend</i>	Indexed	100	109	112	116
Production PUC	MT	2,15,181	2,59,084	2,59,062	2,50,685
<i>Trend</i>	Indexed	100	120	120	116
Capacity Utilization	%	61%	66%	66%	64%
<i>Trend</i>	Indexed	100	108	108	105
Domestic sales	%	1,90,683	2,40,084	2,32,183	2,21,794
<i>Trend</i>	Indexed	100	126	122	116

223. It is noted that the domestic industry expanded its capacities. There has been an increase in demand of the subject goods in India. The domestic industry increased its capacity utilization marginally in the POI when compared to base year. However, the capacity utilization has declined in POI. The domestic industry is operating at 64% in the POI.
224. Further, the domestic sales and production level of the domestic industry have shown a decline in the POI when compared with 2021-22 & 2022-23.

**b) Market share**

225. The market share of the domestic industry and of imports is shown in the table below:

Particulars	Unit	2020-21	2021-22	2022-23	POI
Share of Applicant Domestic Industry	%	30	33	30	26
<i>Trend</i>	Indexed	100	110	100	87
Share of other Indian producers	%	62	58	57	54
<i>Trend</i>	Indexed	100	94	92	87
Share of subject country	%	8	9	12	19
<i>Trend</i>	Indexed	100	113	150	238
Share of Other Countries	%	0	0	0	1
<i>Trend</i>	Indexed	-	-	-	100

226. It can be seen from the above table that the market share of the domestic industry has been on a declining trend from 2020-21 onwards. The share of the domestic industry has reduced from an already low share 30% in the base year and declined to 26% in the POI despite having the capacity to meet a much higher share in the Indian demand. Furthermore, the share of other Indian

producers including the supporter has also declined throughout the injury period.

227. On the contrary, the market share of the subject country has been consistently increasing throughout the injury period. Further, it is also evident that the market share of imports from other countries is insignificant.

**c) Inventories**

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

Particulars	Unit	2020-21	2021-22	2022-23	POI
Average	MT	5,008	5,523	6,222	7,502
<i>Trend</i>	Indexed	100	110	124	150

229. It can be seen that the average inventory of the domestic industry consistently increased during the injury period.

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

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

Particulars	Unit	2020-21	2021-22	2022-23	POI
Profit/ (loss)	Rs. Lacs	***	***	***	***
<i>Trend</i>	Indexed	-100	-260	-319	-308
Cash Profit	Rs. Lacs	***	***	***	***
<i>Trend</i>	Indexed	-100	-557	-718	-670
Return on Capital Employed	%	***	***	***	***
<i>Trend</i>	Indexed	-100	-367	-433	-433

231. The profit, cash profits and ROI of the domestic industry have been consistently declining throughout the injury period and the domestic industry is suffering financial losses.

**e) Employment, wages and productivity**

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

Particulars	Unit	2020-21	2021-22	2022-23	POI
Employees	Nos	1,001	1,058	1,283	1,224

<i>Trend</i>	Indexed	100	106	128	122
Productivity per employee	MT	215	245	202	205
<i>Trend</i>	Indexed	100	114	94	95
Salaries and Wages	Rs. Lacs	2,500	3,024	3,343	3,450
<i>Trend</i>	Indexed	100	121	134	138
Wages/employee	Rs/Nos	2,49,831	2,85,865	2,60,547	2,81,792
<i>Trend</i>	Indexed	100	114	104	113

233. The salary and wages paid by the domestic industry have increased over the injury period. The productivity per employee has declined in the POI on account of lesser production due to increasing volumes of subject imports.

**f) Growth**

234. All the volume parameters of the domestic industry show negative growth in the POI. Further, all the price parameters of the domestic industry show negative growth over the injury period and POI. The average inventory has also increased over the injury period. The market share of the domestic industry also shows negative growth. The domestic industry is in losses.

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

235. The Authority notes that the even though the domestic industry has made new investments to increase its capacities to cater to the increasing demand of PUC in India, the domestic industry has been unable to utilize its capacities and is facing losses due to dumped imports. Thus, the ability of domestic industry to raise capital investments is significantly impaired.

**h) Factors affecting prices**

236. The Authority notes that the volume of imports during the POI was significant and such imports were at prices significantly below the cost of sales of the domestic industry. Net Sales Realisation of the domestic industry has been severely affected by the subject imports. Thus, landed value of subject goods from subject country is the main factor affecting domestic prices.

**i) Magnitude of dumping**

237. The investigation has shown that the dumping margin is positive and significant during the period of investigation.

**H.3.4 Threat of material injury**

238. The Authority has examined the submissions made by various interested parties regarding the

scope of investigation concerning threat of material injury. Some of the interested parties objected that claims regarding threat of material injury are belated since no such discussions were part of petition and initiation notification is not specific about conducting threat of material injury examination.

239. The Authority notes that Rule 11 of the Anti-Dumping Rules similarly provides that the Authority shall determine whether dumped imports have caused or are threatening to cause material injury to the domestic industry.
240. The Authority observes that the initiation notification stated that the investigation would examine whether dumped imports have caused or are threatening to cause material injury to the domestic industry. The scope of investigation as defined in the initiation notification encompasses both material injury and threat of material injury, and the Authority is empowered to examine both aspects based on evidence that emerges during the investigation.
241. The Authority holds that the examination of threat of material injury is within the scope of the investigation as initiated and does not constitute a change in the goal post. The determination of injury under the Anti-Dumping Agreement and Rules includes assessment of both current injury and threat of future injury based on facts established during the investigation.
242. The Authority observes that Para (vii) of Annexure II to the Anti-Dumping Rules requires that no determination of threat of material injury shall be made on the basis of mere allegation, conjecture or remote possibility and that the change in circumstances which would create a situation in which the dumping would cause injury must be clearly foreseen and imminent.
243. The Authority has examined the import data on record and notes that there has been a consistent and significant increase in imports of the subject goods from Vietnam throughout the injury period. The import volumes have more than tripled from the base year to the POI, demonstrating a substantial rate of increase.
244. One of the participating producers claimed that it did not increase its capacity in injury period and that the company is enjoying strong market in Vietnam and other countries. This producer submitted that capacity available with company when compared to demand in India is not significant and that exports from such party are not threat to Indian domestic industry.
245. The Authority notes that the assessment of threat requires examination of the overall capacity situation of producers in the subject country rather than individual producer claims. The data on record shows that Vietnamese producers have substantial production capacity that exceeds domestic demand in Vietnam.
246. The Authority notes that the existence of surplus production capacity in Vietnam, combined with the export orientation of Vietnamese producers as evidenced by increasing exports to India, creates conditions conducive to further substantial increases in exports to the Indian market.
247. The Authority has also examined the price analysis on record and notes that the subject imports have been entering the Indian market at prices that undercut domestic prices, leading to price suppression in the domestic market.
248. The Authority observes that the combination of factors including significant rate of increase in imports, surplus production capacity in Vietnam, price undercutting and suppression, and

deteriorating performance of domestic industry creates conditions where threat of material injury is clearly foreseen and imminent.

## **I. NON-ATTRIBUTION ANALYSIS**

249. 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 price of imports from third countries**

250. The Authority notes that imports from non-subject countries are almost negligible. Therefore, the injury is not attributable to imports from third countries.

### **b. Contraction of demand**

251. The demand for the product under consideration has seen an increase. Therefore, decline in demand cannot be a cause of injury. Thus, the domestic industry has not suffered any injury due to a possible contraction in demand.

### **c. Changes in pattern of consumption**

252. There has been no known material change in the pattern of consumption of the product under consideration.

### **d. Conditions of competition and trade restrictive practices**

253. The sales of the subject goods are not restricted in any manner and no restrictive practices have been brought to the notice of the Authority.

### **e. Developments in technology**

254. The Authority notes that there has been no known material change in the technology for the production of the product under consideration.

### **f. Export performance**

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

### **g. Performance of other products**

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

## **J. MAGNITUDE OF INJURY MARGIN**

257. The non-injurious price of the subject goods produced by the domestic industry as determined by the Authority in terms of Annexure III to the Rules has been compared with the landed value of the exports from the subject country for determination of injury margin during the period of investigation and the injury margin so worked out is as under:

### **Injury Margin Table**

S. No.	Producer	NIP	Landed Price	Injury Margin		
		USD/MT	USD/MT	USD/MT	%	Range
1.	European Plastic Joint Stock Company (“EuroPlast”)	***	***	***	***	35-40%
2.	Yen Bai European Plastic Joint Stock Company (“Yenbai”)	***	***	***	***	35-40%
3.	Nghe An European Plastic One Member Limited Liability Company (“Nghe”)	***	***	***	***	35-40%
4.	Polyfill joint stock company (“Polyfill”) (collectively referred to as “Europlast Group”)	***	***	***	***	35-40%
5.	ADC Plastic.,JSC	***	***	***	***	30-40%
6.	An Tien Industries Joint Stock Company	***	***	***	***	20-30%
7.	Vitaplas Joint Stock Company (Vitaplas)	***	***	***	***	35-45%
8.	Others	***	***	***	***	50-60%

## **K. USER IMPACT ANALYSIS (INDIAN INDUSTRY’S INTEREST AND OTHER ISSUES)**

### **K.1 Submissions made by other interested parties**

258. The other interested parties have made the following submissions regarding the Indian industry interest:
- The interested parties contended that applicants have misrepresented the impact of anti-dumping duty by showing lower consumption of the product under consideration. The applicants claimed that HDPE woven sack of 1 kg contains 0.0625 kg (0.06%) of product under consideration based on 5% ash content and 75-85% calcium carbonate content. The interested parties submit this calculation is incorrect and the actual share should be 6% ( $5\%/80\% = 6\%$ ). The interested parties argued that while applicants claimed 5% ash content standard applies generally, this applies only to selected products, whereas other products such as garbage bags, carry bags, and polypropylene packing sheets have high dosage of filler masterbatch.
  - The interested parties submitted that applicants advertise products with 70% dosage level, implying products with ash content of 50%. This indicates that share of product under



consideration can be as high as 60% in downstream products. Even 25% duty would be catastrophic for downstream industry given such high usage levels in various applications.

- iii. The interested parties submitted that imposition of anti-dumping duties would be against public interests due to lack of substitutability between subject imports and domestically produced PUC. Vietnamese PUC contains 90-100% whiteness which is absent in domestically produced PUC. Consumers of domestically produced PUC are required to use additional white filler masterbatch costing approximately Rs 150-225/kg to reach same amount of whiteness as Vietnamese PUC.
- iv. The interested parties submitted that quality of domestically produced PUC is often inconsistent, evidenced by multiple reports of frequent rejections or need for replacements during production. This leads to manufacturing process disruptions, delays and increased costs for end users. Domestically produced PUC cannot substitute Vietnamese PUC in high-performance applications such as non-woven textiles, agriculture films, and industrial packaging due to Vietnamese PUC's technical characteristics.
- v. The interested parties submitted that usage of domestically produced PUC requires downstream industries to incur additional costs which are not present when using subject imports. Imposition of anti-dumping duties would increase costs of subject imports for downstream industries who would be forced to bear such costs in absence of domestically produced alternatives. The imposition of anti-dumping duties would not be in interests of downstream industry.
- vi. The interested parties submitted that downstream industry consuming subject goods in substantial quantities is predominantly comprised of Micro, Small, and Medium Enterprises (MSMEs). These enterprises operate under tight margins and have limited pricing power. Increase in input costs due to anti-dumping duties will squeeze already thin profit margins and render many MSMEs unviable. This would lead to job losses and potential business closures and hinder regional manufacturing and employment generation, particularly in semi-urban and rural industrial clusters.
- vii. The interested parties submitted that PUC is widely used in manufacturing consumer goods and essential items such as packaging for food and agricultural products. Increase in cost of PUC will have cascading effect on prices of end products, ultimately impacting consumers. This may lead to inflationary pressures, particularly in price-sensitive sectors. Any measure that exacerbates inflation or increases cost of living must be critically evaluated against broader societal interests.
- viii. The interested parties submitted that domestic industry has not demonstrated any structural shortage in supply or capacity constraints that would justify protective duties. Many domestic producers operate multi-line facilities and manufacture Colour Masterbatch which enjoys higher margins. Capacity utilization remains sub-optimal. Imports from Vietnam have filled market gaps and ensured steady availability of PUC at competitive prices. Curtailing these imports would risk creating artificial supply shortages and increasing market dependence on few local producers.
- ix. The interested parties submitted that imposing anti-dumping duties will weaken India's downstream manufacturing competitiveness. Finished plastic goods producers, many of whom are MSME exporters, will face higher input costs and reduced price competitiveness in overseas

markets. This risks eroding India's share in export markets and undermining global positioning of plastic processing sector.

- x. The interested parties submitted that such measure runs counter to policy objectives of Government of India including "Make in India," "Atmanirbhar Bharat," and MSME support schemes. Raising input costs for downstream manufacturers while offering protection to handful of upstream producers could distort broader industrial ecosystem and derail growth in allied sectors that are more employment-intensive and value-generating.
- xi. The interested parties submitted that Vietnam has emerged as key sourcing destination for PUC due to efficient production systems, consistent quality, and reliable supply chains rather than unfair pricing. Penalizing such sourcing options in absence of clear injury evidence undermines credibility of India's trade remedy regime and discourages long-term trade relationships essential for industrial stability.
- xii. The interested parties submitted that imposition of anti-dumping duties would adversely affect far broader segment of economy than it seeks to protect. The adverse consequences on downstream industry, MSME sector, consumer prices, and export competitiveness outweigh benefits to domestic industry. Therefore, imposition of such duties would not be in public interest.
- xiii. The interested parties noted that no users of PUC have filed questionnaire responses indicating lack of user engagement in the investigation process.

## **K.2 Submissions made by the domestic industry**

259. The domestic industry has made the following submissions regarding the Indian industry interest:
- i. The domestic industry submitted that the purpose of anti-dumping duties is to eliminate injury caused to domestic industry by unfair trade practices of dumping so as to establish situation of open and fair competition in Indian market, which is in general interest of the country. The imposition of anti-dumping duties does not aim to restrict imports from subject country in any way but might affect price levels of product in India. Fair competition in Indian market will not be reduced by imposition of anti-dumping duties. The imposition would ensure that no unfair advantages are gained by dumping practice, prevent decline of domestic industry and help maintain availability of wider choice to consumers of subject goods.
  - ii. The domestic industry submitted that Authority must consider whether imposition of anti-dumping duties shall have any adverse impact on interest of public. To determine such impact, Authority must weigh impact of imposition on availability of goods in Indian market, impact on users of product as well as domestic industry and impact on general public at large. This determination must be based on submissions and evidence submitted over course of present investigation.
  - iii. The domestic industry submitted that to collect relevant evidence regarding impact of anti-dumping duties on downstream industry, Authority relies on information provided by interested parties in their questionnaire responses. This approach to determine impact is followed universally. Even in European Union, information filed by various parties, including users in form of user questionnaire responses is considered while assessing union interest test. In India,

Authority issues user questionnaire and economic interest questionnaire to collect information. Authority issues initiation notification inviting views from all interested parties, including importers, consumers and others. Authority prescribes questionnaire for users/consumers to provide relevant information regarding present investigation, including any possible effects of anti-dumping duties on their operations.

- iv. The domestic industry submitted that in present situation, there are no downstream users who have filed response to User Questionnaire and Economic Interest Questionnaire. No downstream user has filed questionnaire responses. The domestic industry understands that downstream users of PUC are part of All India Plastics Manufacturers Association (AIPMA). However, no representation has been filed by user Association on behalf of its members. The level of cooperation from users in India is low and not representative of interests of user industry in India.
- v. The domestic industry requested Authority to reject any submissions made on account of impact of anti-dumping duty at belated stage during course of investigation. The absence of timely submissions from downstream users is alarming given that no downstream user has made submissions regarding impact of anti-dumping duty.
- vi. The domestic industry submitted that Authority issues Economic Interest Questionnaire to allow all stakeholders to demonstrate how imposition of anti-dumping duties would affect their operations. There are no downstream users of PUC who have bothered to respond to Economic Interest Questionnaire or provide any relevant information to show how anti-dumping duties would adversely affect them. This shows that users will not be impacted by imposition of duties.
- vii. The domestic industry submitted that no quantified information has been provided by interested parties establishing that imposition of duties would lead to such increase in cost of production of downstream industry that same shall render such downstream industries ineffective and inefficient. The only reliable and verifiable quantification on record is one provided by domestic industry. The domestic industry provided quantification of impact. Imposition of any anti-dumping duty will have negligible impact on downstream user of product.
- viii. Any potential increase in input costs due to anti-dumping duties would have negligible financial impact on downstream producers, including MSMEs. The domestic industry has provided precise quantification demonstrating minimal impact, whereas opposing interested parties have failed to substantiate their claims through verifiable data.
- ix. The domestic industry submitted that regarding argument that imposing anti-dumping duties may lead to higher consumer prices and inflationary pressures, the PUC forms minimal portion of overall cost of consumer goods and packaging materials. Given small proportion of product in final cost structure, resultant impact on consumer pricing would be negligible.
- x. The domestic industry submitted that submission regarding possible supply constraints and market monopolization by domestic producers is without basis. The domestic industry has sufficient installed capacity and can cater to existing and projected domestic demand. The imposition of duties would not eliminate imports but merely ensure imports enter market at fair and undumped prices, thus preventing market distortion.

- xi. The domestic industry submitted that claim that anti-dumping duties would contradict policy objectives such as "Make in India" and "Atmanirbhar Bharat" lacks merit. These initiatives advocate strengthening domestic manufacturing and reducing dependency on unfairly priced imports. Anti-dumping measures align with these objectives by ensuring fair competition, protecting domestic businesses, and fostering growth in domestic manufacturing capabilities.
- xii. The domestic industry submitted that exporters' claim that Indian producers rely on outdated technology, resulting in higher costs and inefficiencies, is irrelevant to determination of injury caused by dumping. The purpose of anti-dumping duties is not to shield domestic producers from competition or technological challenges but to rectify injury arising from unfair pricing practices in international trade.
- xiii. The domestic industry submitted that it was argued that Vietnam has emerged as source of supply due to efficiency and reliability, not dumping. However, it is objective of ongoing investigation to determine if imports from Vietnam are entering at dumped prices causing injury. If it is established that imports from Vietnam are fairly priced, no anti-dumping duties would be recommended. The ongoing investigation ensures examination of these aspects, and anti-dumping measures will be recommended only if warranted by factual evidence.

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

- 260. The Authority observes that Rule 23 of the Anti-Dumping Rules provides that anti-dumping duty may be imposed if it is in public interest. The Authority is required to consider whether imposition of anti-dumping duties shall have any adverse impact on interest of public based on submissions and evidence submitted during the investigation.
- 261. 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 country 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.
- 262. 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.
- 263. The Authority has considered whether the imposition of anti-dumping duty shall have any adverse

impact on the interest of the public. To determine such impact, the Authority weighed the impact of the imposition of duties on the availability of goods in the Indian market, the impact on the users of the product as well as the domestic industry and the impact on the general public at large. This determination is based on the submissions and evidence submitted over the course of the present investigation. The Authority notes that there is no reason why the availability would reduce.

264. The Authority carefully examined the apprehensions raised by certain interested parties regarding the potential curtailment of imports due to the imposition of anti-dumping duties. The Authority notes that such duties do not preclude the continued importation of the subject goods from the subject country. Imports may proceed, provided they are conducted at fair, non-dumped prices.
265. The Authority notes that the availability of the subject goods in the Indian market shall remain unaffected by the imposition of duties. The remedial nature of the measure ensures that imports, when made under non-injurious conditions, will continue unabated. The Authority is satisfied that the principles of fair competition are not undermined by this intervention. Rather, the imposition of duties rectifies the prevailing market distortion caused by dumped imports, thereby restoring equitable competitive conditions. Both domestic and imported goods will continue to coexist, thereby preserving consumer choice and fostering healthy market dynamics.
266. The Authority has examined the submissions regarding calculation of consumption of PUC in downstream products. The other interested parties argued that applicants have misrepresented the impact by showing lower consumption and that the actual share should be 6% rather than 0.06% as claimed by applicants.
267. The other interested parties further submitted that applicants advertise products with 70% dosage level, implying products with ash content of 50%, indicating that share of PUC can be as high as 60% in downstream products.
268. The domestic industry provided quantification of impact demonstrating that imposition of anti-dumping duty will have negligible impact on downstream users of the product.
  - i. HDPE woven sack is one example where PUC is used.
  - ii. As per IS Standard 11652:2017, the percentage of Ash Content in HDPE woven sack (downstream product) is 5% which also means that the finished product has 5% Calcium Carbonate content.
  - iii. The PUC has approx. 75-85% of the Calcium Carbonate.
  - iv. Therefore, a HDPE woven sack of 1 kg, will have 0.0625 kg (0.06%) of PUC.
  - v. Imposition of any anti-dumping duty will have negligible impact on the downstream user of the product.
269. The Authority notes that the domestic industry has provided verifiable quantification on record regarding the impact of duties on downstream industry. The other interested parties have not provided substantiated calculations or verifiable data to support their claims regarding higher consumption levels or catastrophic impact on downstream industry.

270. The Authority has examined the submissions regarding quality differences and substitutability between domestic and imported PUC. The other interested parties argued that Vietnamese PUC contains 90-100% whiteness which is absent in domestically produced PUC and that consumers require additional white filler masterbatch to achieve same whiteness levels.
271. The Authority notes that issues relating to quality differences have been examined in the section on like article determination. The Authority has determined that domestically produced and imported PUC constitute like articles and are commercially and technically substitutable. Quality considerations do not preclude the imposition of anti-dumping duties when products remain functionally equivalent and commercially interchangeable.
272. The Authority has examined the level of participation by downstream users in the investigation. The domestic industry submitted that no downstream users have filed response to User Questionnaire and Economic Interest Questionnaire despite the Authority issuing such questionnaires to collect information regarding possible effects of anti-dumping duties on their operations.
273. The domestic industry further submitted that downstream users of PUC are part of All India Plastics Manufacturers Association (AIPMA), but no representation has been filed by user association on behalf of its members.
274. The Authority notes that the procedure followed in the investigation provided adequate opportunity for all interested parties, including users and downstream industry, to participate and provide information regarding impact of anti-dumping duties. The Authority issued initiation notification inviting views from all interested parties, including importers, consumers and others, and prescribed questionnaires for users/consumers to provide relevant information.
275. The Authority observes that the absence of participation by downstream users despite adequate opportunity provided indicates that users do not consider the impact of duties to be significant enough to warrant active participation in the investigation process.
276. The other interested parties submitted that downstream industry consuming subject goods is predominantly comprised of MSMEs operating under tight margins and that increase in input costs due to anti-dumping duties will squeeze profit margins and render many MSMEs unviable, leading to job losses and business closures.
277. The Authority finds that the domestic industry has provided verifiable data and calculations showing minimal impact on downstream users, while other interested parties have made general assertions without providing substantiated evidence or quantified analysis to support claims of significant adverse impact on MSMEs.
278. The Authority notes that the domestic industry has demonstrated adequate production capacity to serve the domestic market. The imposition of anti-dumping duties does not restrict imports but ensures that imports are made at non-dumped prices, thereby maintaining fair competition in the market.
279. The other interested parties submitted that PUC is widely used in manufacturing consumer goods and essential items and that increase in cost will have cascading effect on prices of end products, leading to inflationary pressures.

280. The Authority finds that based on the quantification provided by the domestic industry, the share of PUC in final consumer products is minimal, and therefore any increase in prices due to anti-dumping duties would have negligible impact on consumer prices and would not contribute to inflationary pressures.
281. The Authority finds that the imposition of anti-dumping duties to address unfair trade practices is consistent with policy objectives of promoting domestic manufacturing and ensuring fair competition. The purpose of anti-dumping duties is to eliminate injury caused by unfair trade practices and establish fair competition, which supports domestic manufacturing capabilities.
282. The Authority observes that arguments regarding adverse impact on public interest must be supported by credible evidence and quantified analysis. General assertions without supporting data cannot form the basis for determination of public interest.
283. The other interested parties submitted that imposition of anti-dumping duties would adversely affect far broader segment of economy than it seeks to protect and that adverse consequences on downstream industry, MSME sector, consumer prices, and export competitiveness outweigh benefits to domestic industry.
284. The Authority notes that the determination of public interest requires balancing the interests of various stakeholders including domestic industry, users, and consumers. The Authority considers the impact on fair competition, availability of goods, and overall economic welfare.
285. The Authority has considered all submissions regarding public interest and notes that the fundamental purpose of anti-dumping duties is to eliminate injury caused to domestic industry by unfair trade practices so as to establish fair competition in the Indian market.

## **L. POST DISCLOSURE COMMENTS**

### **L.1 Submissions made by other interested parties**

286. The following post disclosure submissions have been made by other interested parties:
  - i. The other interested parties contested the scope of the investigation. They argued that commercial practice defines calcium carbonate filler masterbatch as products containing  $\text{CaCO}_3$  content exceeding approximately 70%. They submitted that products containing more than 50% but less than 70%  $\text{CaCO}_3$  content are termed calcium carbonate masterbatch compounds and should not be classified as calcium carbonate filler masterbatch. Request was made to restrict the scope of the PUC to calcium carbonate filler masterbatch having  $\text{CaCO}_3$  content of at least 70%.
  - ii. The interested parties submitted that the Authority did not examine their claim that the product scope was expanded. They said the original scope had two requirements: products must have 70-80% calcium carbonate, and they cannot contain calcium oxide or barium sulphate. The new scope changed this to allow products with 50-69% calcium carbonate and permits up to 19% calcium oxide and barium sulphate.
  - iii. The parties contended that any filler masterbatch made using  $\text{BaSO}_4$  does not fall in the category of filler masterbatch and is known as transparent filler. They argued that products using  $\text{CaO}$  do not fall in the definition of filler masterbatch and are called desiccant

masterbatch. It was submitted that since these products are not filler masterbatch, they do not fall under the scope of PUC. They specifically mentioned that Specialty LLDPE Compound Filler (Grade SRB FORMULA 1) with calcium carbonate content of 55-65% was not included in original scope but has now been included.

- iv. The other interested parties questioned the Authority's proposal to decline exclusions for specific grades including Grade SRB FORMULA 1, PE 1009, PE-BB02, and Supermax. They argued that the Authority failed to appreciate their request for non-confidential copies of invoices supporting the petitioners' production of these grades, preventing them from adequately commenting on technical and commercial substitutability.
- v. The other interested parties reiterated their request for consideration of a revised PCN structure. It was contended that the Authority failed to acknowledge their revised PCN proposal despite it being submitted in Written Submissions and Rejoinder Submissions.
- vi. The parties submitted that their initial proposal of 10% range for PCN classification was based on limited data available at early stages of investigation and that upon further analysis, they proposed a more precise PCN structure based on refined 5% intervals of CaCO<sub>3</sub> content.
- vii. The parties submitted that PUC is composed of three key raw materials: CaCO<sub>3</sub>, polymer, and additives. It was contended that while CaCO<sub>3</sub> constitutes the majority by volume, it is the polymer and additives which significantly influence the cost of production.
- viii. They submitted that even minor variations in the proportion of polymer and additives, driven by changes in CaCO<sub>3</sub> content, can result in cost differences ranging between 10% to 15%, depending on formulation, which has direct implications for price comparability.
- ix. The parties proposed their revised PCN structure as follows:

Product	CaCO <sub>3</sub> Content (%)	PCN Code
Calcium Carbonate content (%) (CaCO <sub>3</sub> )	below 70%	1
	above 70% and upto 75%	2
	above 75% and upto 80%	3
	above 80% and upto 85%	4
	above 85% and upto 90%	5
	above 90%	6

- x. The parties provided recalculated dumping margins based on their proposed PCN structure, claiming that the use of broad PCN ranges as adopted by the Authority significantly inflates dumping margins.
- xi. Regarding PCN methodology, the other interested parties submitted that PCNs created solely on CaCO<sub>3</sub> content may account for overall polymer proportion but do not consider price differences between different polymer types.
- xii. The interested parties disputed the Authority's analysis regarding tolerance range for PCNs, arguing that the PUC generally has tolerance of  $\pm 1\%$  in CaCO<sub>3</sub> content rather than  $\pm 2\%$ .
- xiii. It was further argued that unfeasibility of 3% CaCO<sub>3</sub> content range does not justify 10% range, contending that overlaps can be avoided by adopting 5% CaCO<sub>3</sub> content range.



- xiv. The interested parties submitted that products with 75% CaCO<sub>3</sub> content differ significantly from products with 85% CaCO<sub>3</sub> content, with market prices varying by up to 40%. They argued that due to higher costs from higher polymer and additive content required in lower-CaCO<sub>3</sub> products, 75% and 85% CaCO<sub>3</sub> products are intended for different functions and end-uses. Request was made for revision of PCNs to adopt 5% CaCO<sub>3</sub> range.
- xv. The interested parties argued that the Authority failed to consider their submissions regarding impact of CaCO<sub>3</sub> source on commercial substitutability due to its effect on production costs. They provided sample calculations showing 28% cost difference between products made using Indian sourced CaCO<sub>3</sub> versus Malaysian sourced CaCO<sub>3</sub>. The parties requested revision of PCN methodology to include CaCO<sub>3</sub> source in its scope.
- xvi. The interested parties argued that the Authority's examination of PCN methodology is inappropriate. They contested the Authority's finding that source of calcium carbonate does not alter physical or functional characteristics of the final product, arguing that this misunderstands the purpose of PCN methodology.
- xvii. The parties submitted that PCN methodology is designed to permit appropriate comparison between grades with differences in cost and price, enabling apple-to-apple comparison of normal value and export price for determining dumping and injury margins.
- xviii. The interested parties provided cost analysis showing price differences based on calcium carbonate source. They submitted that Indian origin CaCO<sub>3</sub> is priced at Rs 5-7 per kg, Vietnamese origin at Rs 10-12 per kg, and Malaysian origin at Rs 14-16 per kg.
- xix. They disputed the Authority's conclusion regarding lack of price differences between polymer types, submitting that the Authority provided precedence to petitioners' data over bona fide price lists submitted by importers. The interested parties provided price lists of multiple domestic polymer producers showing that polymer prices remain largely similar between different domestic producers and follow consistent trends.
- xx. It was submitted that the Authority failed to consider their argument regarding month-wise price analysis of polymer prices to accommodate volatility in individual polymer prices during a year. They contended that the Authority has not provided reasons for rejecting this proposal.
- xxi. They submitted that polymer prices experienced significant fluctuations during the POI, resulting in cost variation of at least Rs 4 per kg based solely on timing of procurement. The interested parties requested disclosure of reasons for not considering monthly comparison of dumping and injury margins in final findings.
- xxii. The interested parties contested the Authority's rejection of Reliance Industries Limited prices. They argued that the Authority's examination is inadequate because domestic industry's international pricing information is not part of written submissions, international pricing information was not provided in disclosure statement, and it was not established how Reliance prices are not reflective of international prices or how high-grade polymers are not used in manufacturing.
- xxiii. The parties provided additional evidence showing prices from HPCL-Mittal Energy Limited and Indian Oil Corporation Limited for LLDPE, demonstrating that price trends remained same

for all three companies. The interested parties argued this establishes that prices reported in written submissions were reflective of market prices.

- xxiv. The interested parties submitted that polymer used significantly affects product price, with price difference between polypropylene and linear low-density polyethylene being significant.
- xxv. The interested parties submitted that polymer and calcium carbonate are completely different cost factors and questioned how framing PCN based on CaCO<sub>3</sub> content addresses cost differences due to polymer variations.
- xxvi. The other interested parties submitted that the subject country hosts large-scale filler masterbatch manufacturers, notably European Plastics Joint Stock Company, which operates with annual production capacity estimated between [\*\*\*] to [\*\*\*] tons. It was contended that European Plastics Joint Stock Company is part of one of the world's largest groups specializing in filler masterbatch production.
- xxvii. It was submitted that due to its scale of operations, European Plastics Joint Stock Company benefits from economies of scale including preferential raw material pricing through high-volume contracts, optimized logistics through streamlined transportation and supply chain systems, and cost allocation efficiency where depreciation and other fixed costs are spread over large production volume.
- xxviii. They submitted that consequently, European Plastics Joint Stock Company's unit production costs are lower than those of small and medium-sized manufacturers in India whose capacities generally range in tens of thousands of tons annually.
- xxix. The other interested parties provided comparison of manufacturing technology between Vietnam and India producers. They submitted that manufacturing of PUC is based on the process of dispersing calcium carbonate powder into carrier polymer involving four key steps: mixing, melting, extrusion, and granulation.
- xxx. The parties argued that Vietnamese filler masterbatch producers benefit from superior raw material control, advanced production technology, large-scale operations, and ERP-managed systems for quality and cost control, allowing Vietnam to offer high-quality products at competitive prices based on economic efficiency rather than artificial pricing.
- xxxi. One of the interested parties, namely, Vitaplas Joint Stock Company, drew attention to the Authority's observation that for PCNs where there are no sales in the domestic market, normal value has been determined based on cost of production plus reasonable addition towards selling, general and administrative expenses and profits. They quoted Section 9A(c)(ii)(a) of the Customs Tariff Act, 1975, which provides that when there are no sales of the like article in the ordinary course of trade in the domestic market or when such sales do not permit proper comparison, normal value shall be comparable representative price of the like article when exported from the exporting country to an appropriate third country.
- xxxii. They submitted that there is substantial third country exports made by the company, specifically for products covered under PCN B. The company stated that proper consideration of third country export data and its application would confirm that there has been no dumping whatsoever and that the dumping margin would be negative.

- xxxiii. The company also requested for detailed reasoning for the distinction between costs submitted by the company and those considered by the Authority for the disclosure.
- xxxiv. One of the interested parties, namely, ADC Plastic JSC, submitted that the Authority disallowed credit cost of [VND \*\*\* per MT] while calculating normal value. The company argued that normal value should be reduced from [USD \*\*\*] to [USD \*\*\* per MT] after deducting this credit cost adjustment. The company also contested disallowance of packing cost adjustment for normal value calculation. They submitted that difference in packing cost between home market sales and sales to India were not adjusted in normal value calculation. They submitted data showing packing cost for PCN-B domestic sales at [VND \*\*\* per MT] and exports to India at [VND \*\*\* per MT], requiring adjustment of [USD \*\*\* per MT] in normal value.
- xxxv. ADC Plastic JSC referenced that packing cost adjustments were allowed for other cooperating exporter Vitaplas JSC, requesting the same treatment for ADC Plastic. The company provided revised dumping margin calculation showing that after credit cost and packing cost adjustments, normal value would be [USD \*\*\* per MT], net export price would be [USD \*\*\* per MT], resulting in dumping margin of [USD \*\*\* per MT].
- xxxvi. The other interested parties disputed the Authority's finding that only unsubstantiated lists of names were provided regarding additional domestic producers. They contended that detailed and credible evidence was submitted regarding several known domestic producers not included in the application, including names of specific producers, references to company websites, product catalogues, listings in trade directories, and references from industry associations.
- xxxvii. The parties argued that this evidence demonstrates that these entities are active manufacturers of the like article with visible presence in the Indian market, going beyond mere lists of names and providing reasonable basis to question the completeness of the domestic industry's standing claim. They submitted that the burden shifts to the domestic industry and the Authority to verify whether these producers are part of the relevant domestic production base.
- xxxviii. The other interested parties submitted that the Authority failed to consider their argument regarding claimed support of 86-member companies from CMAI and MMA. They contended that while the domestic industry asserts application support by 86 members, only 12 members actively participated in the investigation and provided relevant production data.
- xxxix. The parties argued that this discrepancy between claimed support and actual participation raises doubts about the extent of real and meaningful backing for the application. They submitted that if 86 members represent the majority of credible manufacturers in India, then lack of participation by over 70 members must be considered as potential indicator of absence of genuine support for the application.
- xl. The parties contended that mere inclusion of company names without corresponding data or confirmation of support does not satisfy requirements under Rule 5(3) of the Anti-Dumping Rules or Article 5.4 of the Anti-Dumping Agreement, arguing that active support must be assessed based on submissions of actual data, not claimed affiliations.

- xli. The parties also challenged the Authority's conclusion regarding domestic industry standing. They argued that burden of establishing standing rests on applicants and must be verified by the Authority, not interested parties. The parties argued that conclusion regarding standing cannot be drawn without reference to total domestic production.
- xlvi. The interested parties argued that the Authority's statements regarding lack of production data for other domestic producers constitute admissions that the Authority did not identify total domestic production at initiation stage.
- xlvi. They contended that the Authority failed to discharge its duty to determine total domestic production by eliciting information from appropriate sources including regulatory clearances, GST registrations, audited financials, and other regulatory filings.
- xlii. The interested parties submitted that inability of Authority to adequately establish standing due to absence of relevant information is non-curable defect. They argued that application proforma requires applicant to identify status of producers as supporter, opposer or neutral, but list of producers has not been disclosed to interested parties.
- xliii. The interested parties contended that applicants claimed 90% share in Indian production but did not provide names and details of remaining 10% producers, preventing Authority from sending communications to them.
- xliii. The interested parties challenged the basis of consideration of production of non-calcium carbonate based products. The interested parties argued there is no basis to assume 20-25% of filler masterbatches are non-calcium carbonate based and requested the Authority not place reliance on mere statements by applicants without basis.
- xliii. The interested parties also contested the Authority's reliance on Trade Notice 09/2021 for sampling domestic producers, arguing that its scope is limited to initiation stage and once investigation is initiated, all procedures must be governed by Anti-Dumping Rules. They argued that paragraph 8.8.4 of the Manual applies to domestic producers and the Authority should have notified sampling methodology within 80 days of initiation.
- xliii. The parties submitted that sampling undertaken by the Authority does not satisfy legal requirements under Rule 5(3) of the Anti-Dumping Rules and Article 5.4 of the Anti-Dumping Agreement. They argued that based on the applicant's own data, total domestic production during the period of investigation was 715,516 MT, while five sampled producers account for only 164,551 MT (23%), below the statutory threshold of 25%. They contended that market intelligence suggests total Indian production is closer to 1.24 million MT, making the sampled producers' share around 13%.
- xliii. The parties argued that many sampled companies manufacture both the PUC and other products such as Colour Masterbatch outside the investigation scope, with different pricing and profit dynamics. They submitted that the Authority must verify whether cost and injury data pertains exclusively to the PUC.
- 1. The parties requested the Authority to independently verify total production of the PUC in India, assess actual support/opposition status of all known producers including those affiliated

with CMMAI and MMA, ensure product-specific segregation of cost and injury data, and reassess standing of applicant companies.

- li. The parties questioned representativeness of sampled producers, noting that Sonali Polyplast Private Limited imported the PUC throughout the injury period while no other applicant company imported throughout this period. They questioned representativeness of costing and sales data from an importing producer.
- lii. The interested parties highlighted relationship between Alok Masterbatches Pvt. Ltd. and Alok Industries, arguing they share head office and factory addresses indicating they are part of the same corporate group. They contended that inclusion of two producers from the same group in a five-producer sample reduces diversity and is incongruous with objectives of obtaining operationally diverse sample.
- liii. The parties provided analysis arguing that petitioners have not suffered material injury from subject imports as domestic demand growth has accommodated both domestic sales and imports. They argued that rate of increase in domestic demand exceeded rate of increase in sales by domestic producers.
- liv. The parties argued that domestic producers continued to sell approximately 95% of their production in domestic market throughout the injury period, indicating that subject imports have not affected domestic producers' ability to sell the PUC.
- lv. Regarding price effects, it was argued that subject imports accounted for only 19% market share and do not have ability to suppress or depress domestic prices. They provided data showing that domestic prices moved in tandem with global prices.
- lvi. The interested parties disputed various findings regarding petitioners' economic performance. They argued that petitioners' capacity utilization increased in the POI compared to base year despite increase in installed capacity. They contended that decline in POI compared to previous years must be viewed against increase compared to base year, suggesting the POI was abnormal performance year.
- lvii. The interested parties further argued that comparison between price undercutting and injury margin shows that cause of injury claimed by applicant is not imports from the subject country but the higher cost of applicant. They submitted that price undercutting from subject countries is only 15% to 25%, showing imports reached at price only 15% to 25% lower than domestic industry price. However, injury margin determined for all cooperating exporters ranges from 35% to 45%, evidencing high cost and Non-Injurious Price of applicant.
- lviii. It was submitted that imports at comparable price should not have caused injury to domestic industry. The discussions on injury to domestic industry need reconsideration given that cost of applicant is high, and any injury on account of such higher cost cannot form basis for anti-dumping duty levy.
- lix. The interested parties provided analysis of non-attribution factors that the Authority allegedly failed to consider, including petitioners being unprofitable in base year when subject imports held only 7.6% market share, delayed approach to Authority after four years of increasing injury, profitability decline due to rising depreciation and interest expenses from capacity

expansions, technology differences between domestic and Vietnamese producers, structural barriers for subject imports in penetrating market, and logistics costs for domestic producers.

- lx. The other interested parties contested the Authority's application of uniform 22% Return on Capital Employed (ROCE) for determining Non-Injurious Price (NIP). They argued that mere consistency in practice cannot justify continued use of methodology that no longer reflects prevailing economic conditions.
- lxi. The other interested parties submitted that parallel to the ongoing anti-dumping investigation, the Authority has initiated Countervailing Duty investigation with respect to the same product and country of origin. They contended that given identical subject goods and subject country involved in both proceedings, the Authority should consider aligning timelines and conclusions of both investigations.
- lxii. The other interested parties submitted that imposing anti-dumping duties on imports of PUC from the subject country would not serve public interest. They argued that the product is vital raw material for plastic processors, especially MSMEs, which operate on thin margins and lack pricing power.
- lxiii. The parties contended that any increase in prices due to duties will raise input costs, threaten business viability, and lead to job losses in downstream sectors. They submitted that the product is used in essential goods such as food and agricultural packaging, and higher costs will have cascading effect on consumer prices, contributing to inflation.
- lxiv. The parties argued that the domestic industry has not shown supply constraints or capacity shortages warranting protection, contending that the sector is fragmented and pricing pressures are largely due to internal competition and inefficiencies, not dumping. They submitted that duties would reduce India's manufacturing and export competitiveness, particularly for MSMEs, and conflict with national policies like "Make in India" and "Atmanirbhar Bharat."
- lxv. The parties argued that the Authority recorded their submissions regarding quality differences between Vietnamese and domestic products, including whiteness levels, consistency issues, and non-substitutability in specific applications, but failed to consider these submissions in its analysis. They contended that the Authority's analysis focused only on cost impact of anti-dumping duties without considering inherently high costs of using domestically produced products compared to Vietnamese products.
- lxvi. The interested parties argued that the Authority's examination on impact of anti-dumping duty requires revisit, contending that applicants made calculation errors.
- lxvii. The interested parties submitted that 5% ash content standard applies only to selected products while other products such as garbage bags, carry bags, and polypropylene packing sheets have high dosage of filler masterbatch.
- lxviii. The interested parties submitted that anti-dumping duty would not be in public interest. The applicant has not quantified impact of anti-dumping duty on user industry and that duty on subject goods can have cascading effect on user industries already facing vulnerabilities. It was requested that aspect of public interest be examined based on facts and that self-serving claims of applicant on public interest be rejected.

- lxix. There is demand and supply gap concerning subject goods in India and anti-dumping duty would be detrimental for users. Users are dependent on imports to meet quantitative and qualitative requirements and duty on such product cannot be in fair interest of country.
- lxx. The interested parties contested the Authority's examination on confidentiality, arguing that applicants failed to adhere to Trade Notice 10/2018 requirements for disclosure of sales value, sales realization per unit, PBIT per unit, total profit before interest and tax, interest and finance costs, and depreciation and amortization expenses. They requested appropriate disclosure that the Authority accepted disclosure of above information in trend format and that this complies with trade notice requirements.
- lxxi. Some of the interested parties submitted portions of their Questionnaire Response as part of the post-disclosure comments which were not submitted earlier within the prescribed deadline.

## **L.2 Submissions made by domestic industry**

287. The following post disclosure submissions have been made by the domestic industry:

- i. The domestic industry requested the Authority to confirm specific proposals from the Disclosure Statement in the Final Findings.
- ii. The domestic industry submitted specific comments regarding the Authority's proposal of negative dumping margin for An Tien Industries Joint Stock Company in the dumping margin table.
- iii. The domestic industry submitted that the Authority has not disclosed the precise nature of the related customers, sales to whom were treated to be in ordinary course of trade, whether they are downstream users of the PUC, or traders. They requested the Authority to identify and disclose the role of the related customer and examine whether the sales are suitable for determination of normal value.
- iv. The domestic industry submitted that in cases where sales are made to related traders who resell the PUC to independent customers, such sales cannot automatically be accepted as arm's length. The domestic industry argued that if related customers are traders, the Authority should examine resale prices to first independent customers, and unless such resale data is placed on record, sales to related traders should not be accepted as basis for normal value.
- v. They submitted that all entities forming part of the supply and distribution chain whose data is relevant for determination of normal value or export price should participate in the investigation as interested parties.
- vi. They further submitted that if related customers are downstream users of the PUC, the Authority should disclose this fact and assess whether such sales are comparable with sales to unrelated independent customers.
- vii. The domestic industry argued that similarity in price alone is not sufficient to establish that sales to related parties are at arm's length. They submitted that the Authority should examine whether terms and conditions of sales, such as level of trade, credit terms, and distribution expenses, are comparable with sales to unrelated user customers, and whether the foreign producer has placed on record any transfer pricing report to substantiate that prices charged are at arm's length.

- viii. The domestic industry requested the Authority to thoroughly verify all related-party transactions reported by An Tien. They submitted that the Authority should re-examine the dumping margin for An Tien in the final findings, incorporating their submissions.

### **L.3 Examination of the Authority**

288. The submissions by the interested parties were mostly repetitive in nature and have already been addressed at the relevant place in the finding. The Authority has examined the relevant submissions, claimed not to have addressed, herein below.
289. With respect to the scope of PUC, the Authority provided detailed examination of the product scope after considering all submissions from interested parties. The Authority's proposal in the Disclosure Statement that the PUC is Filler Masterbatch having CaCO<sub>3</sub> as major constituent i.e., more than 50% was made after thorough examination of all evidence and arguments.
290. Further, the interested party has brought in new facts post issuance of disclosure statement contending that products with more than 50% but less than 70% CaCO<sub>3</sub> content are CaCO<sub>3</sub> Masterbatch compounds. These new facts are unsubstantiated.
291. The interested parties current argument essentially seeks to relitigate this issue without providing new evidence or legal grounds that would warrant reconsideration. The Disclosure Statement has duly addressed the scope of the product and exclusions.
292. The interested parties' submission that the Authority did not examine their claim about scope expansion lacks merit. The Authority in the disclosure statement duly recorded this submission.
293. The above argument that the scope of PUC was enhanced to include products with 50-69% calcium carbonate along with 19% calcium oxide and barium sulphate is incorrect. As clarified in the Disclosure Statement, the Authority held that CaO or BaSO<sub>4</sub> based filler masterbatches wherein the content of CaO or BaSO<sub>4</sub> are in major proportion (more than 50% by volume) are not PUC, while CaCO<sub>3</sub> based filler masterbatches wherein the major constituent is CaCO<sub>3</sub> are covered in the scope.
294. The specific product exclusion request of Specialty LLDPE Compound Filler (Grade SRB FORMULA 1) with calcium carbonate content of 55-65% was addressed, which the Authority examined in the Disclosure Statement.
295. The Authority has examined the interested parties' argument that the Authority failed to appreciate their request for providing the non-confidential copies of the invoice of the domestic industry. The request for non-confidential copies of invoices cannot be entertained as these documents contain commercially sensitive information such as name of customer, price, etc. that was properly claimed as confidential under Rule 7 of the Anti-Dumping Rules. In fact, the invoices and documents submitted by the other interested parties were also allowed to be claimed confidential considering business sensitivity of such information. The Authority's examination was based on verified documentary evidence of all the parties.
296. The Authority has examined the interested parties' contention that the Authority failed to acknowledge their revised PCN proposal despite submission in Written Submissions and Rejoinder Submissions. This argument was duly recorded in the Disclosure Statement.
297. The Authority's determination in disclosure statement was based on information provided by



major producers/exporters from Vietnam who initially supported 10% ranges, and catalogue/invoice evidence showing standard range of 75% to 85% CaCO<sub>3</sub> content. This industry practice supports the broader PCN ranges adopted by the Authority. Further, the 10% PCN ranges were finalised by the Authority upon duly convening a meeting on scope of PUC and PCN methodology and considering submissions made by all the interested parties.

298. The Authority noted that there is a tolerance range of  $\pm 2\%$  in calcium carbonate content, acknowledged by producer/exporters in their submissions. Some of the importers have disputed the Authority's analysis regarding  $\pm 2\%$  tolerance range, arguing that PUC generally has  $\pm 1\%$  tolerance rather than  $\pm 2\%$ , and submitted technical data sheets showing  $\pm 1\%$  tolerance for commercially supplied products. The Authority has verified the information of domestic industry as well as foreign producers/ exporters and observed that the tolerance range is generally in the range of  $\pm 2\%$ .
299. The Authority determined that a narrower CaCO<sub>3</sub> content range would create overlapping categories, making product classification unworkable from both technical and administrative perspectives. Therefore, the Authority rejects the request for 3-5% intervals of CaCO<sub>3</sub> content, as would be technically not feasible and administratively impractical.
300. The Authority in the Disclosure Statement examined submissions regarding polymer types and determined that creation of PCNs on CaCO<sub>3</sub> content would appropriately factor the cost of polymer in the total cost of production of PUC.
301. The argument that PCNs created solely on CaCO<sub>3</sub> content may not consider price differences between polymer types was addressed in the Authority's examination in the disclosure statement. The Authority determined that actual data demonstrates minimal price differences between polymers, and that PCN creation based on polymer type is not warranted.
302. The Authority's determination on accepting international prices of polymer was recorded in the Disclosure Statement. Further, the additional evidence as submitted by other interested parties of multiple Indian producers of polymers showing consistent trends for a particular grade does not address the fundamental issue identified by the Authority, that price variation in different polymer prices are not significant for creating different PCNs. The Authority's reliance on average prices of different polymers over the POI based on international pricing sources, as submitted by the domestic industry in submissions on scope of PUC and PCN methodology, showing maximum difference of approximately 2%, remains the more appropriate basis for determination.
303. The submission that polymer prices experienced fluctuations during POI, resulting in cost variation of at least Rs 4 per kg based on timing of procurement, and request for monthly determination was considered. However, the Authority determined that the monthly comparisons is not warranted in this particular case considering absence of significant fluctuation of price of raw material i.e., polymer and CaCO<sub>3</sub>, during the POI.
304. The interested parties provided recalculated dumping margins based on their proposed PCN structure, claiming margins ranging from [\*\*\*]% to [\*\*\*]% under their structure versus [\*\*\*]% under the Authority's structure. These calculations are based on the premise that their PCN methodology should be adopted, which the Authority has determined to be unfeasible for the

reasons recorded above. Further, it is noted that no evidence was provided by the interested parties at the time of PCN submissions. Antidumping investigation is a time bound and the DGTR has given specific time limits to the interested parties to provide relevant information. The Authority cannot accept such claims at this belated stage.

305. The interested parties argued that the Authority failed to consider submissions regarding impact of CaCO<sub>3</sub> source on commercial substitutability due to production cost effects. This argument was specifically addressed in the Disclosure Statement, where the Authority determined that difference in cost attributable to source does not alter the physical or functional characteristics of the final product. The primary determinant remains the percentage of CaCO<sub>3</sub> in the product.
306. The interested parties' submitted cost analysis showing prices of Indian origin, Vietnamese origin and Malaysian origin CaCO<sub>3</sub>. While this may be commercially relevant, the domestic manufacturers in India also procure CaCO<sub>3</sub> of all three origins.
307. The Authority has examined the detailed submissions regarding manufacturing technology differences between Vietnam and India. As the Authority determined in the Disclosure Statement, quality is not a criterion for defining product scope in anti-dumping investigation, and the process of manufacture is of no consequence as the same goods may be produced with different production and technology processes. Further, the domestic industry has submitted invoices showing similar technology being used by manufacturers in India as being used by Vietnamese manufacturers.
308. The Authority has examined the submission by Vitaplas Joint Stock Company regarding third country exports for normal value determination. The company argued that substantial third country exports were made for PCN B products and that proper consideration would show negative dumping margin.
309. It is noted that the transaction-wise third country exports were not provided by the producer/exporter as part of the Questionnaire Response. Accordingly, where PCNs had no sales in domestic market, normal value was determined based on cost of production plus reasonable addition towards selling, general and administrative expenses and profits.
310. The contention of Vitaplas Joint Stock Company that costing figures shared by the costing department of the authority are higher than what they had submitted, it is held that the costing for Vitaplas has been determined based on detailed and verified data which was submitted to Authority, including questionnaire responses, desk verification data, and follow-up clarifications.
311. Further, the Authority's treatment of adjustments for ADC Plastic was recorded in the Disclosure Statement, noting that claimed adjustments for inland transportation, commission, credit cost and other deductions were allowed after desk verification. If specific adjustments were disallowed, it was based on verification findings regarding adequacy of supporting documentation.
312. ADC Plastic's reference to packing cost adjustments allowed for Vitaplas JSC does not automatically entitle ADC Plastic to identical treatment. Each exporter's adjustments are evaluated based on their specific submissions and supporting evidence.
313. The Authority's determination for An Tien was recorded in the Disclosure Statement. As noted in the disclosure statement, the Authority examined whether sales to related customers were on arm's

length basis and found that prices of such sales and sales to unrelated customers were in the same range, leading to consideration of such sales for ordinary course of trade test.

314. The domestic industry's request for more detailed examination of related party transactions is noted. However, the Authority's determination was based on price comparability analysis, which is an established method for testing arm's length nature of related party transactions.
315. The interested parties disputed the Authority's examination that unsubstantiated lists of names were provided regarding additional domestic producers. As recorded in the disclosure statement, the Authority noted that lists of alleged domestic producers from other interested parties came from general web searches which may include companies merely selling PUC after import or mere distributors. It is also not proven whether those companies are manufacturing the PUC domestically or getting it made from foreign sources in their names (white labelling). In fact, the Authority notes that the list provided by the interested party contains name of the importer/user participating in the investigation. The Authority's examination in the Disclosure Statement that none of alleged domestic producers came forward despite public notice in official gazette inviting all interested parties to provide relevant data supports the standing determination.
316. The argument about discrepancy between claimed support of 86 members and actual participation by only 12 members was addressed through the Authority's examination of the two-association structure. As recorded in disclosure statement, CMMAI and MMA are the only two associations in India having members producing PUC, and none of their members expressly opposed the imposition of anti-dumping duty.
317. The Authority has examined the argument that reliance on Trade Notice No. 09/2021 for sampling is misplaced and procedurally inappropriate post-initiation. As recorded in the Disclosure Statement, the Authority determined that paragraph 8.8.4 of Manual pertains to sampling of producers/exporters from subject countries under Rule 17, which is not applicable where sampling relates to domestic producers in fragmented industry.
318. The interested parties' calculation that five sampled producers account for only 23% total Indian production, misunderstands the legal framework. As the Authority clarified, CMMAI and MMA and its members consisting of 12 applicant producers and 21 supporting producers satisfies the 25% test and that none of the member companies of CMMAI and MMA, nor any other domestic producer of PUC, have opposed the petition
319. The sampling under Trade Notice 09/2021 serves a different purpose which is limited to determination of Non-injurious price.
320. The Authority notes that the argument regarding market intelligence suggesting total production of 1.24 million MT lacks substantiation.
321. The interested parties questioned representativeness of sampled producers and sample diversity. The Authority's sampling methodology was explained in the Disclosure Statement, noting that five producers selected for NIP determination represent significant share of total domestic applicants and are geographically and operationally diverse.
322. Regarding Sonali Polyplast's imports, the existence of some miniscule imports by a domestic producer does not disqualify it from being considered part of domestic industry, provided its

- primary activity is domestic production and it is not substantially dependent on dumped imports.
323. The corporate relationship between Alok Masterbatches and Alok Industries, while noted, does not invalidate the sampling methodology. The sampling remains statistically valid for the purpose of NIP determination.
  324. The interested parties argued that Authority's statements regarding lack of production data for other domestic producers constitute admissions that Authority did not identify total domestic production at initiation stage. They contended that Authority failed to discharge duty to determine total domestic production through regulatory clearances, GST registrations, audited financials, and other regulatory filings.
  325. This comprehensive challenge was addressed in the Authority's detailed standing analysis in the Disclosure Statement. The Authority noted in the disclosure statement that PUC industry in India is fragmented with excessively large number of domestic producers, hence application was filed by two associations representing their members.
  326. The Authority's approach was consistent with Article 5.2(i) of the Anti-Dumping Agreement, which requires applicants to identify "known domestic producers." The use of "known" creates clear limitation on scope of data requirement, and the Authority is not required to undertake exhaustive investigations to locate every potential producer.
  327. The Authority's determination in the disclosure statement that while it has discretion to seek additional information from external sources, such exercise is case-specific and depends on whether information submitted is insufficient or unreliable, addresses the procedural argument. In the present case, the applicant identified all known producers and submitted supporting evidence as permitted under Trade Notice 09/2021 for fragmented industries.
  328. With respect to the estimated production reported in Plast India report, the interested parties challenged the basis for considering 20-25% of filler masterbatches as non-calcium carbonate based, arguing there is no basis for this assumption and requesting the Authority not rely on mere statements without basis.
  329. The Authority notes that the percentage appears reasonable given the variety of non-calcium carbonate based masterbatch types (talc based, sodium sulphate based, barium sulphate based) available in the market, and as the interested parties have not provided contrary evidence regarding market composition. Even if the Authority does not consider the production of non-calcium carbonate based filler masterbatch, the volume of production by the domestic industry will satisfy the 25% test considering the Plast India report of estimated production of around 1,000 KT for filler masterbatch.
  330. The interested parties' argument that many sampled companies manufacture both PUC and other products such as Colour Masterbatch was addressed in the Authority's approach to data verification. The data used for injury analysis relates exclusively to the PUC.
  331. The argument that domestic producers continued to sell approximately 95% of production domestically ignores the price impact analysis. As recorded in the disclosure statement, significant price undercutting of 15-25% occurred, and domestic industry was forced to sell below cost of sales, incurring losses throughout the period. The fact that domestic producers maintained

sales volumes does not negate injury when those sales were made at loss-making prices due to import pressure.

332. The argument that subject imports accounted for only 19% market share and lack ability to suppress prices ignores the established economic principle that even minority market shares can influence pricing when it involves aggressive pricing strategies. The Authority's price suppression analysis demonstrates clear causal relationship.
333. As regards the argument that comparison between price undercutting and injury margin shows cause of injury is higher cost of applicant rather than imports from subject country, it is noted that price undercutting measures the difference between landed price of imports and domestic selling prices, while injury margin measures the difference between landed price and non-injurious price, indicating the level of protection needed to eliminate injury.
334. The argument about base year unprofitability does not negate causation when injury significantly worsened in correlation with increasing import volumes and market share. The delayed approach to Authority is a procedural matter that does not affect substantive injury determination. Capacity expansion costs are in line with increasing demand of the PUC and does not have correlation with performance deterioration.
335. Technology differences, as the Authority determined in the disclosure statement, have not been demonstrated to constitute material changes affecting injury analysis. Structural barriers and logistics costs represent normal competitive factors that do not explain the specific injury pattern observed.
336. Further, performance variations among individual producers within domestic industry are normal in any market. The Authority's injury analysis is based on aggregate performance of the domestic industry as defined under Rule 2(b) of the Anti-Dumping Rules. Individual company performance variations do not invalidate the overall industry analysis, particularly when the majority of the industry is experiencing injury.
337. The interested parties contested the Authority's application of uniform 22% ROCE. This argument was comprehensively addressed in the Authority's examination in the Disclosure Statement. The Authority notes that it has relied upon its well settled practice for determining the NIP and there is nothing on record to deviate from this consistent practice.
338. The interested parties contended that given identical subject goods and subject country, the Authority should consider aligning timelines and conclusions of the parallel CVD investigation. Each investigation proceeds according to its own legal framework, timeline, and evidence. The Authority will consider relevant findings from related proceedings where appropriate, but each investigation must be determined based on its specific legal framework.
339. The arguments on public interest were addressed in the Authority's detailed public interest analysis in the Disclosure Statement. The Authority noted that no downstream users filed responses despite adequate opportunity. This indicates users do not consider duty impact significant enough to warrant active participation remains valid.
340. The interested parties argued that the Authority recorded their submissions regarding quality differences (whiteness levels, consistency issues, non-substitutability in specific applications) but

failed to consider these in analysis. The quality difference arguments were addressed in the Authority's like article determination in the Disclosure Statement. Quality is not a criterion for defining product scope in anti-dumping investigation, and the process of manufacture is of no consequence.

341. The interested parties submitted that 5% ash content applies only to selected products, while products like garbage bags, carry bags, and polypropylene packing sheets have high dosage of filler masterbatch. Even accepting higher usage levels in specific applications, the interested parties have not provided industry-wide quantified analysis demonstrating significant economic impact that would override the need to address unfair dumping practices.
342. Regarding the demand-supply gap, the Authority noted that availability of subject goods in Indian market shall remain unaffected by imposition of duties, as imports may continue provided, they are conducted at fair, non-dumped prices.
343. On claims regarding confidentiality, the Authority undertook thorough examination of confidentiality claims and found them to be appropriately substantiated and in conformity with applicable legal provisions. The Authority accepted confidentiality claims wherever warranted while ensuring adequate non-confidential information was available.
344. With regards to some of the interested parties submitting certain appendices of the questionnaire response as part of post-disclosure comments. The Authority hold that antidumping investigation is a time bound investigation and the DGTR has given specific time limits to the interested parties to provide relevant information. WTO jurisprudence provides guidance that time-barred responses ought not be accepted. Therefore, the Authority holds that such belated submissions can not be accepted.
345. The Authority has conducted comprehensive examination of all post-disclosure submissions and finds that the arguments raised either repeat previously considered issues or fail to provide new evidence warranting modification of the examinations done in the Disclosure Statement.
346. The procedural aspects of the investigation, including product scope determination, standing analysis, sampling methodology, PCN structure, and confidentiality treatment, were conducted in accordance with the Anti-Dumping Rules with adequate opportunities provided to all interested parties.
347. The substantive determinations regarding dumping margins, injury analysis, causation, non-attribution, and public interest are based on verified information and established legal principles.

#### **M. CONCLUSION & RECOMMENDATION**

348. After examining the submissions made by the interested parties and issues raised therein and considering the facts available on record, the Authority concludes that:
  - i. The product under consideration in the present investigation is Calcium Carbonate Filler Masterbatch having CaCO<sub>3</sub> as major constituent i.e., more than 50% in volume.
  - ii. The subject goods exported from the subject country and the article manufactured by the domestic industry are 'like article' to each other in terms of Rule 2(d) of the AD Rules, 1995.

- iii. The applicant domestic producers along with supporters satisfy the 25% test and the major proportion test. Thus, constitutes domestic industry.
- iv. Considering the normal value and export price for the subject goods, the dumping margin for the subject goods from the subject country has been determined, and the margins are positive and significant.
- v. The domestic industry has suffered material injury as a result of the dumped imports. The injury margin is significant.
- vi. Imposition of anti-dumping duty would not affect the availability of the product to the customers.

349. The Authority notes that the investigation was initiated and notified 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, causal link and impact of recommended measures. Having initiated and conducted the investigation into dumping, injury, and causal link in terms of provisions laid down under the Anti-Dumping Rules and having quantified the impact of the imposition of anti-dumping duty, the Authority is in view that imposition of anti-dumping duty is required to offset the dumping and injury. The Authority considers it necessary and recommends the imposition of an anti-dumping duty on imports of the subject goods from the subject country.

350. In view of the above, the Authority, in terms of provisions contained in Rule 17(1)(b) read with Rule 4(d) of the Rules, recommends imposition of anti-dumping duty equal to the lesser of margin of dumping and the margin of injury, so as to remove the injury to the domestic industry. The Authority accordingly recommends imposition of anti-dumping duty on the imports of the subject goods originating in or exported from China PR for a period of five years from the date of notification to be issued in this regard by the Central Government, equal to the amount indicated in Col. 7 of the duty table appended below for a period of 5 years.



**DUTY TABLE**

S. No.	Sub Heading or Tariff Item*	Description of Goods	Country of Origin	Country of Export	Producer	Amount (\$/MT)
1	2	3	4	5	6	7
1	3824 99 00	Calcium carbonate filler masterbatch	Vietnam	Any country including Vietnam	European Plastic Joint Stock Company ("EuroPlast")	31.58
2	-do-	-do-	Vietnam	Any country including Vietnam	Yen Bai European Plastic Joint Stock Company ("Yenbai")	31.58
3	-do-	-do-	Vietnam	Any country including Vietnam	Nghe An European Plastic One Member Limited Liability Company ("Nghe")	31.58
4	-do-	-do-	Vietnam	Any country including Vietnam	Polyfill joint stock company ("Polyfill") (collectively referred to as "Europlast Group")	31.58
5	-do-	-do-	Vietnam	Any country including Vietnam	ADC Plastic.,JSC	36.13
6	-do-	-do-	Vietnam	Any country	An Tien Industries	Nil



				including Vietnam	Joint Stock Company	
7	-do-	-do-	Vietnam	Any country including Vietnam	Vitaplas Joint Stock Company (Vitaplas)	39.25
8	-do-	-do-	Vietnam	Any country including Vietnam	Any	75.00
9	-do-	-do-	Any country other than Vietnam	Vietnam	Any	75.00

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

351. An appeal against the determination of the Designated Authority in this final finding shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the relevant provisions of the Act.

**Siddharth Mahajan  
(Designated Authority)**